



U.S. Department  
of Transportation  
**Pipeline and Hazardous  
Materials Safety  
Administration**

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

## **WARNING LETTER**

### **VIA E-MAIL TO MR. ERIC HALPENNY**

July 16, 2021

Mr. Eric Halpenny  
Electric Manager – Power Production  
City of Redding  
17120 Clear Creek Rd  
Redding, CA 96001

**CPF 5-2021-038-WL**

Dear Mr. Halpenny:

From November 19 through 20, 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 (U.S.C.), inspected the Redding Electric Utilities (REU) Natural Operations and Maintenance Manual procedures.

As a result of the inspection, it is alleged that REU has committed a probable violation of the Pipeline Safety Regulations, Title 49, Code of Federal Regulations (CFR). The probable violation is:

- 1. §192.603 General provisions.**
  - (a) ...**
  - (b) Each operator shall keep records necessary to administer the procedures established under §192.605.**

During the records review on November 20, 2020, REU was unable to provide records of one-call system notification showing Damage Prevention Program procedures were being followed.

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 Redding 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 5-2021-038-WL**. Please copy the CPUC Program Manager on all correspondence. 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,

Dustin Hubbard  
Director, Western Region, Office of Pipeline Safety  
Pipeline and Hazardous Materials Safety Administration

cc: PHP-60 Compliance Registry  
PHP-500 J. Dunphy (#20-173121)  
Terrence Eng, Program Manager, Gas Safety and Reliability Branch, California Public  
Utilities Commission