

August 6, 2025

VIA ELECTRONIC MAIL TO: sknight@dcorllc.com

Scott Knight
Vice President - HSE & Regulatory
DCOR, LLC
1000 Town Center Drive, Suite 600
Oxnard, California 93036

Re: CPF No. 5-2023-037-NOPV

Dear Mr. Knight:

Enclosed please find the Final Order issued in the above-referenced case to DCOR, LLC. It withdraws four of the allegations of violation, makes other findings of violation, assesses a reduced civil penalty of \$76,000, and specifies actions that need to be taken by DCOR, LLC to comply with the pipeline safety regulations. When the civil penalty has been paid and the terms of the compliance order completed, as determined by the Director, Western Region, this enforcement action will be closed. Service of the Final Order by e-mail is effective upon the date of transmission and acknowledgement of receipt as provided under 49 CFR § 190.5.

Thank you for your cooperation in this matter.

Sincerely,

Linda Daugherty
Acting Associate Administrator
for Pipeline Safety

Enclosure

cc: Dustin Hubbard, Director, Western Region, Office of Pipeline Safety, PHMSA
Heather Carreno, Regulatory Compliance Coordinator, DCOR, LLC,
hcarreno@dcorllc.com
Andrew Kendrick, Director of Pipelines, DCOR, LLC, akendrick@dcorllc.com
Erwin Molina, Pipeline Compliance Coordinator, DCOR, LLC, emolina@dcorllc.com

CONFIRMATION OF RECEIPT REQUESTED

**U.S. DEPARTMENT OF TRANSPORTATION
PIPELINE AND HAZARDOUS MATERIALS SAFETY ADMINISTRATION
OFFICE OF PIPELINE SAFETY
WASHINGTON, D.C. 20590**

In the Matter of

DCOR, LLC,

Respondent.

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) **CPF No. 5-2023-037-NOPV**
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FINAL ORDER

From September 12 through September 16, 2022, pursuant to 49 U.S.C. § 60117, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA), Office of Pipeline Safety (OPS), conducted an inspection of DCOR, LLC's (DCOR or Respondent) pipeline system that serves the Platform Gina, Platform Gilda, and the Mandalay Onshore Separation Facility (MOSF) in Ventura, California. DCOR operates hazardous liquid pipeline facilities in California and Texas.

As a result of the inspection, the Director, Western Region, OPS (Director), issued to Respondent, by letter dated September 18, 2023, a Notice of Probable Violation, Proposed Civil Penalty, and Proposed Compliance Order (Notice). In accordance with 49 CFR § 190.207, the Notice proposed finding that Respondent had committed seven violations of 49 CFR Part 195, proposed assessing a civil penalty of \$81,900, and proposed ordering Respondent to take certain measures to correct the alleged violations.

After requesting and receiving an extension of time to respond, DCOR responded to the Notice by letter dated November 7, 2023 (Response). Respondent contested several of the alleged violations, offered additional information in response to each of the allegations in the Notice, and requested reconsideration of the proposed civil penalty. Respondent did not request a hearing and therefore has waived its right to one.

FINDINGS OF VIOLATION

The Notice alleged that Respondent violated 49 CFR Part 195, as follows:

Item 1: The Notice alleged that Respondent violated 49 CFR § 195.402(a), which states:

§ 195.402 Procedural manual for operations, maintenance, and emergencies.

(a) *General.* Each operator shall prepare and follow for each pipeline

system a manual of written procedures for conducting normal operations and maintenance activities and handling abnormal operations and emergencies. This manual shall be reviewed at intervals not exceeding 15 months, but at least once each calendar year, and appropriate changes made as necessary to insure that the manual is effective. This manual shall be prepared before initial operations of a pipeline system commence, and appropriate parts shall be kept at locations where operations and maintenance activities are conducted.

