



U.S. Department
of Transportation

**Pipeline and
Hazardous Materials Safety
Administration**

233 Peachtree Street Ste. 600
Atlanta, GA 30303

WARNING LETTER

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

June 26, 2015

Mr. Keith Calkins
President
Calkins LP Gas Co.
2920 Avenue of the Americas
Englewood, FL 34224

CPF 2-2015-0004W

Dear Mr Calkins:

On November 18-20, 2014, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA), Southern Region, Office of Pipeline Safety (OPS) inspected the Calkins LP Gas Co. (Calkins Gas) liquefied petroleum gas (LPG) pipeline procedures and records in its Englewood, Florida office and pipeline facilities located in Sarasota county, Florida, pursuant to Chapter 601 of 49 United States Code.

As a result of the inspection, it appears that Calkins Gas has committed probable violations of the Pipeline Safety Regulations, Title 49, Code of Federal Regulations. The items inspected and the probable violations are as follows:

1. § 192.11 Petroleum gas systems.

... (b) Each pipeline system subject to this part that transports only petroleum gas or petroleum gas/air mixtures must meet the requirements of this part and of ANSI/NFPA 58 and 59.

- Calkins Gas did not meet the requirements for "*Pipe for Regulator Venting*" in NFPA 58 (2004), Section 5.7.5.1 which states that "*Pipe or tubing used to vent regulators shall be one of the following: (1) Metal pipe and tubing in accordance with 5.8.3, (2) PVC meeting the requirements of UL 651, Schedule 40 or 80 Rigid PVC Conduit.*"

The OPS inspector observed white PVC water pipe, that was not Schedule 40 or 80 Rigid PVC Conduit, used to vent regulators at 11 St. Johns Blvd. in Cayman Isles. This pipe did not meet the requirements of Section 5.7.5.1.

- Calkins Gas did not meet the requirements for "Regulator Installation" in NFPA 58 (2004), Section 6.7.4.5, which states that "[t]he point of discharge from the required pressure relief device on regulating equipment installed outside of buildings in fixed piping systems shall be located not less than 3 ft. (1 m) horizontally away from any building opening below the level of such discharge, and not beneath any building unless this space is well ventilated to the outside and is not enclosed for more than 50 percent of its perimeter."

The OPS inspector observed a pressure relief device at the Laundry Building in Hometown Lake Village with its point of discharge less than 3 feet from a building opening that was below the point of discharge.

- Calkins Gas did not meet the requirements for "Regulator Installation" in NFPA 58 (2004), Section 6.7.4.6, which states that "The point of discharge [of a regulator] shall also be located not less than 5 ft. (1.5 m) in any direction away from any source of ignition, openings into direct-vent (sealed combustion system) appliances, or mechanical ventilation air intakes."

The OPS inspector observed a pressure relief device at 9 St. Johns Blvd. in Cayman Isles with its point of discharge less than 5 feet from a source of ignition.

2. § 192.285 Plastic pipe: Qualifying persons to make joints.

... (d) Each operator shall establish a method to determine that each person making joints in plastic pipelines in the operator's system is qualified in accordance with this section.

Calkins Gas did not establish a method to determine that each person making joints in plastic pipelines in its systems was qualified in accordance with this section (i.e. §192.285). Calkins Gas allowed a person to make plastic pipe joints on its systems on August 15, 2012; however, Calkins Gas did not have records to demonstrate that the person had been qualified to make joints in plastic pipe in accordance with Subpart F requirements.

3. § 192.605 Procedural manual for operations, maintenance, and emergencies

... (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.

... (8) Periodically reviewing the work done by operator personnel to determine the effectiveness and adequacy of the procedures used in normal operation and maintenance and modifying the procedure when deficiencies are found.

Calkins Gas did not provide records or any other documentation to the OPS inspector to show it had conducted periodic reviews of work done by operator personnel to determine the effectiveness and adequacy of the procedures used in normal operations and maintenance.

4. § 192.614 Damage prevention program.

... (b) An operator may comply with any of the requirements of paragraph (c) of this

section through participation in a public service program, such as a one-call system, but such participation does not relieve the operator of responsibility for compliance with this section. However, an operator must perform the duties of paragraph (c)(3) of this section through participation in a one-call system, if that one-call system is a qualified one-call system. In areas that are covered by more than one qualified one-call system, an operator need only join one of the qualified one-call systems if there is a central telephone number for excavators to call for excavation activities, or if the one-call systems in those areas communicate with one another. An operator's pipeline system must be covered by a qualified one-call system where there is one in place. For the purpose of this section, a one-call system is considered a "qualified one-call system" if it meets the requirements of section (b)(1) or (b)(2) of this section.

Calkins Gas did not perform the duties of §192.614(c)(3) through participation in a qualified one-call system. Section 192.614(b) requires an operator's pipeline system to be covered by a qualified one-call system where there is one in place. Florida's Sunshine 811 is a qualified one-call system. At the time of the inspection, Calkins Gas had not registered and activated its Sarasota County, Florida LPG distribution systems with Sunshine 811. Therefore, Calkins Gas had not provided a means of receiving and recording notification of planned excavation activities in accordance with §192.614(c)(3). Calkins Gas activated its membership with Sunshine 811 on March 19, 2015.

