



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

12300 W. Dakota Ave., Suite 340
Lakewood, CO 80228

NOTICE OF AMENDMENT

VIA ELECTRONIC MAIL TO: michael.delcasale@calpine.com

November 21, 2025

Mr. Michael Del Casale
Executive V.P. of Power Operations
CPN Pipeline Company
717 Texas Avenue, Suite 1000
Houston, TX 77002

CPF 5-2025-027-NOA

Dear Mr. Del Casale:

From September 9 through September 13, 2024, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA), Office of Pipeline Safety (OPS), pursuant to Chapter 601 of 49 United States Code (U.S.C.) inspected CPN Pipeline Company's (CPN) Northern CA Gas System natural gas transmission and gathering pipeline system from Antioch to Yuba City, California.

As a result of the inspection, PHMSA has identified the apparent inadequacies found within CPN's plans or procedures. The items inspected and the inadequacies are described below:

- 1. § 192.467 External corrosion control: Electrical isolation.**
 - (a) Each buried or submerged pipeline must be electrically isolated from other underground metallic structures, unless the pipeline and the other structures are electrically interconnected and cathodically protected as a single unit.**
 - (b) One or more insulating devices must be installed where electrical isolation of a portion of a pipeline is necessary to facilitate the application of corrosion control.**
 - (c) Except for unprotected copper inserted in ferrous pipe, each pipeline must be electrically isolated from metallic casings that are a part of the underground system.**

However, if isolation is not achieved because it is impractical, other measures must be taken to minimize corrosion of the pipeline inside the casing.

(d) Inspection and electrical tests must be made to assure that electrical isolation is adequate.

(e) An insulating device may not be installed in an area where a combustible atmosphere is anticipated unless precautions are taken to prevent arcing.

(f) Where a pipeline is located in close proximity to electrical transmission tower footings, ground cables or counterpoise, or in other areas where fault currents or unusual risk of lightning may be anticipated, it must be provided with protection against damage due to fault currents or lightning, and protective measures must also be taken at insulating devices.

CPN's procedures for electrical isolation were inadequate to ensure the safe operation of a natural gas transmission or gathering pipeline. Specifically, a review of CPN's Corrosion Control Manual, Section 8 revealed it did not contain procedures detailing the processes required for electrical isolation from interference including a process for electrical isolation from metallic casings and a process on how to conduct inspections and electrical tests to assure the electrical isolation was adequate. In addition, CPN's Corrosion Control Manual did not contain what precautions to prevent arcing, or protections against fault currents or lightning CPN was to utilize and maintain, even though CPN's pipeline is located in an area where fault currents or unusual risks of lighting may be anticipated.

Accordingly, PHMSA proposes CPN must amend its Corrosion Control Manual to meet the requirements of § 192.467.

2. § 192.615 Emergency plans.

(a) Each operator shall establish written procedures to minimize the hazard resulting from a gas pipeline emergency. At a minimum, the procedures must provide for the following:

(1) ...

(12) Each operator must develop written rupture identification procedures to evaluate and identify whether a notification of potential rupture, as defined in § 192.3, is an actual rupture event or a non-rupture event. These procedures must, at a minimum, specify the sources of information, operational factors, and other criteria that operator personnel use to evaluate a notification of potential rupture and identify an actual rupture. For operators installing valves in accordance with § 192.179(e), § 192.179(f), or that are subject to the requirements in § 192.634, those procedures must provide for rupture identification as soon as practicable.

CPN's Operations and Maintenance Manual (O&M) was inadequate to ensure the safe operation of a natural gas transmission pipeline. Specifically, CPN's O&M did not contain written rupture identification procedures for its transmission pipelines. During inspection, PHMSA observed that the O&M, Section 33A.5 stated that CPN was not subject to the rupture identification requirements of § 192.615(a)(12) because no shut off segments per § 192.634 currently exist within its system. However, § 192.615(a)(12) does not specify that written rupture identification

procedures only apply to shut-off segments pursuant to § 192.634. As such, CPN was required to develop written rupture identification procedures regardless of the presence of shut off segments.