The Notice alleged that Respondent violated 49 CFR § 195.402(a) by failing to follow a manual of written procedures for each pipeline system for conducting normal operations and maintenance activities and handling abnormal operations and emergencies on two occasions. Specifically, the Notice alleged that Respondent failed to liaison with fire, police, and other appropriate public officials in accordance with its procedure HL3.04, section 5.1.2. In addition, the Notice alleged that Respondent failed to inspect a valve in accordance with its procedures HL7.01, section 4.

In its Response, DCOR contested Item 1, explaining that the required activities were performed and documented, but that during the 2022 PHMSA inspection DCOR's newly appointed integrity manager was unaware of the location of the requested compliance records and did not have access to the online portal containing certain other compliance records. DCOR submitted the responsive records in question as attachments to the Response.

In a recommendation for final action submitted pursuant to section 190.209(b)(7), the Director recommended withdrawing the alleged violation of section 195.402(a).

After a review of the responsive records, I find that DCOR did not violate section 195.402(a). Based upon the foregoing, I hereby order that Item 1 be withdrawn.

Item 2: The Notice alleged that Respondent violated 49 CFR § 195.403(a), which states:

§ 195.403 Emergency response training.

(a) Each operator shall establish and conduct a continuing training program to instruct emergency response personnel to:

The Notice alleged that Respondent violated 49 CFR § 195.403(a) by failing to conduct a continuing training program to instruct emergency response personnel. Specifically, the Notice alleged that DCOR failed to provide the 2019, 2020, 2021, and 2022 records to demonstrate compliance with section 195.403(a).

In its Response, DCOR contested Item 2, explaining that the required activities were performed and documented, but that during the 2022 PHMSA inspection DCOR's newly appointed integrity manager was unable to locate the requested compliance records. DCOR submitted responsive emergency response training records as attachments to the Response. DCOR also stated it was in the process of building additional pipeline-specific emergency response training to include in its operator qualification program.

In a recommendation for final action submitted pursuant to section 190.209(b)(7), the Director recommended withdrawing the alleged violation of section 195.403(a).

After a review of the responsive emergency response training records, I find that DCOR did not violate section 195.403(a). Based upon the foregoing, I hereby order that Item 2 be withdrawn.

Item 3: The Notice alleged that Respondent violated 49 CFR § 195.403(b), which states:

§ 195.403 Emergency response training.

(a)

(b) At the intervals not exceeding 15 months, but at least once each calendar year, each operator shall:

(1) Review with personnel their performance in meeting the objectives of the emergency response training program set forth in paragraph (a) of this section; and

(2) Make appropriate changes to the emergency response training program as necessary to ensure that it is effective.

The Notice alleged that Respondent violated 49 CFR § 195.403(b) by failing, at intervals not exceeding 15 months but at least once each calendar year, to review with personnel their performance in meeting the objectives of the emergency response training program set forth in section 195.403(a), and to make appropriate changes to the emergency response training program as necessary to ensure that it is effective. Specifically, the Notice alleged that DCOR failed to provide the 2019, 2020, 2021, and 2022 records to demonstrate compliance with section 195.403(b).

In its Response, DCOR contested Item 3, explaining that during the inspection DCOR's integrity manager was unaware of the location of the requested compliance records. DCOR explained that it uses Compliance Form 17.01, which encompasses the Emergency Response Plan (ERP) annual drill, ERP review, and the verification of supervisor knowledge. With the Response, DCOR submitted records to demonstrate that it had reviewed with its personnel their performance in meeting the objectives of the emergency response training program from 2019 to 2021.

After examining the additional information submitted with the Response, I find that the information demonstrates that DCOR did not violate section 195.403(b) in 2019, 2020, and 2021. Respondent did not provide records for 2022; however, I note that the PHMSA inspection concluded in September 2022, or before the end of the 2022 calendar year period in which Respondent had to perform the required activity.

Based upon the foregoing, I find that DCOR did not violate section 195.403(b), and hereby withdraw Item 3. Respondent is warned that failure to maintain records demonstrating compliance with applicable Federal pipeline safety regulations may result in potential future enforcement.

Item 4: The Notice alleged that Respondent violated 49 CFR § 195.403(c), which states:

§ 195.403 Emergency response training.

