

NOTICE OF AMENDMENT

VIA E-MAIL TO MR. CARLOS FANDINO

December 17, 2021

Mr. Carlos Fandino
City Administrator
City of Vernon
4305 Santa Fe Ave.
Vernon, CA 90058

CPF 5-2021-052-NOA

Dear Mr. Fandino:

On October 12 through 16, 2020, 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 Vernon's (Vernon) written procedures for its natural gas distribution system located in Vernon, California.

On the basis of the inspection, PHMSA has identified apparent inadequacies found within Vernon'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.

Vernon's procedures are inadequate to assure safe operation of a pipeline facility. Specifically, Vernon's customer notification process does not include the requirement that Vernon must notify each customer once in writing that buried gas piping should be periodically inspected for leaks, periodically inspected for corrosion if the piping is metallic, and repaired if any unsafe condition is discovered, as required by § 192.16(b).¹ Vernon must amend its procedures to include the required customer notification elements listed in § 192.16(b).

¹ § 192.16 Customer notification.

(a)...

(b) Each operator shall notify each customer once in writing of the following information:

(1)...

(3) Buried gas piping should be -

(i) Periodically inspected for leaks;

(ii) Periodically inspected for corrosion if the piping is metallic; and

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.**

Vernon's procedures are inadequate to assure safe operation of a pipeline facility. Specifically, they do not include procedures for establishing the MAOP for a pipeline segment in accordance with §192.619, located in subpart L of Part 192.² The procedures state what the desired MAOP is and details how to conduct a pressure test of a pipeline segment. The procedures do not, however, explain how Vernon will establish MAOP using the lowest pressure calculated using the methods set forth under § 192.619 (c), (d), or (e). This requirement applies to both the distribution and transmission systems. Vernon must amend its procedures to include the method Vernon uses to establish MAOP for each pipeline segment in accordance with §192.619.

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.

(5) **Starting up and shutting down any part of the pipeline in a manner designed to assure operation within the MAOP limits prescribed by this part, plus the build-up allowed for operation of pressure-limiting and control devices.**

Vernon's procedures are inadequate to assure safe operation of a pipeline facility. Specifically, the procedure for scheduled gas system shutdown and startup within its Operations, Inspection, and Maintenance Plan does not contain a process to assure start up and shut down of its pipeline within the MAOP limits, plus the build-up allowed for operation of pressure-limiting and control devices. Vernon must amend its procedures to require that during shutdown and startup, the pressure of the pipeline stays within the MAOP limits prescribed by Part 192, plus the build-up allowed for operation of pressure-limiting and control devices.

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

(iii) Repaired if any unsafe condition is discovered.

² § 192.619 Maximum allowable operating pressure: Steel or plastic pipelines.

(a) No person may operate a segment of steel or plastic pipeline at a pressure that exceeds a maximum allowable operating pressure (MAOP) determined under paragraph (c), (d), or (e) of this section...

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 30 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 Vernon maintain documentation of the safety improvement costs associated with fulfilling this Notice of Amendment (preparation/revision of plans, procedures) and submit the total to Dustin Hubbard, Director, Western Region, Pipeline and Hazardous Materials Safety Administration. In correspondence concerning this matter, please refer to **CPF 5-2021-052-NOA** and, for each document you submit, please provide a copy in electronic format whenever possible.

Sincerely,

Dustin Hubbard
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 (#20-173128)
Terrence Eng, Program Manager, Gas Safety and Reliability Branch, California Public Utilities
Commission