



U.S. Department
of Transportation

**Pipeline and
Hazardous Materials Safety
Administration**

12300 W. Dakota Ave., Suite 110
Lakewood, CO 80228

**NOTICE OF PROBABLE VIOLATION
and
PROPOSED COMPLIANCE ORDER**

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

February 13, 2007

Mr. Michael J. Finch
Director of ES & RC
DCOR LLC.
290 Maple Court, Suite 290
Ventura, CA 93003

SENT TO COMPLIANCE REGISTRY
Hardcopy Electronically
of Copies 1 / Date 2/14/07

CPF 5-2007-7001

Dear Mr. Finch:

On May 22 to 24, 2006, representatives of the Pipeline and Hazardous Materials Safety Administration (PHMSA) and California State Fire Marshal (CSFM) pursuant to Chapter 601 of 49 United States Code inspected your procedures for Integrity Management Program in Ventura, CA.

As a result of the inspection, it appears that you have committed probable violations of the Pipeline Safety Regulations, Title 49, Code of Federal Regulations. The items inspected and the probable violations are:

1. **§195.452 Pipeline integrity management in high consequence areas**
 - (f) **An operator must include, at minimum, each of the following elements in its written integrity management program:**
 - (1) **A process for identifying which pipeline segments could affect a high consequence area**

Although this inspection was principally focused on defining portions of the pipeline itself that could affect an HCA, an operator is also required to identify which facilities could affect an HCA in the event of a failure. DCOR owns and operates a pump station at Fort Apache in Huntington Beach Ca located in a HCA and failed to include in your IMP.

Proposed Compliance Order

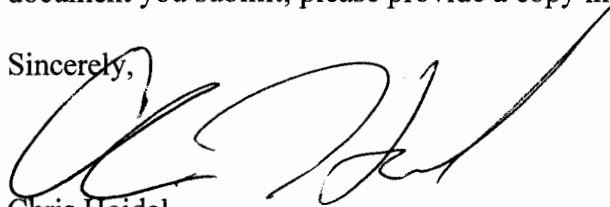
Pursuant to 49 United States Code § 60118, the Pipeline and Hazardous Materials Safety Administration proposes to issue a Compliance Order to DCOR LLC. Please refer to the *Proposed Compliance Order* that is enclosed and made a part of this Notice.

Response to this Notice

Enclosed as part of this Notice is a document entitled *Response Options for Pipeline Operators in Compliance Proceedings*. Please refer to this document and note the response options. If you do not respond within 30 days of receipt of this Notice, this constitutes a waiver of your right to contest the allegations in this Notice and authorizes the Associate Administrator for Pipeline Safety to find facts as alleged in this Notice without further notice to you and to issue a Final Order.

In your correspondence on this matter, please refer to **CPF 5-2007-7001** and for each document you submit, please provide a copy in electronic format whenever possible.

Sincerely,



Chris Hoidal
Director, Western Region
Pipeline and Hazardous Materials Safety Administration

Enclosures: *Proposed Compliance Order*
Response Options for Pipeline Operators in Compliance Proceedings

cc: PHP-60 Compliance Registry
PHP-500 H. Monfared (#117394)

PROPOSED COMPLIANCE ORDER

Pursuant to 49 United States Code § 60118, the Pipeline and Hazardous Materials Safety Administration (PHMSA) proposes to issue to DCOR LLC a Compliance Order incorporating the following remedial requirements to ensure the compliance of DCOR LLC with the pipeline safety regulations:

1. In regard to Item Number 1 of the Notice pertaining to which pipeline segment could affect a High Consequence Area. DCOR LLC must include in its IMP the pump station at Fort Apache in Huntington, CA as a could affect facility.
2. Within 60 days of issuance of the Final Order, DCOR must complete the above items, and submit the required documentation and procedures to the Director, Western Region, Pipeline and Hazardous Materials Safety Administration, 12300 West Dakota Avenue, Suite 110, Lakewood, Colorado 80228.

Please refer to **CPF No. 5-2007-7001** on all correspondence.