Accordingly, PHMSA proposes CPN must amend its procedures to fully conform to the requirements of § 192.615(a)(12).

3. § 192.635 Notification of potential rupture.

(a) As used in this part, a “notification of potential rupture” refers to the notification of, or observation by, an operator (e.g., by or to its controller(s) in a control room, field personnel, nearby pipeline or utility personnel, the public, local responders, or public authorities) of one or more of the below indicia of a potential unintentional or uncontrolled release of a large volume of gas from a pipeline:

(1) An unanticipated or unexplained pressure loss outside of the pipeline's normal operating pressures, as defined in the operator's written procedures. The operator must establish in its written procedures that an unanticipated or unplanned pressure loss is outside of the pipeline's normal operating pressures when there is a pressure loss greater than 10 percent occurring within a time interval of 15 minutes or less, unless the operator has documented in its written procedures the operational need for a greater pressure-change threshold due to pipeline flow dynamics (including changes in operating pressure, flow rate, or volume), that are caused by fluctuations in gas demand, gas receipts, or gas deliveries; or

CPN's O&M was inadequate to ensure the safe operation of a natural gas transmission pipeline. Specifically, CPN's O&M did not define unanticipated or unexplained pressure loss outside of the pipeline's normal operating pressures on its transmission lines. Section 23.2 of its O&M states, “At this time CPN has no shut-off segment applicable to the RMV requirements. If and when this changes CPN will develop a site-specific procedure for identifying an unanticipated or unexplained pressure loss, flow rate change, pressure change, or equipment function outside of the pipeline's normal operating pressures, in accordance with § 192.635.” However, neither § 192.3 nor § 192.635 specify that notification of potential rupture only applies to shut-off segments pursuant to § 192.634. As such, CPN was required to define potential rupture regardless of the presence of shut off segments.

Accordingly, PHMSA proposes CPN must amend its procedures to fully conform to the requirements of § 192.635(a)(1).

Response to this Notice

This Notice is provided pursuant to 49 U.S.C. § 60108(a) and 49 C.F.R. § 190.206. Enclosed as part of this Notice is a document entitled *Response Options for Pipeline Operators in Enforcement Proceedings*.

Please refer to this document and note the response options. 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).

Following the receipt of this Notice, you have **30** days to submit written comments, revised procedures, or a request for a hearing under § 190.211. If you do not respond within 30 days of receipt of this Notice, this constitutes a waiver of your right to contest the allegations in this Notice and authorizes the Associate Administrator for Pipeline Safety to find facts as alleged in this Notice without further notice to you and to issue an Order Directing Amendment. If your plans or procedures are found inadequate, as alleged in this Notice, you may be ordered to amend your plans or procedures to correct the inadequacies (49 C.F.R. § 190.206). If you are not contesting this Notice, we propose that you submit your amended procedures to my office within **30** days of receipt of this Notice. This period may be extended by written request for good cause. Once the inadequacies identified herein have been addressed in your amended procedures, this enforcement action will be closed.

It is requested (not mandated) that CPN maintain documentation of the safety improvement costs associated with fulfilling this Notice of Amendment (preparation/revision of plans, procedures) and submit the total to Dustin Hubbard, Director, Western Region, Pipeline and Hazardous Materials Safety Administration. In correspondence concerning this matter, please refer to **CPF 5-2025-027-NOA**, and for each document you submit, please provide a copy in electronic format whenever possible.

Sincerely,

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

cc: PHP-60 Compliance Registry
PHP-500 T. Dickey (#24-297332)
Scott Vickers, CPN Pipeline Company, Compliance Manager, svickers@calpine.com

Enclosure: *Response Options for Pipeline Operators in Enforcement Proceedings*