



U.S. Department
of Transportation

Pipeline and Hazardous Materials
Safety Administration

12300 W. Dakota Ave., Suite 110
Lakewood, CO 80228

WARNING LETTER

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

October 15, 2012

Ms. Valerie Fong
Utilities Director
City of Palo Alto
250 Hamilton Avenue
Palo Alto, CA 94301

CPF 5-2012-0023W

Dear Ms. Fong:

On March 6, 2012, representatives of the Pipeline and Hazardous Materials Safety Administration (PHMSA), pursuant to Chapter 601 of 49 United States Code, inspected your Public Awareness Program (PAP) in Palo Alto, California.

As a result of the inspection, it appears that you have committed probable violations of the Pipeline Safety Regulations, Title 49, Code of Federal Regulations. The items inspected and the probable violations are:

1. §192.616 Public Awareness:

(f) The program and the media used must be as comprehensive as necessary to reach all areas in which the operator transports gas.

The City of Palo Alto does not have procedures to identify the individual stakeholders in the four affected stakeholder audience groups: (1) affected public, (2) emergency officials, (3) local public officials, and (4) excavators, as well as affected municipalities, school districts, businesses and residents.

Furthermore, the City of Palo Alto could not produce any documentation showing how they attempted to identify the individual stakeholders in the four affected stakeholder audience groups: (1) affected public, (2) emergency officials, (3) local public officials, and (4) excavators, as well as affected municipalities, school districts, businesses and residents.

2. §192.616 Public Awareness:

(c) The operator must follow the general program recommendations, including baseline and supplemental requirements of API RP 1162, unless the operator provides justification in its program or procedural manual as to why compliance with all or certain provisions of the recommended practice is not practicable and not necessary for safety.

The City of Palo Alto did not determine the statistical sample size and margin-of-error for each of the four intended stakeholder audiences. The City of Palo Alto also needs to break down the percentages of the non-customers reached for: 1) Affected Public, 2) Excavators 3) Public Officials and 4) Emergency Responders.

3. §192.616 Public Awareness:

(c) The operator must follow the general program recommendations, including baseline and supplemental requirements of API RP 1162, unless the operator provides justification in its program or procedural manual as to why compliance with all or certain provisions of the recommended practice is not practicable and not necessary for safety.

The City of Palo Alto has used the annual APGA benchmark survey for 2008 thru 2011, to assess information regarding efforts to measure understandability of messages and recall. The City of Palo Alto needs to determine and document the percentages of the non-customers audience that 1) understood the key information in each PAP message and 2) retained that key information.

4. §192.616 Public Awareness:

(i) The operator's program documentation and evaluation results must be available for periodic review by appropriate regulatory agencies.

The City of Palo Alto, on page 2 of the PAP, states that the effectiveness of the program will be periodically evaluated. A specific time frame for the effectiveness evaluation of the program needs to be added. In addition the City of Palo Alto also could not produce any documentation showing that the effectiveness evaluation of the program had been conducted.

Under 49 United States Code, § 60122, you are subject to a civil penalty not to exceed \$100,000 for each violation for each day the violation persists up to a maximum of \$1,000,000 for any 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 item(s) identified in this letter. Failure to do so will result in The City of Palo Alto 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 5-2012-0023W**. 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,



Chris Hoidal
Director, Western Region
Pipeline and Hazardous Materials Safety Administration

cc: PHP-60 Compliance Registry
PHP-500 R. Reineke (#137905)