5. § 192.616 Public awareness.

... (j) Unless the operator transports gas as a primary activity, the operator of a master meter or petroleum gas system is not required to develop a public awareness program as prescribed in paragraphs (a) through (g) of this section. Instead the operator must develop and implement a written procedure to provide its customers public awareness messages twice annually. If the master meter or petroleum gas system is located on property the operator does not control, the operator must provide similar messages twice annually to persons controlling the property. The public awareness message must include:

- (1) A description of the purpose and reliability of the pipeline;
- (2) An overview of the hazards of the pipeline and prevention measures used;
- (3) Information about damage prevention;
- (4) How to recognize and respond to a leak; and
- (5) How to get additional information.

Calkins Gas did not provide its customers public awareness messages twice annually. Calkins Gas provided records demonstrating that it delivered its public awareness messages only once each calendar year for 2012, 2013, and 2014.

6. § 192.625 Odorization of gas.

... (f) To assure the proper concentration of odorant in accordance with this section, each operator must conduct periodic sampling of combustible gases using an instrument capable of determining the percentage of gas in air at which the odor becomes readily detectable. Operators of master meter systems may comply with this requirement by:

- (1) Receiving written verification from their gas source that the gas has the proper concentration of odorant; and**
- (2) Conducting periodic "sniff" tests at the extremities of the system to confirm that the gas contains odorant.**

Calkins Gas did not assure the proper concentration of odorant by conducting periodic sampling of combustible gases using an instrument capable of determining the percentage of gas in air at which the odor becomes readily detectable. Calkins Gas provided documentation showing the LPG was odorized prior to delivery and records showing that the operator conducted periodic "sniff" tests to confirm the gas contained odorant. However, Calkins Gas was not operating master meter systems, so it cannot solely rely on sniff tests to comply with the regulation. The only acceptable method of complying was to use an instrument capable of determining the percentage of gas in air at which the odor becomes readily detectable.

7. § 192.707 Line markers for mains and transmission lines.

(a) Buried pipelines. Except as provided in paragraph (b) of this section, a line marker must be placed and maintained as close as practical over each buried main and transmission line:

- (1) At each crossing of a public road and railroad; and**

Calkins did not place and maintain line markers as close as practical over each buried main at each crossing of a public road. During the field inspection, the OPS inspector identified several locations without line markers where mains crossed public roads at Florida Pines, Hometown Lake Village, and Venice Ranch.

8. §192.721 Distribution systems: Patrolling.

... (b) Mains in places or on structures where anticipated physical movement or external loading could cause failure or leakage must be patrolled—

- (1) In business districts, at intervals not exceeding 4½ months, but at least four times each calendar year; [...]**

Calkins Gas did not patrol its LPG distribution systems in business districts at intervals not exceeding 4½ months, but at least four times each calendar year. Calkins Gas records showed that it did not patrol the business districts of Venice Ranch and Hometown Lake Village 4 times per year in calendar years 2012-2014.

9. §192.809 General.

(a) Operators must have a written qualification program by April 27, 2001. The program must be available for review by the Administrator or by a state agency participating under 49 U.S.C. Chapter 601 if the program is under the authority of that state agency.

Calkins Gas did not have a written qualification program in place prior to commencing operation of its LPG distribution pipeline systems, which it acquired in the first quarter of calendar year 2007. At the time of the inspection, Calkins Gas still did not have a written qualification program in place. After being alerted to the requirement for a written qualification plan, Calkins Gas put its written qualification plan into place. Calkins Gas provided the plan to the OPS inspector on March 31, 2015.

10. §192.1015 What must a master meter or small liquefied petroleum gas (LPG) operator do to implement this subpart?

(a) General. No later than August 2, 2011 the operator of a master meter system or a small LPG operator must develop and implement an IM program that includes a written IM plan as specified in paragraph (b) of this section. The IM program for these pipelines should reflect the relative simplicity of these types of pipelines.

Calkins Gas did not develop and implement an integrity management (IM) program that included a written IM plan by August 2, 2011. At the time of the inspection, Calkins Gas did not have a written IM plan. After being alerted to the requirement for a written IM plan, Calkins Gas developed written plans for its LPG distribution systems. Calkins Gas provided the plan to the OPS inspector on January 23, 2015.

Under 49 United States Code, § 60122, you are subject to a civil penalty not to exceed \$200,000 per violation per day the violation persists up to a maximum of \$2,000,000 for a related series of violations. For violations occurring prior to January 4, 2012, the maximum penalty may not exceed \$100,000 per violation per day, with a maximum penalty not to exceed \$1,000,000 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 Calkins Gas 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 2-2015-0004W**. 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,



Wayne T. Lemoi
Director, Office of Pipeline Safety
PHMSA Southern Region