

WARNING LETTER

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

February 28, 2020

Ms. Marissa Trejo
City Manager
City of Coalinga
155 West Durian
Coalinga, CA 93210

CPF 5-2020-0002W

Dear Ms. Trejo:

On September 4 through 10, 2019, 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) gas distribution system procedures and records.

As a result of 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. § 192.603 General provisions.

(a)...

(b) Each operator shall keep records necessary to administer the procedures established under §192.605.

Coalinga did not keep records necessary to administer the procedures established under §192.605 in two instances:

- (1) Coalinga was unable to provide records documenting the training required by §192.615(b)(2); and
- (2) Coalinga was unable to provide records to show that patrolling was conducted at the frequency required by §192.721(b).

2. §192.605 Procedural manual for operations, maintenance, and emergencies.

(a) *General.* Each operator shall prepare and follow for each pipeline, a manual of written procedures for conducting operations and maintenance activities and for emergency response...

(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.*

Coalinga failed to follow its manual of written procedures with regard to operating, maintaining and repairing the pipeline in accordance with each of the requirements in subpart M of Part 192. Specifically, Coalinga failed to check and service each distribution system valve which may be necessary for the safe operation of a distribution system at an interval not exceeding 15-months but at least once each calendar year pursuant to § 192.747(a). On September 10, 2019, Coalinga's records indicated that the valves were last serviced on May 14, 2018.

Under 49 U.S.C. §60122 and 49 CFR §190.223, you are subject to a civil penalty not to exceed \$218,647 per violation per day the violation persists, up to a maximum of \$2,186,465 for a related series of violations. For violation occurring on or after November 27, 2018 and before July 31, 2019, the maximum penalty may not exceed \$213,268 per violation per day, with a maximum penalty not to exceed \$2,132,679. 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 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 5-2020-0002W**. **Please copy the CPUC Program Manager on all correspondence**. 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,

Dustin Hubbard
Director, Western Region
Pipeline and Hazardous Materials Safety Administration

cc: PHP-60 Compliance Registry
PHP-500 J. Dunphy (#165838)
Terrence Eng, Program Manager, Gas Safety and Reliability Branch
California Public Utilities Commission