

U.S. Department
of Transportation

**Research and
Special Programs
Administration**

August 12, 1997

Mr. James D. Simpson, Partner
S-2 Properties
P.O. Box 787
Imperial, PA 15126

Re: CPF No. 16004

Dear Mr. Simpson:

Enclosed is the Final Order issued by the Associate Administrator for Pipeline Safety in the above-referenced case. It makes findings of violation and requires certain corrective action. Your receipt of the Final Order constitutes service of that document under 49 C.F.R. § 190.5.

Sincerely,

Gwendolyn M. Hill
Pipeline Compliance Registry
Office of Pipeline Safety

Enclosure

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

DEPARTMENT of TRANSPORTATION
RESEARCH and SPECIAL PROGRAMS ADMINISTRATION
OFFICE of PIPELINE SAFETY
WASHINGTON, DC 20590

In the Matter of)
S-2 Properties,)
Respondent.)
_____)

CPF No. 16004

FINAL ORDER

On November 15, 1995, pursuant to 49 U.S.C. § 60117, a representative of the Office of Pipeline Safety (OPS) conducted an on-site pipeline safety inspection of Respondent's propane distribution system in Aliquippa, Pennsylvania. As a result of these inspections, the Director, Eastern Region, OPS, issued to Respondent, by letter dated April 23, 1996, a Notice of Probable Violation and Proposed Compliance Order (Notice). In accordance with 49 C.F.R. § 190.207, the Notice proposed finding that Respondent had violated 49 C.F.R. §§ 192.353, 192.453, 192.481, 192.605, 192.615, 192.721, 192.723, 192.739 and 192.747. The Notice proposed, in accordance with 49 C.F.R. § 190.217, that Respondent take certain measures to correct the alleged violations.

Respondent responded to the Notice by letter dated June 21, 1996 (Response) . Respondent did not contest the Notice and agreed to the terms and conditions of the proposed compliance order. Respondent has not requested a hearing and therefore, has waived its right to one.

FINDINGS OF VIOLATION

Respondent did not contest the alleged violations in the Notice. Accordingly, I find that Respondent violated the following sections of 49 C.F.R. Part 192, as more fully described in the Notice:

49 C.F.R. § 192.353(a) -- failing to provide adequate corrosion and damage protection for customer meters and service regulators;

49 C.F.R. § 192.453 -- failing to have a qualified person carry out its pipeline corrosion control procedures;

49 C.F.R. § 192.481 -- failing to evaluate, at three year intervals, each exposed pipeline segment for atmospheric corrosion;

49 C.F.R. § 192.605(a) -- failing to establish a written operating and maintenance plan and retain the required records;

49 C.F.R. § 192.615(a) -- failing to establish written procedures to minimize the hazard resulting from a gas pipeline emergency;

49 C.F.R. § 192.721(a) -- failing to establish written procedures for patrolling the distribution system;

49 C.F.R. § 192.723 -- failing to conduct leakage surveys and retain the required records;

49 C.F.R. § 192.739 -- failing to establish written procedures for the inspection and testing of pressure limiting devices, pressure relief devices and pressure relief stations and retain the required records; and

49 C.F.R. § 192.747 -- failing to check and service, at least once each calendar year, each valve that is necessary for the safe operation of the distribution system and retain the required records.

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

COMPLIANCE ORDER

Under 49 U.S.C. § 60118(a), each person who engages in the transportation of gas or owns or operates a pipeline facility is required to comply with the applicable safety standards established under chapter 601. Pursuant to the authority of 49 U.S.C. § 60118(b) and 49 C.F.R. § 190.217, Respondent is hereby ordered to take the following actions to ensure compliance with the pipeline safety regulations applicable to its operations.

1. Examine all meter sets for proper support and provide additional support as necessary to minimize the stress on the meters and associated piping. Protect all service regulators from corrosion as required under 49 C.F.R. § 192.353.

2. Establish written procedures to implement the requirements of Subpart I; Requirements for Corrosion Control. Ensure these procedures are available to the qualified person(s) that implement the corrosion control program as required under 49 C.F.R. § 192.453. Perform a cathodic protection survey of the entire propane distribution system and submit the survey results to the Director, Eastern Region, OPS within 120 days following receipt of this Order.

3. Examine and evaluate each exposed pipeline segment and component for atmospheric corrosion, as required under 49 C.F.R. § 192.481, and, whenever necessary, take remedial action.

4. Establish a written operating and maintenance plan meeting the requirements of 49 C.F.R. Part 192, and maintain records necessary to administer the plan as required under 49 C.F.R. §§ 192.603(b) and 192.605. This plan must include a detailed map of the distribution system. The map should include the following:

- a) All mains and services, pipe type, pipe diameter, wall thickness of the pipe, date of installation and operating pressure;
 - b) All valve locations, type and size;
 - c) All regulator locations and each regulator's manufacturer, size, model number, pressure rating, pressure set points, etc.;
 - d) All customer meter locations;
 - e) All anode locations (if available) and cathodic protection test stations.
5. Establish an emergency plan as required under 49 C.F.R. § 192.615.
 6. Establish patrol procedures for all distribution mains as required under 49 C.F.R. § 192.721.
 7. Perform a leakage survey over the entire distribution system as required by 49 C.F.R. § 192.723, using leak detection equipment, and submit the survey results to the Director, Eastern Region, OPS within 60 days following receipt of this Order.
 8. Once each calendar year, but not exceeding every fifteen (15) months, inspect and test each pressure limiting device, pressure relief device, pressure regulating station and its equipment and maintain records of each inspection and test, as required under 49 C.F.R. § 192.739.
 9. Once each calendar year, but not exceeding every fifteen months (15), inspect and service as necessary, all distribution valves, as required under 49 C.F.R. § 192.747.
 10. Items 1, 3-6, 8-9, shall be completed and the results submitted to the Director, Eastern Region, OPS within 180 days following receipt of this Order.

Upon receiving a written request and finding good cause, the Director, Eastern Region, OPS may grant Respondent an extension of time in which to complete the above described actions.

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 filing of the petition automatically stays the payment of any civil penalty assessed. All other terms of the order, including any required corrective action, shall remain in full effect unless the Associate Administrator, upon request, grants a stay.

Failure to comply with any aspect of this Final Order may result in the assessment of civil penalties of up to \$25,000 per violation per day, or in the referral of the case for judicial enforcement.

The terms and conditions of this Final Order are effective upon receipt.

Richard B. Felder
Associate Administrator
for Pipeline Safety

Date: August 12, 1997