

NOTICE OF AMENDMENT

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

June 22, 2017

Mr. Dave Faiella
Executive Director
Midway Sunset Cogeneration Company
3466 W. Crocker Springs Road
Fellows, CA 93224-0457

CPF 5-2017-1010M

Dear Mr. Faiella:

On February 6 through 8, 2017, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA), pursuant to Chapter 601 of 49 United States Code, inspected Midway Sunset Cogeneration Company's (MSCC) gas transmission pipeline procedural manual for operations and maintenance in Fellows, California.

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

1. **§192.605 Procedural manual for operations, maintenance, and emergencies.**
 - (b) ***Maintenance and normal operations.*** The manual required by paragraph (a) of this section must include procedures for the following, if applicable, to provide safety during maintenance and operations.
 - (1) **Operating, maintaining, and repairing the pipeline in accordance with each of the requirements of this subpart and subpart M of this part.**

MSCC's operations and maintenance manual did not establish adequate written procedures to address prompt remedial action in correcting any valve found inoperable, unless it designates an alternative valve, in accordance with §192.745(b). MSCC failed to define the meaning of "immediately" or "in a prompt manner" the repair or replacement of emergency shutdown

(ESD) valve or critical valve found to be inoperable, unless the operator uses an alternative valve.

2. **§192.605 Procedural manual for operations, maintenance, and emergencies.**
(e) *Surveillance, emergency response, and accident investigation.* The procedures required by §§192.613(a), 192.615, and 192.617 must be included in the manual required by paragraph (a) of this section.

MSCC did not establish adequate written procedures to train the appropriate operating personnel to assure that they are knowledgeable of emergency procedures and verify that the training is effective in accordance with §192.615(b)(2). MSCC lacked written procedures to undertake regular and periodic training and review of the emergency procedures with appropriate operating personnel.

Response to this Notice

This Notice is provided pursuant to 49 U.S.C. § 60108(a) and 49 C.F.R. § 190.206. 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).

Following the receipt of this Notice, you have 30 days to submit written comments, revised procedures, or a request for a hearing under §190.211. 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 an Order Directing Amendment. If 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. § 190.206). If you are not contesting this Notice, we propose that you submit your amended procedures to my office within 60 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 Midway Sunset Cogeneration Company maintains documentation of the safety improvement costs associated with fulfilling this Notice of Amendment (preparation/revision of plans, procedures) and submit the total to Huy Nguyen, Acting Director, Western Region, Pipeline and Hazardous Materials Safety Administration. In correspondence concerning this matter, please refer to **CPF 5-2017-1010M** and, for each document you submit, please provide a copy in electronic format whenever possible.

Sincerely,

Huy Nguyen
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 N. Cruz (#154969)