(a)

(c) Each operator shall require and verify that its supervisors maintain a thorough knowledge of that portion of the emergency response procedures established under [§] 195.402 for which they are responsible to ensure compliance.

The Notice alleged that Respondent violated 49 CFR § 195.403(c) by failing to require and verify its supervisors maintain a thorough knowledge of that portion of the emergency response procedures for which they are responsible to ensure compliance. Specifically, the Notice alleged that DCOR failed to provide records for 2019, 2020, 2021, and 2022 demonstrating compliance with section 195.403(c).

In its Response, DCOR contested Item 4, explaining that it uses Compliance Form 17.01, which encompasses the ERP annual drill, ERP review, and verification of supervisor knowledge. DCOR submitted records with the Response to demonstrate that it required and verified its supervisors maintain a thorough knowledge of that portion of the emergency response procedures for which they are responsible to ensure compliance for 2019, 2020, and 2021. DCOR did not provide compliant records for 2022.

After examining the additional information provided in the Response, I find that the information demonstrates that DCOR did not violate section 195.403(c) in 2019, 2020, and 2021. I note that the inspection concluded in September 2022, or before the end of the 2022 calendar year period in which Respondent had to perform the required activity.

Based upon the foregoing, I find that DCOR did not violate section 195.403(c), and hereby withdraw Item 4. Respondent is warned that failure to maintain records demonstrating compliance with applicable Federal pipeline safety regulations may result in potential future enforcement.

Item 5: The Notice alleged that Respondent violated 49 CFR § 195.452(i)(3), which states:

§ 195.452 Pipeline integrity management in high consequence areas.

(a)

(i) *What preventive and mitigative measures must an operator take to protect the high consequence area? –*

(1)

(3) *Leak detection.* An operator must have a means to detect leaks on its pipeline system. An operator must evaluate the capability of its leak detection means and modify, as necessary, to protect the high consequence area. An operator's evaluation must, at least, consider, the following factors—length and size of the pipeline, type of product carried, the pipeline's proximity to the high consequence area, the swiftness of leak detection, location of nearest response personnel, leak history, and risk

assessment results.

The Notice alleged that Respondent violated 49 CFR § 195.452(i)(3) by failing to evaluate the capability of its leak detection means and modify, as necessary, to protect the high consequence area (HCA). Specifically, the Notice alleged that Respondent failed to provide records to demonstrate the capability of its leak detection system (LDS) had been evaluated at the time of PHMSA inspection. Also, the Notice alleged that DCOR failed to provide initial system testing records of its computational pipeline monitoring (CPM) LDS and records demonstrating the leak detection system's related components, such as pressure transmitters and the Coriolis meter, had been calibrated and maintained.

DCOR did not contest Item 5. DCOR acknowledged in its Response that it had not formally documented the effectiveness evaluation of its installed LDS (which includes a CPM system).¹ DCOR further explained that it has engaged an integrity management consultant to conduct the required evaluations, including the Best Available Technology (BAT) assessment.

Accordingly, after considering all of the evidence, I find that Respondent violated 49 CFR § 195.452(i)(3) by failing to evaluate the capability of its leak detection means and modify, as necessary, to protect the HCA.

Item 6: The Notice alleged that Respondent violated 49 CFR § 195.452(l)(1)(ii), which states:

§ 195.452 Pipeline integrity management in high consequence areas.

(a)

(1) *What records must an operator keep to demonstrate compliance?*

(1) An operator must maintain, for the useful life of the pipeline, records that demonstrate compliance with the requirements of this subpart. At a minimum, an operator must maintain the following records for review during an inspection:

(i)

(ii) Documents to support the decisions and analyses, including any modifications, justifications, deviations and determinations made, variances, and actions taken, to implement and evaluate each element of the integrity management program listed in paragraph (f) of this section.

