



U.S. Department  
of Transportation

Pipeline and Hazardous Materials  
Safety Administration

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

## WARNING LETTER

### CERTIFIED MAIL - RETURN RECEIPT REQUESTED

December 23, 2015

The Honorable Charlotte E. Brower  
Mayor of North Slope Borough  
North Slope Borough Energy Management  
Nuiqsut Utilities Cooperative  
P.O. Box 69  
Barrow, Alaska 99723

CPF 5-2015-0018W

Dear Mayor Brower:

Between August 26, 2015 and September 17, 2015, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA), pursuant to Chapter 601 of 49 United States Code, inspected the Nuiqsut Utilities Cooperative Natural Gas Distribution System in Nuiqsut, Alaska.

As a result of the inspection, it appears that the North Slope Borough Energy Management has committed probable violations of the Pipeline Safety Regulations, Title 49 Code of Federal Regulations. The items inspected and the probable violations are:

**1. §192.283 Plastic pipe: Qualifying joining procedures.**

**(a) Heat fusion, solvent cement, and adhesive joints. Before any written procedure established under § 192.273(b) is used for making plastic pipe joints by a heat fusion, solvent cement, or adhesive method, the procedure must be qualified by subjecting specimen joints made according to the procedure to the following tests:**

**(1) The burst test requirements of—**

**(i) In the case of thermoplastic pipe, paragraph 6.6 (Sustained Pressure Test) or paragraph 6.7 (Minimum Hydrostatic Burst Test) of ASTM D2513-99 for plastic materials other than polyethylene or ASTM D2513-09a (incorporated by reference, see §192.7) for polyethylene plastic materials.**

North Slope Borough Energy Management (NSBEM) failed to comply with §192.283(a)(1)(i) for qualifying joining procedures. At the time of the inspection, NSBEM had not qualified its plastic pipe joining procedures. In addition, NSBEM did not have any record of a Sustained Pressure Test or Minimum Hydrostatic Burst Test or Sustained Static Pressure Test to qualify plastic pipe joining procedures.

**2. §192.467 External corrosion control: Electrical isolation.**

**(a) Each buried or submerged pipeline must be electrically isolated from other underground metallic structures, unless the pipeline and the other structures are electrically interconnected and cathodically protected as a single unit.**

NSBEM failed to monitor the electrical isolation as required by §192.467(a). At the time of the inspection, it was noted that the union had not been replaced with a dielectric union. In addition, the records of the Taku Cathodic Protection Survey in June 2012 found no electrical isolation at building 401, the police station.

**3. §192.603 General provisions.**

**(b) Each operator shall keep records necessary to administer the procedures established under §192.605.**

NSBEM could not provide documentation that the procedures established under §192.605 required by §192.603(b) were reviewed in accordance with §192.605(b)(8). At the time of the inspection, NSBEM had not periodically reviewed and did not have records showing work done by its personnel to determine the effectiveness of the procedures used in normal operation and maintenance. Furthermore, NSBEM has not taken corrective action where deficiencies were found.

**4. §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.**

NSBEM failed to follow the general program recommendations as required by §192.616(c). At the time of the inspection, it was noted that the Public Awareness program did not include

other languages commonly understood by a significant number and concentration of the non-English speaking population in the operator's area as required by §192.616(g), i.e. the Inupiat language is commonly understood in the Nuiqsut Village. Meanwhile, the Public Awareness message that was available was printed in English only.

**5. §192.625 Odorization of gas.**

**(e) Equipment for odorization must introduce the odorant without wide variations in the level of odorant.**

NSBEM failed to ensure the equipment for odorization must introduce the odorant without wide variations as required by §192.625(e). At the time of the inspection, NSBEM discovered the cracked or disconnected siphon tubes were stopping the odorant from being supplied to the YZ odorant injector pump. In addition, the records show no detectable odor in the natural gas between November 2012 and March 2013 for the monthly sniff tests.

**6. §192.625 Odorization of gas.**

**(f) To assure the proper concentration of odorant in accordance with this section, each operator must conduct periodic sampling of combustible gases using an instrument capable of determining the percentage of gas in air at which the odor becomes readily detectable.**

NSBEM failed to assure the proper concentration of odorant as required by §192.625(f). NSBEM was unable to assure the proper concentration of odorant in its natural gas during sampling. In addition, the records for the sniff test did not record the percent of gas in air when the odorant could be detected.

**7. §192.707 Line markers for mains and transmission lines.**

**(c) Pipelines aboveground. Line markers must be placed and maintained along each section of a main and transmission line that is located aboveground in an area accessible to the public.**

NSBEM failed to maintain adequate line markers as required by §192.707(c). At the time of the inspection, NSBEM did not have line markers above ground accessible to the public. No line markers were placed along and above ground pipeline in an area accessible to the public. In addition, the above ground valve station number 7 was unmarked.

Under 49 United States Code, § 60122, you are subject to a civil penalty not to exceed \$200,000 per violation per day the violation persists up to a maximum of \$2,000,000 for a related series of violations. For violations occurring prior to January 4, 2012, the maximum penalty may not exceed \$100,000 per violation per day, with a maximum penalty not to

exceed \$1,000,000 for a 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 items identified in this letter. Failure to do so will result in North Slope Borough Energy Management 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 5-2015-0018W** and for each document you submit, please provide a copy in electronic format to [PHP-WRADMIN@dot.gov](mailto:PHP-WRADMIN@dot.gov) whenever possible. 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,



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

cc: PHP-60 Compliance Registry  
PHP-500 D. Hassell (#150748)