CERTIFIED MAIL - RETURN RECEIPT REQUESTED

March 18, 2019

Mayor Ron Lander
City of Coalinga
155 West Durian
Coalinga, CA 93210

Dear Mayor Lander:

On August 7 and 8, 2018, a representative 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 the City of Coalinga’s (Coalinga) natural gas distribution system.

Based on the inspection, it is alleged that you have committed probable violations of the Pipeline Safety Regulations, Title 49, Code of Federal Regulations (CFR). The items inspected and the probable violations are:

1. § 192.465 External corrosion control: Monitoring.

   (a) . . .
   (b) Each cathodic protection rectifier or other impressed current power source must be inspected six times each calendar year, but with intervals not exceeding 2½ months, to ensure that it is operating.

Coalinga did not inspect all of their pipeline facility rectifiers within the maximum time intervals allowed. The rectifiers were not inspected during the following intervals:

- September 16 through December 22, 2015,
- April 2017 through July 2017, and
- July 2017 through October 2017 (rectifiers #7 - #13 only)
2. § 192.465 External corrosion control: Monitoring.
   (a) . . .
   (d) Each operator shall take prompt remedial action to correct any deficiencies indicated by the monitoring.

Coalinga did not take prompt remedial action to correct cathodic protection deficiencies identified in 2016, 2017 and 2018. Coalinga identified numerous test point locations that did not meet the -850 mV criterion:
   • 33 test points on May 18, 2016,
   • 29 test points did not meet the -850 mV criterion on April 3, 2017,
   • 31 test points did not meet the -850 mV criterion on January 25, 2018

As of April 27, 2017, under 49 U.S.C. § 60122 and 49 CFR § 190.223, you are subject to a civil penalty not to exceed $209,002 per violation per day the violation persists up to a maximum of $2,090,022 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 item(s) identified in this letter. Failure to do so will result in The City of Coalinga 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 5-2019-0013W. 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,

[Signature]

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

cc:   PHP-60 Compliance Registry
       PHP-500 J. Dunphy (#162964)
       Mr. Pete Preciado
       Public Works Director
       City of Coalinga
       155 West Durian Avenue
       Coalinga, CA 93210