The Notice alleged that Respondent violated 49 CFR § 195.452(l)(1)(ii) by failing to maintain documents to support the decisions and analyses, including any modifications, justifications, deviations, and determinations made, variances, and actions taken, to implement and evaluate each element of the integrity management program (IMP) listed in section 195.452(f) on several occasions. Specifically, the Notice alleged that:

- (a) DCOR failed to provide records to demonstrate that all available information about the integrity of its entire pipeline and the consequences of a possible failure along the pipeline had been analyzed as required by section 195.452(f)(3) and (g);

¹ The Response explained DCOR's CPM system was required to be installed by the U.S. Department of the Interior's Bureau of Safety & Environmental Enforcement (BSEE) and the California Coastal Commission.

- (b) DCOR failed to provide records to demonstrate that facilities and pipeline preventive and mitigative actions have been considered and implemented as required by section 195.452(f)(6) and (i); and
- (c) DCOR failed to provide records to demonstrate that it had conducted periodic evaluations of the effectiveness of its IM Program in assessing and evaluating the integrity of each pipeline segment and in protecting HCAs as required by section 195.452(f)(7) and (k).

DCOR contested Item 6. DCOR asserted that it supplied all in-line inspection (ILI) data, corrosion coupon, atmospheric inspection data, and cathodic protection data and emphasized its readiness to provide any other PHMSA-required data upon request. DCOR also acknowledged that at the time of the PHMSA inspection, its integrity team was unable to locate additional records addressing the required risk assessments and program performance evaluations contemplated in section 195.452. However, since the inspection, DCOR stated it has conducted Comprehensive Risk Assessments (CRAs) on the Gilda and Gina oil pipelines (incorporating preventive and mitigative measures based on the evaluated risks) and included copies of those CRAs with its Response. In addition, DCOR explained that since the inspection it has overhauled its IMP, including introducing Form IMP 04 (IMP Program Performance Measures), and with the Response provided such form as an example.

After evaluating the response material submitted by Respondent, I find that the actions DCOR described in its Response have fulfilled the obligations of the compliance actions proposed in the Notice for Item 6. However, certain actions described by DCOR in its Response were completed after PHMSA's 2022 inspection. For instance, DCOR conducted CRAs and developed a new IMP form after PHMSA's inspection. DCOR has not provided documentation demonstrating that prior to, or at the time of inspection, it had maintained in accordance with section 195.452(l)(1)(ii): records concerning the integrity of its entire pipeline and evidence that the consequences of a potential failure along the pipeline had been analyzed as required by section 195.452(g); records demonstrating the facilities and pipeline preventative and mitigative actions had been considered and implemented as required by section 195.452(i); and records that it had conducted periodic evaluations of the effectiveness of its IMP in assessing and evaluating the integrity of each pipeline segment in protecting high consequence areas as required by section 195.452(k).

Accordingly, after considering all of the evidence, I find that Respondent violated 49 CFR § 195.452(l)(1)(ii) by failing to maintain documents to support the decisions and analyses, including any modifications, justifications, deviations, and determinations made, variances, and actions taken, to implement and evaluate each element of the integrity management program listed in section 195.452(f).

Item 7: The Notice alleged that Respondent violated 49 CFR § 195.589(c), which states:

§ 195.589 What corrosion control information do I have to maintain?

(a)

(c) You must maintain a record of each analysis, check, demonstration,

examination, inspection, investigation, review, survey, and test required by this subpart in sufficient detail to demonstrate the adequacy of corrosion control measures or that corrosion requiring control measures does not exist. You must retain these records for at least 5 years, except that records related to §§ 195.569, 195.573(a) and (b), and 195.579(b)(3) and (c) must be retained for as long as the pipeline remains in service.

