



U.S. Department
of Transportation

Pipeline and Hazardous Materials
Safety Administration

1200 New Jersey Avenue SE
Washington DC 20590

JUN 15 2018

Mr. Dan Newton
Public Works Director
City of Susanville
720 South Street
Susanville, CA 96130

Re: CPF No. 5-2016-0008

Dear Mr. Newton:

Enclosed please find the Final Order issued in the above-referenced case. It makes findings of violation and finds that the City of Susanville 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 effective upon the date of mailing, as provided under 49 C.F.R. § 190.5.

Thank you for your cooperation in this matter.

Sincerely,

Alan K. Mayberry
Associate Administrator
for Pipeline Safety

Enclosure

cc: Director, Western Region, Office of Pipeline Safety, PHMSA
Mr. Dale Moore, Gas Utilities Supervisor, City of Susanville

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

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

_____))
In the Matter of))
))
City of Susanville, California,))
a municipal corporation,))
))
Respondent.))
_____)

CPF No. 5-2016-0008

FINAL ORDER

From December 15 through 17, 2015, pursuant to 49 U.S.C. § 60117, representatives of the Pipeline and Hazardous Materials Safety Administration (PHMSA), Office of Pipeline Safety (OPS), conducted an on-site pipeline safety inspection of the facilities and records of City of Susanville's (Susanville or Respondent) gas distribution system in Susanville, California. Susanville's Gas Distribution System is 50 miles long with 2,932 services.¹

As a result of the inspection, the Director, Western Region, OPS (Director), issued to Respondent, by letter dated July 5, 2016, a Notice of Probable Violation and Proposed Compliance Order (Notice), which also included warnings pursuant to 49 C.F.R. § 190.205. In accordance with 49 C.F.R. § 190.207, the Notice proposed finding that Susanville had committed two violations of 49 C.F.R. Part 192 and proposed ordering Respondent to take certain measures to correct the alleged violations. The warning items required no further action, but warned the operator to correct the probable violations or face possible future enforcement action.

After requesting and receiving an extension of time to respond, Susanville partially responded to the Notice by letter dated April 11, 2017. After receiving a second extension of time to respond, Susanville replied to the Notice by letter dated October 16, 2017 (Response). The company did not contest the allegations 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.

FINDINGS OF VIOLATION

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

¹ Pipeline Safety Violation Report (Violation Report), (July 6, 2016), (on file with PHMSA), at 1.

Item 1: The Notice alleged that Respondent violated 49 C.F.R. § 192.611(d), which states:

§ 192.611 Change in class location: Confirmation or revision of maximum allowable operating pressure.

(a) . . .

(d) Confirmation or revision of the maximum allowable operating pressure that is required as a result of a study under § 192.609 must be completed within 24 months of the change in class location. Pressure reduction under paragraph (a)(1) or (2) of this section within the 24-month period does not preclude establishing a maximum allowable operating pressure under paragraph (a)(3) of this section at a later date.

The Notice alleged that Respondent violated 49 C.F.R. § 192.611(d) by failing to confirm or revise, within 24 months of the change in class locations, the maximum allowable operating pressure (MAOP) required as a result of a study under § 192.609.² Specifically, the Notice alleged that the Susanville Operations and Maintenance (O&M) Plan does not require confirmation or revision of the MAOP that is required as a result of a study under § 192.609. This confirmation or revision of the MAOP must be completed within 24 months of the change in class locations. Section B-14 of the Susanville O&M Plan does not state the MAOP will be confirmed or revised within such time.

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. § 192.611(d) by failing to confirm or revise, within 24 months of the change in class locations, the MAOP required as a result of a study under § 192.609.

Item 2: The Notice alleged that Respondent violated 49 C.F.R. § 192.805, which states:

§ 192.805 Qualification program.

Each operator shall have and follow a written qualification program. . . .

The Notice alleged that Respondent violated 49 C.F.R. § 192.805 by failing to follow a written qualification program. Specifically, the Notice alleged that Susanville contracted with Sunrise Engineering (Sunrise) in 2001 to develop the City of Susanville Operator Qualification (OQ) program and to provide training. Subsequently, Susanville terminated the contract with Sunrise and began training staff in-house, using the O&M Plan procedures, supplemented with original equipment manufacturers' recommended maintenance procedures and contractor personnel. When Susanville terminated the contract with Sunrise, Susanville lost access to all of the Sunrise OQ training and evaluation materials, OQ Covered Task List documentation and the reevaluation internal information. Therefore, Susanville did not have and was not able to follow a written qualification program.

² Under 49 C.F.R. § 192.609, whenever a gas pipeline operator has reason to believe that an increase in population density in the vicinity of its pipeline indicates a possible change in class location, then the operator must conduct a study to determine whether the MAOP of the line needs to be revised.

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. § 192.805 by failing to follow a written qualification program.

These findings of violation will be considered prior offenses in any subsequent enforcement action taken against Respondent.

COMPLIANCE ORDER

The Notice proposed a compliance order with respect to Items 1 and 2 in the Notice for violations of 49 C.F.R. §§ 192.611 and 192.805, respectively. 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 indicated that Respondent has taken the following actions specified in the proposed compliance order:

1. With respect to the violation of § 192.611(d) (**Item 1**), Respondent has amended the Susanville O&M Plan to include procedures that require confirmation or revision of the MAOP of its pipeline system within 24 months of the change in class location.
2. With respect to the violation of § 192.805 (**Item 2**), Respondent has written and implemented a new written qualification program.

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

WARNING ITEMS

With respect to Items 3, 4, and 5, the Notice alleged probable violations of Parts 191 and 192 but did not propose a civil penalty or compliance order for these items. Therefore, these are considered to be warning items. The warnings were for:

49 C.F.R. § 192.63(a) (**Item 3**) — Respondent's alleged failure to include in its O&M Plan procedures requiring that materials be marked in accordance with § 192.63;

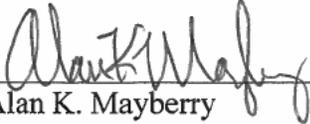
49 C.F.R. § 192.615 (**Item 4**) — Respondent's alleged failure to include in its O&M Plan procedures to review employee activities following an emergency, to determine whether the emergency procedures were effectively followed; and

49 C.F.R. § 191.22(c) (**Item 5**) — Respondent's alleged failure to include in its O&M Plan procedures to notify PHMSA of the events described in § 192.22(c).

Susanville presented information in its Response showing that it had taken certain actions to address the cited items. Pursuant to § 192.205, PHMSA does not adjudicate warning items to

determine if a violation occurred. If OPS finds a violation of any of these items in a subsequent inspection, Respondent may be subject to future enforcement action.

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



Alan K. Mayberry
Associate Administrator
for Pipeline Safety

JUN 15 2018

Date Issued