

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

**CERTIFIED MAIL - RETURN RECEIPT REQUESTED**

March 2, 2010

Mr. David A. Marques  
Vice President  
Scholl Canyon Landfill Gas, Ltd.  
613 E. Pike  
Seattle, WA 98122

**CPF 5-2010-0009**

Dear Mr. Marques:

On August 14, 2008, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA), pursuant to Chapter 601 of 49 United States Code, inspected your landfill gas pipeline system in Glendale, California.

We understand that Scholl Canyon Landfill Gas, Ltd. (Scholl Canyon) operates a pipeline from the landfill to the power plant. This pipeline consists of a suction line from the landfill to a compressor station, a compressor station, and a 5.5-mile long 14-inch PE pipeline that originates at the compressor station and terminates at a large volume customer (power plant). The suction line is exempt under §192.1(b)(4)(i) as an onshore gas gathering line that operates at less than 0 psig. However, the definition of a transmission line under §192.3 does apply and as a result the compressor station and the 5.5-mile long, 14-inch PE pipeline are subject to the requirements of the Federal Safety Standards.

As a result of our inspection, it appears that you have committed probable violations of the Pipeline Safety Regulations, Title 49, Code of Federal Regulations, Part 192. The probable violations are:

**1. §192.13 What general requirements apply to pipelines regulated under this part?**

**(a) No person may operate a segment of pipeline that is readied for service listed in the first column that is readied for service after the date in the second column, unless:**

**(1) The pipeline has been designed, installed, constructed; initially inspected, and initially tested in accordance with this part; or**

<b>Pipeline</b>	<b>Date</b>
<b>Offshore gathering line</b>	<b>July 31, 1977</b>
<b>Regulated onshore gathering line to which this part did not apply until April 14, 2006</b>	<b>March 15 2007</b>
<b>All other pipelines</b>	<b>March 12, 1971</b>

**and,**

**(b) No person may operate a segment of pipeline listed in the first column that is replaced, relocated, or otherwise changed after the date in the second column, unless that replacement, relocation, or change has been made in accordance with this part.**

<b>Pipeline</b>	<b>Date</b>
<b>Offshore gathering line.</b>	<b>July 31, 1977.</b>
<b>Regulated onshore gathering line to which this part did not apply until April 14, 2006.</b>	<b>March 15 2007.</b>
<b>All other pipelines.</b>	<b>November 12, 1970.</b>

**and,**

**(c) Each operator shall maintain, modify as appropriate, and follow the plans, procedures, and programs that it is required to establish under this part.**

At the time of the inspection, Scholl Canyon did not have the required written plans, procedures, and programs to operate their 5.5-mile long transmission pipeline. That pipeline was built in 1994 and must comply with Federal Pipeline Safety Regulations.

**2. §199.1 Scope (Drug and Alcohol Testing)**

**This part requires operators of pipeline facilities subject to Part 192, 193, or 195 of this Chapter to test covered employees for the presence of prohibited drugs and alcohol.**

At the time of the inspection, Scholl Canyon did not have written Anti-drug Plan or Alcohol Misuse Prevention Program. It appears that Scholl Canyon has not tested employees or contractors as required by Part 199.

### Proposed Compliance Order

With respect to items 1 and 2, pursuant to 49 United States Code § 60118, the Pipeline and Hazardous Materials Safety Administration proposes to issue a Compliance Order to Scholl Canyon. Please refer to the *Proposed Compliance Order*, which 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. 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.

In your correspondence on this matter, please refer to **CPF 5-2010-0009** 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 Option for Pipeline Operators in Compliance Proceedings*

cc: PHP-60 Compliance Registry  
PHP-500 P. Nguyen (#122102)

## **PROPOSED COMPLIANCE ORDER**

Pursuant to 49 United States Code, §60118, the Pipeline and Hazardous Materials Safety Administration (PHMSA) proposes to issue to Scholl Canyon Landfill Gas, Ltd. (Scholl Canyon) a Compliance Order incorporating the following requirements to assure the compliance of Scholl Canyon Landfill Gas, Ltd. with the pipeline safety regulations.

1. In regard to §192.13(c) of Item Number 1 of the Notice, Scholl Canyon must prepare and implement the required plans, procedures, and programs.
2. In regard to Item Number 2 of the Notice, Scholl Canyon must prepare and implement an Anti-drug Plan and Alcohol Misuse Prevention Program in accordance with the requirements of 49 CFR Part 199.
3. Scholl Canyon shall maintain documentation of the safety improvement cost associated with fulfilling this Compliance Order and submit the total cost to Chris Hoidal, Director, Western Region, Pipeline and Hazardous Materials Safety Administration.
4. The inspection required by Item 1 above must be completed within 120 days of issuance of the Final Order. The plans, procedures, and programs required by Items 2, 3 and 4 and associated costs to develop them must be submitted within 120 days of issuance of the Final Order.