

August 24, 2017

Mr. Peter Preciado  
Public Works and Utilities Director  
City of Coalinga  
155 West Durian Avenue  
Coalinga, CA 93210

**Re: CPF No. 5-2016-0014**

Dear Mr. Preciado:

Enclosed please find the Final Order issued in the above-referenced case. It makes a finding of violation and finds that the City of Coalinga 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

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 Coalinga, California,	)	CPF No. 5-2016-0014
a municipal corporation,	)	
	)	
Respondent.	)	
	)	

**FINAL ORDER**

From November 16 to 19, 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 the City of Coalinga (City or Respondent) in Coalinga, California. The City operates its own natural gas distribution system.

As a result of the inspection, the Director, Western Region, OPS (Director), issued to Respondent, by letter dated August 31, 2016, a Notice of Probable Violation and Proposed Compliance Order (Notice). In accordance with 49 C.F.R. § 190.207, the Notice proposed finding that the City had violated 49 C.F.R. § 192.463 and proposed ordering Respondent to take certain measures to correct the alleged violations.<sup>1</sup>

After requesting and receiving an extension of time to respond, the City responded to the Notice by letter dated January 30, 2017 (Response). The City did not contest the allegation of violation and provided information concerning the corrective actions it had taken, including copies of its revised procedures. In May 2017, a PHMSA representative conducted a subsequent on-site inspection of the City’s facilities and records in Coalinga. The subsequent inspection verified that the revised procedures had been implemented by April 3, 2017. Respondent did not request a hearing and therefore has waived its right to one.

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<sup>1</sup> The Notice was issued in conjunction with a separate Notice of Amendment (CPF No. 5-2016-0013M). An Order Directing Amendment in that case was issued separately on May 31, 2017.

### **FINDING OF VIOLATION**

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

**Item 1:** The Notice alleged that Respondent violated 49 C.F.R. § 192.463(a), which states:

**§ 192.463 External corrosion control: Cathodic protection.**

(a) Each cathodic protection system required by this subpart must provide a level of cathodic protection that complies with one or more of the applicable criteria contained in appendix D of this part. If none of these criteria is applicable, the cathodic protection system must provide a level of cathodic protection at least equal to that provided by compliance with one or more of these criteria.

49 C.F.R. Part 192, Appendix D, provides, in relevant part:

**APPENDIX D TO PART 192—CRITERIA FOR CATHODIC PROTECTION AND DETERMINATION OF MEASUREMENTS**

*I. Criteria for cathodic protection— A. Steel, cast iron, and ductile iron structures.*

(1) A negative (cathodic) voltage of at least 0.85 volt, with reference to a saturated copper-copper sulfate half cell. Determination of this voltage must be made with the protective current applied, and in accordance with sections II and IV of this appendix. . . .

*II. Interpretation of voltage measurement.* Voltage (IR) drops other than those across the structure-electrolyte boundary must be considered for valid interpretation of the voltage measurement in paragraphs A(1) and (2) and paragraph B(1) of section I of this appendix.

The Notice alleged that Respondent violated 49 C.F.R. § 192.463(a) by failing to maintain adequate cathodic protection (CP) of its pipeline system. Specifically, the Notice alleged that the City did not have an adequate process for monitoring its CP system to ensure adequate protection. The monitoring criteria used by the City to monitor its CP system did not consider IR drops for pipe-to-soil readings, as required by 49 C.F.R. Appendix D, section II. Under 49 C.F.R. Part 192, Appendix D, section I(A)(1), the City was required to use monitoring criteria to determine the negative (cathodic) voltage of at least 0.85 volt and to consider IR drop for pipe-to-soil readings. 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. § 192.463(a) by failing to maintain adequate CP of its pipeline system.

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 a violation of 49 C.F.R. § 192.463(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 § 192.463(a) (**Item 1**), Respondent has amended the City's Operations and Maintenance (O&M) Manual to consider voltage (IR) drops for valid interpretation of the voltage measurement of pipe-to-soil readings.
2. With respect to the violation of § 192.463(a) (**Item 1**), Respondent has written and implemented a process or procedure for considering voltage (IR) drop for pipe-to-soil readings.

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.

August 24, 2017

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Alan K. Mayberry  
Associate Administrator  
for Pipeline Safety

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Date Issued