

**February 23, 2015**

Mr. Charles Sakeagak  
Director  
North Slope Borough Public Works  
P.O. Box 350  
Barrow, AK 99723

**Re: CPF No. 5-2013-0011**

Dear Mr. Sakeagak:

Enclosed please find the Final Order issued in the above-referenced case. It makes a finding of violation and finds that North Slope Borough Public Works has completed the actions specified in the Notice to comply with the pipeline safety regulations. Therefore, this case is now closed. Service of the Final Order by certified mail is deemed effective upon the date of mailing, or as otherwise provided under 49 C.F.R. § 190.5.

Thank you for your cooperation in this matter.

Sincerely,

Jeffrey D. Wiese  
Associate Administrator  
for Pipeline Safety

Enclosure

cc: Mr. Chris Hoidal, Director, Western Region, OPS

**CERTIFIED MAIL - RETURN RECEIPT REQUESTED**

**U.S. DEPARTMENT OF TRANSPORTATION  
PIPELINE AND HAZARDOUS MATERIALS SAFETY ADMINISTRATION  
OFFICE OF PIPELINE SAFETY  
WASHINGTON, D.C. 20590**

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<b>In the Matter of</b>	)	
	)	
<b>North Slope Borough Public Works,</b>	)	<b>CPF No. 5-2013-0011</b>
	)	
<b>Respondent.</b>	)	
	)	

**FINAL ORDER**

On April 16-20, 2012, pursuant to 49 U.S.C. § 60117, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA), Office of Pipeline Safety (OPS), conducted an on-site pipeline safety inspection of the Integrity Management (IM) program of North Slope Borough Public Works (NSB or Respondent) in Barrow, Alaska. NSB’s system includes a 6-inch diameter natural gas pipeline running approximately 6 miles from the South Barrow gas fields to the electrical generating plant in Barrow, and a 4-inch diameter lateral running to a master meter facility.<sup>1</sup>

As a result of the inspection, the Director, Western Region, OPS (Director), issued to Respondent, by letter dated December 20, 2013, a Notice of Probable Violation and Proposed Compliance Order (Notice). In accordance with 49 C.F.R. § 190.207, the Notice proposed finding that NSB had violated 49 C.F.R. § 192.937(a) and proposed ordering Respondent to take certain measures to correct the alleged violation.

NSB responded to the Notice by letter dated February 10, 2014, as supplemented by correspondence dated October 13, 2014 (Response). NSB did not contest the allegation of violation but provided information concerning the corrective actions it had taken. Respondent did not request a hearing and therefore has waived its right to one.

**FINDING OF VIOLATION**

In its Response, NSB did not contest the allegation in the Notice that it violated 49 C.F.R. Part 192, as follows:

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<sup>1</sup> Pipeline Safety Violation Report, (Dec. 20, 2013) (on file with PHMSA), at 1.

**Item 1:** The Notice alleged that Respondent violated 49 C.F.R. § 192.937(a), which states:

**§ 192.937 What is a continual process of evaluation and assessment to maintain a pipeline's integrity?**

(a) General. After completing the baseline integrity assessment of a covered segment, an operator must continue to assess the line pipe of that segment at the intervals specified in §192.939 and periodically evaluate the integrity of each covered pipeline segment as provided in paragraph (b) of this section. An operator must reassess a covered segment on which a prior assessment is credited as a baseline under §192.921(e) by no later than December 17, 2009. An operator must reassess a covered segment on which a baseline assessment is conducted during the baseline period specified in §192.921(d) by no later than seven years after the baseline assessment of that covered segment unless the evaluation under paragraph (b) of this section indicates earlier reassessment.

The Notice alleged that Respondent violated 49 C.F.R. § 192.937(a) by failing to implement a continual process of evaluation and assessment to maintain a pipeline's integrity. Specifically, the Notice alleged that NSB failed to conduct a reassessment on its 6-inch pipeline by the required 7-year interval; failed to address potential internal and external corrosion threats and conduct leakage surveys; failed to conduct required gas and fluid analyses; and failed to integrate operating records and various data from testing and analysis to identify and implement appropriate remedial measures.

Respondent did not contest this allegation of violation. Accordingly, based upon a review of all of the evidence, I find that Respondent violated 49 C.F.R. § 192.937(a) by failing to implement a continual process of evaluation and assessment to maintain a pipeline's integrity.

This finding of violation will be considered a prior offense in any subsequent enforcement action taken against Respondent.

**COMPLIANCE ORDER**

The Notice proposed a compliance order with respect to Item 1 in the Notice for violation of 49 C.F.R. § 192.937(a). Under 49 U.S.C. § 60118(a), each person who engages in the transportation of gas or who owns or operates a pipeline facility is required to comply with the applicable safety standards established under chapter 601. The Director indicates that Respondent has taken the following actions specified in the proposed compliance order:

1. With respect to the violation of § 192.937(a) (**Item 1**), Respondent provided documentation showing that it has completed an integrity assessment of the 6-inch pipeline in a manner that addressed potential internal and external corrosion threats, included leakage surveys, gas and fluid analyses, the integration of operating records and various data from testing and analysis to identify and implement appropriate remedial measures.

Accordingly, I find that compliance has been achieved with respect to this violation. Therefore, the compliance terms proposed in the Notice are not included in this Order.

The terms and conditions of this Final Order are effective upon service in accordance with 49 C.F.R. § 190.5.

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Jeffrey D. Wiese  
Associate Administrator  
for Pipeline Safety

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Date Issued