



U.S. Department
of Transportation

Pipeline and Hazardous Materials
Safety Administration

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

NOTICE OF AMENDMENT

VIA UPS GROUND: 1Z WR2 588 03 9099 0368

August 25, 2011

Mr. Richard Cathriner
Director of Operations
Norgasco, Inc.
4341 B Street
Suite 306
Anchorage, Alaska 99503

CPF 5-2011-1005M

Dear Mr. Cathriner:

On August 11, 2011, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA), pursuant to Chapter 601 of 49 United States Code, inspected Norgasco, Inc.'s (Norgasco) procedures for Public Awareness Program in Anchorage, Alaska.

On the basis of the inspection, PHMSA has identified the apparent inadequacies found within Norgasco's plans or procedures, as described below:

1. **§192.616 Public Awareness**
(b) The operator's program must follow the general program recommendations of API RP 1162 and assess the unique attributes and characteristics of the operator's pipeline and facilities.

Norgasco's program did not list areas where gas is not odorized. Norgasco must include in their Public Awareness message, locations where the gas is not odorized and where it is odorized.

2. **§192.616 Public Awareness**
(d) The operator's program must specifically include provisions to educate the public, appropriate government organizations, and persons engaged in

excavation related activities on:

(2) Possible hazards associated with unintended releases from a gas pipeline facility;

Norgasco's program does not include information on the hazards associated with unintended release of natural gas. Norgasco's program must include information on the possible hazards of releases of natural gas.

3. §192.616 Public Awareness

(d) The operator's program must specifically include provisions to educate the public, appropriate government organizations, and persons engaged in excavation related activities on:

(3) Physical indications that such a release may have occurred

Norgasco's program does not include information on the physical indications of a release of natural gas. Norgasco's program must include information on the physical indications of a natural gas pipeline release.

4. §192.616 Public Awareness

(d) The operator's program must specifically include provisions to educate the public, appropriate government organizations, and persons engaged in excavation related activities on:

(4) Steps that should be taken for public safety in the event of a gas pipeline release

Norgasco's program does not include information on what steps should be taken for public safety in the event of a gas pipeline release. Norgasco's program must include information on what steps should be taken for public safety in the event of a gas pipeline release.

5. §192.616 Public Awareness

(c) The operator must follow the general program recommendations, including baseline and supplemental requirements of API RP 1162, unless the operator provides justification in its program or procedural manual as to why compliance with all or certain provisions of the recommended practice is not practicable and not necessary for safety.

Norgasco failed to document their annual program evaluation and the changes made to the program as a result of the evaluation. Norgasco must document the evaluation of their program in accordance with API RP 1162.

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 90 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.

It is requested (not mandated) that Norgasco, Inc. maintain documentation of the safety improvement costs associated with fulfilling this Notice of Amendment (preparation/revision of plans, procedures) and submit the total to Dennis Hinnah, Deputy Director, Western Region, Pipeline and Hazardous Materials Safety Administration. In correspondence concerning this matter, please send all documents to our office at 188 W. Northern Lights Blvd., Suite 520, Anchorage, AK 99503, referring to **CPF 5-2011-1005M** and, for each document you submit, please provide a copy in electronic format whenever possible.

Sincerely,



Dennis Hinnah
Deputy Director, Western Region
Pipeline and Hazardous Materials Safety Administration

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

cc: PHP-60 Compliance Registry
PHP-500 B. Flanders (#135534)