The Notice alleged that Respondent violated 49 CFR § 195.589(c) by failing to maintain records to demonstrate the adequacy of corrosion control measures or that corrosion requiring control measures does not exist. Specifically, the Notice alleged three instances of violation:

- (a) DCOR failed to provide the 2019, 2020, and 2021 records for Platform Gilda, and the 2019, 2020, 2021, and 2022 records for Platform Gina, to demonstrate that offshore pipeline or portion of the pipeline that is exposed to the atmosphere has been inspected for evidence of atmospheric corrosion at least once each calendar year, but with intervals not exceeding 15 months as required by section 195.583(a);
- (b) DCOR failed to provide records to demonstrate that its pipeline or portion of the Gilda's onshore pipeline that is exposed to the atmosphere at Mandalay Onshore Separation Facility (MOSF) has been inspected for evidence of atmospheric corrosion at least every 3 calendar years, but with intervals not exceeding 39 months as required by section 195.583(a). In addition, during the field portion of the inspection, the PHMSA inspector observed and photographed aboveground pipeline and its components that were inadvertently buried. These pipelines and components show signs of severe atmospheric corrosion; and
- (c) DCOR failed to provide the 2019, 2020, 2021, and 2022 records to demonstrate that the proper performance of the rectifier has been electrically checked at least six times each calendar year, but with intervals not exceeding 2 ½ months as required by section 195.573(c).

DCOR contested Item 7. With respect to Item 7(a), in its Response, DCOR maintained that at the time of the PHMSA inspection, its newly appointed integrity manager was unfamiliar with the location of the requested compliance records. DCOR submitted records responsive to the allegations in Item 7(a) with the Response, and explained those records included the external corrosion inspection for Platforms Gilda and Gina from 2019 to 2022.

After reviewing the additional materials provided with DCOR's Response, I find that DCOR furnished inspection records for Platform Gilda only for 2019, 2022, and 2023, and inspection records for Platform Gina only addressing 2022. DCOR failed to provide records for Platform Gilda for 2020 and 2021, and for Platform Gina for 2019, 2020, and 2021. Without these records, DCOR failed to comply with section 195.583(a), which requires inspection of the pipeline for evidence of atmospheric corrosion at least once each calendar year, but with intervals not exceeding 15 months.

With respect to Item 7(b), DCOR stated that at the time of the PHMSA inspection, the newly appointed DCOR integrity manager did not know the location of the requested compliance records. DCOR submitted records responsive to the allegations in Item 7(b) with the Response, and explained those records included the atmospheric corrosion inspections for MOSF in 2020 and 2022 and photos of the excavation performed on the partially buried pipeline. DCOR explained that this section of the pipeline was initially fully buried but became partially exposed due to weathering. The Response discussed that an ultrasonic inspection revealed that the pipeline was in good condition, except for one anomaly on the 3-inch section. DCOR stated that the scheduled replacement of that “spool piece” was scheduled to be completed.

After conducting a review of the additional materials provided with DCOR’s Response, I find that DCOR provided atmospheric corrosion inspection records indicating it did not violate section 195.583(a) as to Item 7(b). However, DCOR has yet to provide records demonstrating that the corroded section of pipeline and its components that were aboveground as depicted in the photographs accompanying the Notice have been repaired. DCOR stated that the repair was scheduled to be completed in December 2023.

With respect to Item 7(c), DCOR stated that at the time of the PHMSA inspection, its newly appointed integrity manager was unaware of the location of the requested compliance records addressing required rectifier readings. DCOR stated that the documents it provided with its Response represent rectifier readings for MOSF from 2019 to 2023 and bi-monthly rectifier and bond surveys conducted for 2022 and 2023. DCOR explained that in 2023, the cathodic protection system at MOSF was upgraded via the installation of a new rectifier and anode ground bed.

After reviewing the additional materials, I find that DCOR provided bi-monthly rectifier inspection records for June 2022, August 2022, and December 2022. However, I find that Respondent failed to provide records for 2019, 2020, and 2021, and the remaining months of 2022. Without these records, DCOR failed to comply with sections 195.573(c) and 195.589(c), which requires that operators document the proper performance of the rectifier at least six times each calendar year, but with intervals not exceeding 2 ½ months as required.

Accordingly, after considering all of the evidence, I find that Respondent violated 49 CFR § 195.589(c) by failing to maintain records demonstrating the adequacy of corrosion control measures or that corrosion requiring control measures does not exist.

These findings of violation will be considered prior offenses in any subsequent enforcement action taken against Respondent.

