

WARNING LETTER

VIA E-MAIL TO MR. NICHOLAS FARROS

August 24, 2021

Mr. Nicholas Farros
CEO/President
Bulldog Gas & Power LLC
890 Waterbird Way
Martinez, CA 94553

CPF 5-2021-042-WL

Dear Mr. Farros:

From June 14, 2021 through June 17, 2021, representatives of the Pipeline and Hazardous Materials Safety Administration (PHMSA), pursuant to Chapter 601 of 49 United States Code (U.S.C.), inspected your Bulldog Gas & Power, LLC land fill methane transmission line located in Martinez, California.

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. § 192.479 - Atmospheric corrosion control: General.

(a) Each operator must clean and coat each pipeline or portion of pipeline that is exposed to the atmosphere, except pipelines under paragraph (c) of this section.

§ 192.481 - Atmospheric corrosion control: Monitoring.

(a) Each operator must inspect each pipeline or portion of pipeline that is exposed to the atmosphere for evidence of atmospheric corrosion, as follows:

Pipeline type:	Then the frequency of inspection is:
(1) Onshore other than a Service Line	At least once every 3 calendar years, but with intervals not exceeding 39 months.
(2) Onshore Service Line	At least once every 5 calendar years, but with intervals not exceeding 63 months, except as provided in paragraph (d) of this section.
(3) Offshore	At least once each calendar year, but with intervals not exceeding 15 months.

Bulldog Gas & Power's procedure cited 192.481(a) for Atmospheric Corrosion Monitoring at the required frequency but stated there were no underground metallic piping. Valves were found to have a metallic flange and body that was exposed to the atmosphere and heavily corroded. Bulldog Gas & Power did not consider valve exposure to the atmosphere in underground vaults. Bulldog Gas & Power was not performing adequate atmospheric corrosion inspection on each pipeline or portion of pipeline that is exposed to the atmosphere. The inspection must be conducted so any evidence of atmospheric corrosion can be evaluated.

2. § 192.491 - Corrosion control records.

(c) Each operator shall maintain a record of each test, survey, or inspection required by this subpart in sufficient detail to demonstrate the adequacy of corrosion control measures or that a corrosive condition does not exist. These records must be retained for at least 5 years, except that records related to §§ 192.465 (a) and (e) and 192.475(b) must be retained for as long as the pipeline remains in service.

Bulldog Gas & Power did not consider valve exposure to the atmosphere in underground vaults. Valves were found to have a metallic flange and body that was exposed to the atmosphere and heavily corroded. No record of atmospheric corrosion inspection was found to show monitoring ever took place.

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 Bulldog Gas and Power 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 5-2021-042-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,

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

cc: PHP-60 Compliance Registry
PHP-500 J. Luo, C. Cordova (#21-199908)