

NOTICE OF AMENDMENT

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

February 7, 2019

Mr. Robert Dowell
Director
City of Long Beach Gas & Oil
2400 East Spring Street
Long Beach, CA 90806-2285

CPF 5-2019-0009M

Dear Mr. Dowell:

From July 16 through 20, 2018, representatives of the California Public Utilities Commission (CPUC) on behalf of the Pipeline and Hazardous Materials Safety Administration (PHMSA), pursuant to Chapter 601 of 49 United States Code, inspected and reviewed your City of Long Beach Gas & Oil (LBGO) procedures for operations and maintenance (O&M) of the natural gas distribution system in Long Beach, California.

Based on our inspection findings, CPUC identified apparent inadequacies within LBGO's plans or procedures, as described below:

1. **§192.605 Procedural manual for operations, maintenance, and emergencies.**
 - (a) . . .
 - (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) . . .
 - (2) **Controlling corrosion in accordance with the operations and maintenance requirements of Subpart I of this part.**

LBGO's O&M Manual did not have adequate procedures for corrosion control in accordance with §192.463(a). Specifically, the O&M Manual failed to address how to compensate for voltage (IR) drop or the use of the 100 millivolt shift criteria, when determining the adequacy of the cathodic protection being provided to buried metallic pipelines. Furthermore, LBGO's O&M Manual did not establish adequate procedures for external corrosion control monitoring in accordance with §192.465(a). LBGO failed to clearly define what constitutes separately protected short sections of mains or transmission lines, or separately protected service lines.

2. §192.615 Emergency Plans

(a) Each operator shall establish written procedures to minimize the hazard resulting from a gas emergency. At a minimum, the procedures must provide for the following:

(1) ...

(3) Prompt and effective response to a notice of each type of emergency, including the following: (i) Gas detected inside or near a building. (ii) ...

LBGO did not establish adequate written procedures in their Emergency Response Plan (ERP) to demonstrate LBGO has a prompt and effective response to a notice of emergency. LBGO's ERP, Part 2 – Emergency Response Plan for Minor Emergencies, Section V – “Emergency Procedures During Normal Working Hours,” failed to explain in sufficient detail how it would effectuate a prompt and effective response, with the availability of personnel, and to respond 24/7 (after normal working hours and weekends) to a gas emergency.

3. §192.615 Emergency Plans

(a) Each operator shall establish written procedures to minimize the hazard resulting from a gas emergency. At a minimum, the procedures must provide for the following:

(1) ...

(4) The availability of personnel, equipment, tools, and materials, as needed at the scene of an emergency.

LBGO did not establish adequate written procedures that ensures the availability of personnel, equipment, tools and materials from all City departments, as needed at the scene of an emergency, during normal working hours and outside normal working hours/weekends.

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 City of Long Beach Gas & Oil maintain documentation of the safety improvement costs associated with fulfilling this Notice of Amendment (preparation/revision of plans, procedures) and submit the total to Chris Hoidal, Acting Director, Western Region, Pipeline and Hazardous Materials Safety Administration. In correspondence concerning this matter, please refer to **CPF 5-2019-0009M** and, for each document you submit, please provide a copy in electronic format whenever possible.

Sincerely,

Chris Hoidal
Acting 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 (#163435)