ASSESSMENT OF PENALTY

Under 49 U.S.C. § 60122, Respondent is subject to an administrative civil penalty not to exceed \$200,000 per violation for each day of the violation, up to a maximum of \$2,000,000 for any

related series of violations.²

In determining the amount of a civil penalty under 49 U.S.C. § 60122 and 49 CFR § 190.225, I must consider the following criteria: the nature, circumstances, and gravity of the violation, including adverse impact on the environment; the degree of Respondent's culpability; the history of Respondent's prior offenses; any effect that the penalty may have on its ability to continue doing business; the good faith of Respondent in attempting to comply with the pipeline safety regulations; and self-disclosure or actions to correct a violation prior to discovery by PHMSA. In addition, I may consider the economic benefit gained from the violation without any reduction because of subsequent damages, and such other matters as justice may require. The Notice proposed a total civil penalty of \$81,900 for the violation cited above. Effective May 20, 2025, PHMSA revised its proposed civil penalty calculation policy to use the version of the Civil Penalty Worksheet in effect when the alleged violation occurred. The new policy reduces the total proposed civil penalty in this case to \$76,000.

Item 6: The Notice proposed a civil penalty of \$81,900 for Respondent's violation of 49 CFR § 195.452(l)(1)(ii) for failing to maintain documents to support the decisions and analyses, including any modifications, justifications, deviations and determinations made, variances, and actions taken, to implement and evaluate each element of its IMP as required by section 195.452(f). The new policy for calculating a proposed civil penalty reduces the proposed civil penalty for this item to \$76,000.

In its Response, DCOR requested reconsideration of the proposed civil penalty. As noted above, the new policy for calculating a proposed civil penalty reduces the proposed civil penalty by \$5,900 to \$76,000. However, DCOR failed to present any evidence justifying a further reduction in the penalty. No information was presented indicating any of the statutory civil penalty assessment factors were incorrect or should be reduced. With respect to Respondent's remediation of the violation, I note that the correction of pipeline safety violations after they have been identified by PHMSA during an inspection, as occurred in this case, is not a basis to reduce a civil penalty.³ Therefore, I find no reason to further reduce the penalty.

Accordingly, having reviewed the record and considered the assessment criteria, I assess Respondent a reduced civil penalty of **\$76,000** for violation of 49 CFR § 195.452(l)(1)(ii).

Payment of the civil penalty must be made within 20 days after receipt of this Final Order. Federal regulations (49 CFR § 89.21(b)(3)) require such payment to be made by wire transfer through the Federal Reserve Communications System (Fedwire), to the account of the U.S. Treasury. Detailed instructions are contained in the enclosure. Questions concerning wire transfers should be directed to: Financial Operations Division (AMK-325), Federal Aviation Administration, Mike Monroney Aeronautical Center, 6500 S MacArthur Blvd, Oklahoma City, Oklahoma 79169. The Financial Operations Division telephone number is (405) 954-8845.

² These amounts are adjusted annually for inflation. See 49 CFR § 190.223 for adjusted amounts.

³ See, e.g., Algonquin Gas Transmission, LLC, Final Order, CPF No. 3-2022-061-NOPV, 2023 WL 3884045 (June 6, 2023) (available at https://primis.phmsa.dot.gov/enforcement-data/cases?opened_yr=2022).

Failure to pay the civil penalty will result in accrual of interest at the current annual rate in accordance with 31 U.S.C. § 3717, 31 CFR § 901.9 and 49 CFR § 89.23. Pursuant to those same authorities, a late penalty charge of six percent (6%) per annum will be charged if payment is not made within 110 days of service. Furthermore, failure to pay the civil penalty may result in referral of the matter to the Attorney General for appropriate action in a district court of the United States.

COMPLIANCE ORDER

The Notice proposed a compliance order with respect to Items 1 through 7 in the Notice for violations of 49 CFR §§ 195.402(a), 195.403(a), 195.403(b), 195.403(c), 195.452(i)(3), 195.452(l)(1)(ii), and 195.589(c), respectively. Under 49 U.S.C. § 60118(a), each person who engages in the transportation of hazardous liquids or who owns or operates a pipeline facility is required to comply with the applicable safety standards established under chapter 601.

