

WARNING LETTER

VIA ELECTRONIC MAIL TO: Calvin.Farr@richmondgov.com

March 25, 2022

Calvin Farr Jr.
Director - City of Richmond DPU
City of Richmond
730 East Broad Street
Richmond, VA 23219

CPF 1-2022-035-WL

Dear. Mr. Farr Jr.:

From March 5, 2021 to June 23, 2021, an inspector from the Virginia State Corporation Commission, Division of Pipeline Safety (VA SCC), acting as Agent for the Pipeline and Hazardous Materials Safety Administration (PHMSA), pursuant to Chapter 601 of 49 United States Code (U.S.C.) inspected City of Richmond's (City) 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. § 192.605 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. For transmission lines, the manual must also include procedures for handling abnormal operations. This manual must be reviewed and updated by the operator at intervals not exceeding 15 months, but at least once each calendar year. This manual must be prepared before operations of a pipeline system commence. Appropriate parts of the manual must be kept at locations where operations and maintenance activities are conducted.

The City failed to follow for each pipeline, a manual of written procedures for conducting operations and maintenance activities and for emergency response. Specifically, the City failed to follow its Natural Gas Procedures Manual (Procedure), by not conducting annual emergency plan review in 2020.

Procedure Volume I, Chapter 6, Section I, Paragraph IV.B stated in part that the City will conduct an emergency plan review with appropriate operating personnel annually.

During the inspection, the VA SCC inspector was told by the City that annual emergency plan reviews were not conducted in 2020 due to COVID-19 restrictions on in-person gatherings. The VA SCC inspector was also told that no alternative training was conducted in response to the COVID-19 pandemic, such as virtual training, email briefings, refreshers, nor operational notices.

Therefore, the City failed to follow written procedures, by not conducting annual emergency plan review in 2020.

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. For transmission lines, the manual must also include procedures for handling abnormal operations. This manual must be reviewed and updated by the operator at intervals not exceeding 15 months, but at least once each calendar year. This manual must be prepared before operations of a pipeline system commence. Appropriate parts of the manual must be kept at locations where operations and maintenance activities are conducted.

The City failed to follow for each pipeline, a manual of written procedures for conducting operations and maintenance activities and for emergency response. Specifically, the City failed to follow its Natural Gas Procedures Manual, Volume II, Chapter 7, Section V, Paragraph IV.D, effective date November 27, 2013 (Abandoning Procedure), by not abandoning a service line once a meter had been inactive for at least 24 months.

Abandoning Procedure stated in part:

“D. Inactive Meters

1. Inactive Meters are meters for which there is no responsible customer.
2. The Operations Managers – Field Operations (or designee) reviews reports of inactive meters at least quarterly.
3. Once a meter has been in inactive status for at least 24 months:
 - a. The inactive meter shall be removed;
 - b. The meter valve shall be shut off and locked.
 - c. The inlet and outlet swivels on the meter bar shall be plugged.
 - d. Gas Maintenance shall be notified to abandon the service.
 - (1) Field Operations removes the regulator and meter bar (if not already removed).

(2) Gas Maintenance arranges for the service to be abandoned according to section D below.”

During the inspection, the VA SCC inspector reviewed leak records:

- A. 3123 2nd Avenue, June 30, 2020, meter was abandoned during a leak verification and put on the inactive list. However, gas service has not been active at the address since 2011.
- B. 3919 Alma Avenue, October 14, 2020 meter was abandoned during a leak verification and put on the inactive list. However, gas service has not been active at the address since August 2011.
- C. 6838 Atmore Drive, February 8, 2020, service line was abandoned during a leak verification. However, no consumption history for gas usage was found in the City’s records.

Although the meters were abandoned during leak verification, the meters were inactive for at least nine years. Had meters been marked inactive and reviewed quarterly, the services would have been abandoned and the three leaks would not have occurred.

Therefore, the City failed to follow written procedures at three instances, by not abandoning a service line once a meter had been inactive for at least 24 months.

Under 49 U.S.C. § 60122 and 49 CFR § 190.223, you are subject to a civil penalty not to exceed \$225,134 per violation per day the violation persists, up to a maximum of \$2,251,334 for a related series of violations. For violation occurring on or after January 11, 2021 and before May 3, 2021, the maximum penalty may not exceed \$222,504 per violation per day the violation persists, up to a maximum of \$2,225,034 for a related series of violations. For violation occurring on or after July 31, 2019 and before January 11, 2021, the maximum penalty may not 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.

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 City of Richmond 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 1-2022-035-WL**. 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,

Robert Burrough
Director, Eastern Region, Office of Pipeline Safety
Pipeline and Hazardous Materials Safety Administration