



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

June 22, 2017

Mr. Peter Preciado
Public Works and Utilities Director
City of Coalinga
155 West Durian Avenue
Coalinga, CA 93210

CPF 5-2017-0006W

Dear Mr. Preciado:

On May 8 to 9, 2017, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA), pursuant to Chapter 601 of 49 United States Code (U.S.C.), inspected your City of Coalinga's Gas Distribution System in Coalinga, California.

As a result of the inspection, it is alleged that you have committed a probable violation of the Pipeline Safety Regulations, Title 49, Code of Federal Regulations (CFR). The item inspected and the probable violation is:

1. **§ 192.465 External corrosion control: Monitoring.**
(d) Each operator shall take prompt remedial action to correct any deficiencies indicated by the monitoring.

City of Coalinga failed to take timely remedial action to investigate and correct any deficiencies indicated by the 2016 Annual Pipe-to-Soil Potential Survey as required by 192.465(d). At the time of the inspection, it was noted that the required cathodic protection criteria did not meet a negative voltage of at least 0.85 volt. The current 2017 Annual Pipe-

to-Soil Potential Survey which was done on April 3, 2017 has indicated three (3) readings below -0.50 volt in the cathodic protection test points and thirteen (13) readings below -0.50 volt in the separately protected isolated risers.

As of April 27, 2017, under 49 U.S.C. § 60122 and 49 CFR § 190.223, you are subject to a civil penalty not to exceed \$209,002 per violation per day the violation persists up to a maximum of \$2,090,022 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 item identified in this letter. Failure to do so will result in the City of 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 5-2017-0006W**. 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,

A handwritten signature in black ink, appearing to read 'Huy Nguyen', with a stylized flourish at the end.

Huy Nguyen
Acting Director, Western Region
Pipeline and Hazardous Materials Safety Administration

cc: PHP-60 Compliance Registry
PHP-500 N. Cruz (#156057)