

WARNING LETTER

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 5-2019-0010W

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 (U.S.C.) inspected your City of Long Beach Gas & Oil (LBGO) procedures, records and facilities for the natural gas distribution system in Long Beach, California.

Based on our inspection findings, it appears that you have committed probable violations of the Pipeline Safety Regulations, Title 49, Code of Federal Regulations (CFR). The deficiencies noted and the probable regulatory violations are:

- 1. §192.353(a) Customer meters and regulators: Location.**
(a) Each meter and service regulator whether inside or outside a building, must be installed in a readily accessible location and be protected from corrosion and other damage, including, if installed outside a building, vehicular damage that may be anticipated. However, the upstream regulator in a series may be buried.

LBGO did not provide adequate protection from vehicular traffic for the customer meters at 21 A. Roswell Avenue, Alley and 17 Bennet Avenue. These unprotected meters could be damaged by a vehicle in the vicinity.

2. §192.491(c) Corrosion control records.

(a) ...

(c) Each operator shall maintain a record of each test, survey, or inspection required by this subpart in sufficient detail to demonstrate the adequacy of corrosion control measures or that corrosive condition does not exist. These records must be retained for at least 5 years, except that records related to §192.465 (a) and (e) and §192.475(b) must be retained for as long as the pipeline remains in service.

At the time of the inspection, LBGO did not provide records that demonstrate how the 100 millivolt shift cathodic protection acceptance criteria was established and periodically re-evaluated. LBGO also failed to provide records that demonstrate how cathodic protection monitoring test points were selected.

3. §192.707 Line markers for mains and transmission lines.

(a) ...

(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.

LBGO failed to either place and/or maintain line markers along sections of aboveground pipelines located in areas accessible to the public at the following bridge and span locations:

- Los Cerritos Channel and Anaheim Road
- Palo Verde Road and Willow Street Span No. 15
- Span No. 37
- Span No. 15
- 7th St. and N. Studebaker Road

Under 49 U.S.C. § 60122 and 49 CFR § 190.223, you are subject to a civil penalty not to exceed \$213,268 per violation per day the violation persists, up to a maximum of \$2,132,679 for a related series of violations. For violation occurring on or after November 2, 2015 and before November 27, 2018, the maximum penalty may not exceed \$209,002 per violation per day, with a maximum penalty not to exceed \$2,090,022. For violations occurring prior to November 2, 2015, the maximum penalty may not exceed \$200,000 per violation per day, with a maximum penalty not to exceed \$2,000,000 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 LBGO 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 5-2019-0010W**. 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,

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

cc: PHP-60 Compliance Registry
PHP-500 N. Cruz (#163435)