

NOTICE OF AMENDMENT

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

March 18, 2019

Mayor Kevin Stafford
City of Susanville
66 North Lassen Street
Susanville, CA 96130

CPF 5-2019-0015M

Dear Mayor Stafford:

On October 23-25, 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, reviewed the Operations and Maintenance (O&M) procedures for the City of Susanville's (Susanville) natural gas distribution system.

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

1. **§ 192.16 Customer notification.**
 - (a) . . .
 - (b) **Each operator shall notify each customer once in writing of the following information:**
 - (1) **The operator does not maintain the customer's buried piping.**
 - (2) **If the customer's buried piping is not maintained, it may be subject to the potential hazards of corrosion and leakage.**
 - (3) **Buried gas piping should be—**
 - (i) **Periodically inspected for leaks;**
 - (ii) **Periodically inspected for corrosion if the piping is metallic; and**
 - (iii) **Repaired if any unsafe condition is discovered.**

- (4) When excavating near buried gas piping, the piping should be located in advance, and the excavation done by hand.
- (5) The operator (if applicable), plumbing contractors, and heating contractors can assist in locating, inspecting, and repairing the customer's buried piping.

Susanville's process for customer notification does not meet the requirements of § 192.16(b) because it does not contain the required information listed in § 192.16(b)(1) through (5).

2. § 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 Susanville O&M manual does not contain a process for the abandonment of vaults pursuant to § 192.727, contained in Subpart M of Part 192, which requires that each abandoned vault be filled with a suitable compacted material. Additionally, the Susanville O&M manual does not contain a process for the inspection of vaults pursuant to § 192.749, also contained in Subpart M of Part 192, which sets forth requirements for vault inspections and maintenance.

3. § 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 Susanville O&M manual did not have sufficient procedures for external corrosion control, nor internal corrosion control. Specifically, the Susanville O&M did not meet the requirement of § 192.455(a)(2) **External corrosion control: Buried or submerged pipelines installed after July 31, 1971**, contained in Subpart I of Part 192. Section L of the O&M did not explicitly require that each buried or submerged pipeline installed after July 31, 1971, have a cathodic protection system designed to protect the pipeline in accordance with Subpart I installed and placed in operation within 1 year after completion of construction.

Additionally, the Susanville O&M did not meet the requirements of § 192.475 Internal corrosion control: General, contained in Subpart I of Part 192. The Susanville O&M manual requires in Section L-2 that internal corrosion inspections “be performed whenever possible, but not less than twice each year” [emphasis added]. Part 192 does not require

internal corrosion inspections to occur at any frequency outside of an event that exposed the interior surface of a pipeline. Susanville does not perform nor are they required to perform any internal corrosion inspections outside of events that exposed the interior surface of the pipe. The O&M manual must comply with Federal regulations and reflect Susanville operating and maintenance practices.

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 Susanville 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 5-2019-0015M** 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 (#161682)

Mr. Dan Newton, Interim City Administrator
City of Susanville
720 South Street
Susanville, CA 96130