



U.S. Department
of Transportation

Pipeline and Hazardous Materials
Safety Administration

1200 New Jersey Ave., SE
Washington, DC 20590

OCT 18 2010

Mr. Jack Fusco
President and CEO
CPN Pipeline Company
717 Texas Avenue, Suite 1000
Houston, TX 77002

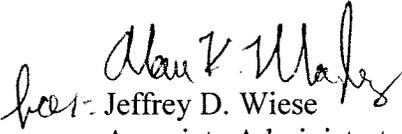
Re: CPF No. 5-2007-1011M

Dear Mr. Fusco:

Enclosed please find the Order Directing Amendment issued in the above-referenced case. It makes findings of inadequate procedures and finds that CPN Pipeline Company has addressed the inadequacies in its procedures that were cited in the Notice of Amendment. This enforcement action is now closed. Service of the Order Directing Amendment by certified mail is deemed effective upon the date of mailing, or as otherwise provided under 49 C.F.R. § 190.5.

Thank you for your cooperation in this matter.

Sincerely,


Jeffrey D. Wiese
Associate Administrator
for Pipeline Safety

Enclosure

cc: Mr. Chris Hoidal, Director, Western Region, PHMSA

Mr. Scott Vickers
Compliance Manager
CPN Pipeline Company
60 River Road
Rio Vista, CA 94571

CERTIFIED MAIL - RETURN RECEIPT REQUESTED [7005 1160 0001 0041 0299]

**U.S. DEPARTMENT OF TRANSPORTATION
PIPELINE AND HAZARDOUS MATERIALS SAFETY ADMINISTRATION
OFFICE OF PIPELINE SAFETY
WASHINGTON, D.C. 20590**

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In the Matter of)	
)	
CPN Pipeline Company,)	CPF No. 5-2007-1011M
)	
Respondent.)	
)	

ORDER DIRECTING AMENDMENT

On January 30-February 1 and February 13-14, 2007, pursuant to 49 U.S.C. § 60117, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA), Office of Pipeline Safety (OPS), conducted an on-site pipeline safety inspection of the integrity management program of CPN Pipeline Company (CPN or Respondent) in Rio Vista, California. CPN, a subsidiary of Calpine Corporation, operates approximately 250 miles of natural gas pipelines, primarily in California.

As a result of the inspection, the Director, Western Region, OPS (Director), issued to Respondent, by letter dated July 9, 2007, a Notice of Amendment (Notice). The Notice alleged inadequacies in Respondent's integrity management program and proposed, in accordance with 49 C.F.R. § 190.237, that Respondent amend its integrity management procedures.

CPN responded to the Notice by letter dated August 3, 2007. Respondent described the steps that it would take to correct the inadequacies outlined in the Notice, requested an extension of the deadline to complete the amendments, and reserved the right to a hearing.

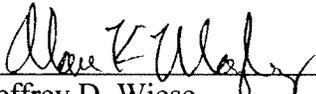
In accordance with 49 C.F.R. § 190.211, a hearing was held via telephone conference on April 10, 2008, with an attorney from the Office of Chief Counsel, PHMSA, presiding. Respondent was represented by counsel during the hearing. The hearing addressed this enforcement action as well as a second enforcement action (CPF No. 5-2007-1006) involving allegations of violation that arose from the same inspection.¹

In its Response and at the hearing, the company did not contest the allegations that its procedures were inadequate. Accordingly, based on a review of all the evidence, I find that Respondent's procedures were inadequate as described in the Notice.

¹ The second case has been resolved. See *In the Matter of CPN Pipeline Co.*, Final Order, CPF No. 5-2007-1006 (Dec. 16, 2009).

On April 22, 2008, CPN submitted copies of its amended procedures, which the Director has reviewed. Accordingly, based on the results of such review, I find that Respondent has corrected the identified inadequacies.

This action is now closed. The terms and conditions of this Order Directing Amendment are effective upon service in accordance with 49 C.F.R. § 190.5.

for:  _____
Jeffrey D. Wiese
Associate Administrator
for Pipeline Safety

OCT 18 2010

Date Issued