WARNING LETTER

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

September 22, 2009

Mr. Bill Skinner
City Manager
City of Coalinga
155 West Durian
Coalinga, CA 93210

Dear Mr. Skinner:

On March 16 to 20, 2009, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA), pursuant to Chapter 601 of 49 United States Code, inspected your municipal gas distribution pipeline facilities and supporting records in the State of California.

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

1. §192.465 External corrosion control: Monitoring.
   (d) Each operator shall take prompt remedial action to correct any deficiencies indicated by the monitoring.

Records of the 2008 Annual Pipe-to-Soil Survey that was conducted by a contractor on behalf of the City of Coalinga, Department of Public Works, shows that of the 157 test stations tested, 50 were below the mandatory minimum requirement of -0.850 mvdc; of these 50 readings, 10 were below -0.500 mvdc; and, six (6) were below -0.300 mvdc. However, the City of Coalinga did not take timely remedial actions to investigate and correct any deficiencies of their Cathodic Protection (CP) program. Therefore, the City of Coalinga failed to take prompt remedial action as required by §192.465.
Under 49 United States Code, § 60122, you are subject to a civil penalty not to exceed $100,000 for each violation for each day the violation persists up to a maximum of $1,000,000 for any related series of violations. We have reviewed the circumstances and supporting documents involved in this case, and have decided not to conduct additional enforcement action or penalty assessment proceedings at this time. We advise you to correct the item(s) identified in this letter. Failure to do so will result in the City of Coalinga being subject to additional enforcement action.

No reply to this letter is required. If you choose to reply, in your correspondence please refer to CPF 5-2009-0023W. 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).

Sincerely,

[Signature]

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

cc: PHP-60 Compliance Registry
PHP-500 J. Kenerson (#123898)