

Mr. John M. Abboud
Senior Vice President
Santa Fe Pacific Pipeline Partners, L.P.
888 South Figueroa
Los Angeles, California 90017

Re: CPF No. 47501

Dear Mr. Abboud:

Enclosed is the Final Order issued by the Associate Administrator for Pipeline Safety in the above-referenced case. It makes a finding of violation and assesses a civil penalty of \$3,000. I acknowledge receipt of, and accept your February 6, 1997 electronic transfer of funds in the amount of \$3,000, as payment in full of the civil penalty assessed in the Final Order. Your receipt of the Final Order constitutes service of that document under 49 C.F.R. § 190.5.

This case is now closed and no further enforcement action is contemplated with respect to the matters involved in the case. Thank you for your cooperation in our joint effort to ensure pipeline safety.

Sincerely,

Gwendolyn M. Hill
Pipeline Compliance Registry
Office of Pipeline Safety

Enclosure

cc: Terry Fronterhouse
Chief of Pipeline Safety
Arizona Corporation Commission
1200 West Washington
Phoenix, Arizona 85007

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

DEPARTMENT OF TRANSPORTATION
RESEARCH AND SPECIAL PROGRAMS ADMINISTRATION
WASHINGTON, DC

Santa Fe Pacific Pipeline)
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 Partners, L.P.) CPF No. 47501
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FINAL ORDER

On September 16 - October 11, 1996, pursuant to 49 U.S.C. § 60117, representatives of the Arizona Corporation Commission (ACC), as agents for the Office of Pipeline Safety (OPS) conducted an on-site pipeline safety inspection of Respondent's facilities and records in the State of Arizona. As a result of the inspection, the Director, Southwest Region, OPS, issued to Respondent, by letter dated January 7, 1997, a Notice of Probable Violation and Proposed Civil Penalty (Notice). In accordance with 49 C.F.R. § 190.207, the Notice proposed finding that Respondent had violated 49 C.F.R. § 195.416(c), and proposed assessing a civil penalty of \$3,000. The Notice also warned Respondent to take appropriate corrective action with respect to Items 1 and 2 (§195.206(e) and §195.404(c)) in the Notice.

Respondent responded to the Notice by letter dated February 5, 1997 (Response). Respondent did not contest the allegations of violation but provided information concerning the corrective actions it has taken. Respondent did not request a hearing and, therefore, has waived its right to one.

FINDINGS OF VIOLATION

The Notice alleged that Respondent was in violation of 49 C.F.R. § 195.416(c) for failing to inspect cathodic protection rectifiers at intervals not exceeding 2-1/2 months, but at least six times each calendar year. In its Response, Respondent did not deny the allegation and stated that it would provide additional training and counseling for its personnel involved in rectifier inspections to ensure that each rectifier is inspected in a timely manner and the inspections are properly documented.

Accordingly, I find that Respondent violated 49 C.F.R. § 195.416(c).

This finding of violation will be considered a prior offense in any subsequent enforcement action taken against Respondent.

ASSESSMENT OF PENALTY

Under 49 U.S.C. § 60122, Respondent is subject to a civil penalty not to exceed \$25,000 per violation for each day of the violation up to a maximum of \$500,000 for any related series of violations. The Notice proposed assessing a civil penalty of \$3,000.

49 U.S.C. § 60122 and 49 C.F.R. § 190.225 require that, in determining the amount of the civil penalty, I consider the following criteria: nature, circumstances, and gravity of the violation, degree of Respondent's culpability, history of Respondent's prior offenses, Respondent's ability to pay the penalty, good faith by Respondent in attempting to achieve compliance, the effect on Respondent's ability to continue in business, and such other matters as justice may require.

Respondent indicated that it would provide training to ensure each rectifier is inspected and documented in a timely manner, but did not present additional information to justify mitigation. Accordingly, having reviewed the record and considered the assessment criteria, I assess Respondent a civil penalty of \$3,000, already paid by Respondent.

WARNING ITEMS

The Notice did not propose a civil penalty for Notice Items 1 and 2 (§195.206(e) and §195.404(c)), but warned Respondent that it should take appropriate corrective action. The information that Respondent presented in its response shows that Respondent has addressed the cited items. However, should a violation come to the attention of OPS in a subsequent inspection, enforcement action will be taken.

Under 49 C.F.R. § 190.215, Respondent has a right to petition for reconsideration of this Final Order. The petition must be received within 20 days of Respondent's receipt of this Final

Order and must contain a brief statement of the issue(s). The terms and conditions of this Final Order are effective upon receipt.

/s/ Richard B. Felder

Richard B. Felder
Associate Administrator for Pipeline Safety

Date issued: 01/09/98