



U.S. Department
of Transportation

**Pipeline and
Hazardous Materials Safety
Administration**

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

NOTICE OF AMENDMENT

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

June 6, 2008

Mr. Greg Jans
Plant Manager
Midway Sunset Cogeneration Company
P.O. Box 457
3466 W Crocker Springs Road
Fellows, CA 93224

CPF 5-2008-0014M

Dear Mr. Jans:

From February 19 to 21, 2008, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA), pursuant to Chapter 601 of 49 United States Code, inspected your pipeline system operations and maintenance procedures and records, and conducted a field inspection of your pipeline facilities in Fellows, California.

As a result of the inspection, PHMSA has identified the apparent inadequacies found within Midway Sunset Cogeneration Company plans or procedures, as described below:

1. **§192.605 Procedural manual for operations, maintenance, and emergencies.**
 - (b) Maintenance and normal operations. The manual required by paragraph (a) of this section must include procedures for the following, if applicable, to provide safety during maintenance and operations.**
 - (8) Periodically reviewing the work done by operator personnel to determine the effectiveness, and adequacy of the procedures used in normal operation and maintenance and modifying the procedures when deficiencies are found.**

The Midway Sunset Cogeneration Company procedural manual did not specify the requirement to modify their procedures when deficiencies are found.

2. § 192.703 General.

(b) Each segment of pipeline that becomes unsafe must be replaced, repaired, or removed from service.

The Midway Sunset Cogeneration Company procedural manual did not specify the criteria for determining which pipe must be replaced or removed from service. It is noted however, that pipeline repair procedures were specified in the manual.

3. § 192.709 Transmission lines: Record keeping.

Each operator shall maintain the following records for transmission lines for the periods specified:

(a) The date, location, and description of each repair made to pipe (including pipe-to-pipe connections) must be retained for as long as the pipe remains in service.

c) A record of each patrol, survey, inspection, and test required by subparts L and M of this part must be retained for at least 5 years or until the next patrol, survey, inspection, or test is completed, whichever is longer.

The Midway Sunset Cogeneration Company procedural manual did not specify that repair records must be retained as long as the pipe remains in service. In addition, the retention time for patrols, surveys, and other required inspections or tests was not specified.

4. § 192.231 Protection from weather.

The welding operation must be protected from weather conditions that would impair the quality of the completed weld.

The Midway Sunset Cogeneration Company procedural manual did not mandate that welding operations be protected from adverse weather.

5. § 192.233 Miter joints.

(a) A miter joint on steel pipe to be operated at a pressure that produces a hoop stress of 30 percent or more of SMYS may not deflect the pipe more than 3°.

(b) A miter joint on steel pipe to be operated at a pressure that produces a hoop stress of less than 30 percent, but more than 10 percent, of SMYS may not deflect the pipe more than 12 1/2° and must be a distance equal to one pipe diameter or more away from any other miter joint, as measured from the crotch of each joint.

(c) A miter joint on steel pipe to be operated at a pressure that produces a hoop stress of 10 percent or less of SMYS may not deflect the pipe more than 90°.

The Midway Sunset Cogeneration Company procedural manual did not explicitly preclude the use of miter joint welds.

6 **§ 192.235 Preparation for welding.**

Before beginning any welding, the welding surfaces must be clean and free of any material that may be detrimental to the weld, and the pipe or component must be aligned to provide the most favorable condition for depositing the root bead. This alignment must be preserved while the root bead is being deposited.

The Midway Sunset Cogeneration Company procedural manual did not specify how to align and prepare pipe materials for welding.

7. **§ 192.241 Inspection and test of welds.**

(a) Visual inspection of welding must be conducted by an individual qualified by appropriate training and experience to ensure that:

(1) The welding is performed in accordance with the welding procedure; and

(2) The weld is acceptable under paragraph (c) of this section.

The Midway Sunset Cogeneration Company procedural manual did not specify that a qualified individual must perform and document visual inspection of all welding.

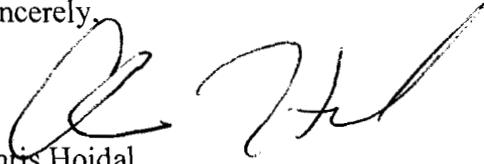
Response to this Notice

This Notice is provided pursuant to 49 U.S.C. § 60108(a) and 49 C.F.R. § 190.237. 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. Be advised that all material you submit in response to this enforcement action is subject to being made publicly available. If you believe that any portion of your responsive material qualifies for confidential treatment under 5 U.S.C. 552(b), along with the complete original document you must provide a second copy of the document with the portions you believe qualify for confidential treatment redacted and an explanation of why you believe the redacted information qualifies for confidential treatment under 5 U.S.C. 552(b). 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.

If, after opportunity for a hearing, your plans or procedures are found inadequate as alleged in this Notice, you may be ordered to amend your plans or procedures to correct the inadequacies (49 C.F.R. § 190.237). If you are not contesting this Notice, we propose that you submit your amended procedures to my office within 30 days of receipt of this Notice. This period may be extended by written request for good cause. Once the inadequacies identified herein have been addressed in your amended procedures, this enforcement action will be closed.

In correspondence concerning this matter, please refer to **CPF 5-2008-0014M** and, for each document you submit, please provide a copy in electronic format whenever possible.

Sincerely,

A handwritten signature in black ink, appearing to read 'C. Hoidal', written over a light blue horizontal line.

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

cc: PHP-60 Compliance Registry
PHP-500 P. Nguyen (Activity #121138)

Enclosure: *Response Options for Pipeline Operators in Compliance Proceedings*