As discussed above, Items 1, 2, 3, and 4 in the Notice have been withdrawn. Therefore, the compliance terms proposed in the Notice for those Items are not included in this Final Order. With regard to the violation of section 195.452(l)(1)(ii) described in Item 6, as discussed above, the Director has indicated that DCOR has already fulfilled the compliance actions proposed in the Notice. Therefore, the compliance terms proposed in the Notice for Item 6 are not included in this Final Order.

With regard to the violation of section 195.589(c) (Item 7), the Director has indicated that DCOR satisfied the proposed compliance terms in paragraph G(2). Therefore, paragraph G(2) is not included in this Final Order. In addition, DCOR explained certain sections described in Item 7(b) of the Notice are not aboveground segments but buried segments that have been exposed via weathering over time. Therefore, I amend the proposed compliance terms in paragraph G(4).

For the above reasons, the Compliance Order is modified as set forth below.

Pursuant to the authority of 49 U.S.C. § 60118(b) and 49 CFR § 190.217, Respondent is ordered to take the following actions to ensure compliance with the pipeline safety regulations applicable to its operations:

1. With respect to the violation of section 195.452(i)(3) (Item 5), within 90 days of the receipt of this Final Order, DCOR must test its CPM Leak Detection and related components such as pressure transmitters and Coriolis meters to evaluate the capability of its leak detection system.
2. With respect to the violation of section 195.589(c) (Item 7), within 90 days of the receipt of this Final Order, DCOR must:
 - (a) Inspect the pipeline or portion of the pipeline that is exposed to the atmosphere at Platform Gina for evidence of atmospheric corrosion as required by section 195.583(a);

(b) For the pipeline segment identified in Exhibit C accompanying the Notice (exposed pipe segments exhibiting corrosion at MOSF), inspect such pipe for corrosion pitting using visual inspection tools and conduct repairs if necessary and clean and repair all areas that show signs of atmospheric corrosion; and

(c) Electrically inspect and check the proper performance of the rectifier as required by section 195.573(c).

3. Within 30 days of the completion of the above-listed compliance actions, DCOR must provide all relevant records evidencing such to the Director.

The Director may grant an extension of time to comply with any of the required items upon a written request timely submitted by the Respondent and demonstrating good cause for an extension.

PHMSA requests that Respondent maintain documentation of the safety improvement costs associated with fulfilling this Compliance Order and submit the total to the Director. It is requested that these costs be reported in two categories: (1) total cost associated with preparation/revision of plans, procedures, studies and analyses; and (2) total cost associated with replacements, additions and other changes to pipeline infrastructure.

Failure to comply with this Order may result in the administrative assessment of civil penalties not to exceed \$200,000, as adjusted for inflation (see 49 CFR § 190.223 for adjusted amounts), for each violation for each day the violation continues or in referral to the Attorney General for appropriate relief in a district court of the United States.

Under 49 CFR § 190.243, Respondent may submit a Petition for Reconsideration of this Final Order to the Associate Administrator, Office of Pipeline Safety, PHMSA, 1200 New Jersey Avenue, SE, East Building, 2nd Floor, Washington, DC 20590, with a copy sent to the Office of Chief Counsel, PHMSA, at the same address. The written petition must be received no later than 20 days after receipt of the Final Order by Respondent. Any petition submitted must contain a brief statement of the issue(s) and meet all other requirements of 49 CFR § 190.243. The filing of a petition automatically stays the payment of any civil penalty assessed. The other terms of the order, including any corrective action, remain in effect unless the Associate Administrator, upon request, grants a stay. If Respondent submits payment of the civil penalty, the Final Order becomes the final administrative decision and the right to petition for reconsideration is waived.

The terms and conditions of this Final Order are effective upon service in accordance with 49 CFR § 190.5.

Linda Daugherty
Acting Associate Administrator
for Pipeline Safety

Date Issued