

NOTICE OF AMENDMENT

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

March 18, 2019

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

CPF 5-2019-0014M

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, reviewed the City of Coalinga (Coalinga) natural gas distribution system procedures for Operations and Maintenance (O&M).

The CPUC identified the apparent inadequacies within Coalinga's plans or procedures, as described below:

1. **§ 192.13 What general requirements apply to pipelines regulated under this part?**
 - (a) . . .
 - (c) **Each operator shall maintain, modify as appropriate, and follow the plans, procedures, and programs that it is required to establish under this part.**

Section XVIII of the City of Coaling's O&M Plan does not meet the requirements of § 192.383(b) & (d). Specifically, the O&M plan does not address excess flow valve (EFV) installation at multifamily residences and fails to include procedures to inform any and all customers (considering the exclusions of § 192.383) of their rights to request an EFV be installed.

2. § 192.615 Emergency plans.

(a) Each operator shall establish written procedures to minimize the hazard resulting from a gas pipeline emergency. . .

(b) Each operator shall:

(1) . . .

(3) Review employee activities to determine whether the procedures were effectively followed in each emergency.

The Emergency Plan contained in the Coalinga O&M Plan does not contain a process to review employee activities to determine whether the procedures were effectively followed in each emergency, pursuant to § 192.615(b)(3).

3. § 192.13 What general requirements apply to pipelines regulated under this part?

(a) . . .

(c) Each operator shall maintain, modify as appropriate, and follow the plans, procedures, and programs that it is required to establish under this part.

The Coalinga O&M Plan pipeline pressure testing procedure does not meet the requirements of 49 CFR 192 Sub-Part J. Specifically, the procedure does not address the testing of new or replacement mains.

4. § 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) Operating, maintaining, and repairing the pipeline in accordance with each of the requirements of this subpart and subpart M of this part.

The Coalinga O&M Plan does not contain a process addressing valve maintenance requirements in § 192.747(b), found in subpart M of Part 192. Specifically, the O&M Plan does not require prompt remedial action for valves found inoperable.

5. § 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.

The *Visual Inspection of Gas* main subsection in Section XI of the Coalinga O&M Plan does not meet the requirements of § 192.459, found in subpart I of Part 192. Specifically, there is no language requiring further inspection of the exposed pipe (either longitudinally or circumferentially) if corrosion requiring remedial action under § 192.487 is found.

6. § 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.

The O&M Plan does not have procedures that address the requirements of § 192.463, found in Subpart I. Specifically, § 192.463(a) requires that operators “provide a level of cathodic protection that complies with one or more of the applicable criteria contained in Appendix D of this part.” The Coalinga O&M Plan, however, does not contain a process to address voltage (IR) drops required by § 192.463(a). In addition, § 192.463(b) requires that operators inspect rectifiers “six times each year, but with intervals not exceeding 2 ½ months.” Section XI of the Coalinga O&M Plan does not meet these requirements.

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 The City of Coalinga 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 5-2019-0014M** and, for each document you submit, please provide a copy in electronic format to PHP-WRADMIN@dot.gov 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 J. Dunphy (#162964)

Mr. Pete Preciado
Public Works Director
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