

WARNING LETTER

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

June 9, 1998

Mr. Edward Davidson
President,
Mid Atlantic Management
248 Presidential Boulevard, Apt. C
Greenville, DE 19807

CPF No. 18005W

Dear Mr. Davidson:

On April 16-17, 1998, a representative of the Delaware Public Safety Commission made an inspection of your pipeline facilities at the Abbey Walk Apartments in Newark, Delaware, and the Heritage Court Apartments in Wilmington, Delaware, respectively. He acted as a representative of the Eastern Region, Office of Pipeline Safety, pursuant to Chapter 601 of 49 United States Code.

As a result of the inspections it appears that you have committed probable violations of the pipeline safety regulations, Title 49, Code of Federal Regulations, Part 192 at the Abbey Walk and Heritage Court Apartment Complexes. The probable violations are:

1. § 192.465 (a) - External Corrosion Control: Monitoring

Each pipeline that is under cathodic protection must be tested at least once each calendar year, but with intervals not exceeding 15 months, to determine whether the cathodic protection meets the requirements of § 192.463.

At the time of the inspection you had not performed the cathodic protection monitoring or testing for 1997. According to your records, testing was last performed on the corrosion protection system at both the properties on April 6, 1996.

2. **§ 192.625 (f) - Odorization of Gas**

Each operator shall conduct periodic sampling of combustible gases to assure the proper concentration of odorant in accordance with this section. Operators of master meter systems may comply with this requirement by -

- (1) Receiving written verification from their gas source that the gas has the proper concentration of odorant; and**
- (2) Conducting periodic “sniff” tests at the extremities of the system to confirm that the gas contains odorant.**

At the time of the inspection you had not performed the odorization monitoring or testing for 1997. Neither did you receive written confirmation about the odorant concentrations from your natural gas supplier. According to your records, odorant concentration testing was last performed on the systems at both the properties in February 1996.

3. **§ 192.747 - Valve Maintenance: Distribution Systems**

Each valve, the use of which may be necessary for the safe operation of a distribution system, must be checked and serviced at intervals not exceeding 15 months, but at least once each calendar year.

At the time of the inspection you had not performed the valve maintenance for 1997. According to your records, valve maintenance was last performed on the systems at both the properties in February 1996.

4. **§ 192.605 (a) - Procedural manual for operations, maintenance, and emergencies**

Each operator shall prepare and follow for each pipeline, a manual of written procedures for conducting operations and maintenance activities and for emergency response.

The inspection revealed that you were not following the procedures listed in your Operations and Maintenance Manual for leakage surveys. The discrepancies in cathodic protection testing and monitoring, valve maintenance, and testing for odorant concentrations would not have occurred if this manual was available and routinely referred to.

Under 49 USC 60122 you are subject to a civil penalty not to exceed \$25,000 for each violation for each day the violations persist up to a maximum of \$500,000 for any related series of violations. We reviewed the circumstances and supporting documents involved in this case and decided not to assess you a civil penalty because we were informed that your management company purchased these apartment complexes within the last couple of years. We advise you, nonetheless, that should you fail to comply with these requirements in the future, this office will take enforcement action.

You will not hear from us again with regard to the noted inspection and our subsequent action. Nevertheless, we expect you to act to bring your pipeline and operations into compliance with the pipeline safety regulations.

You may obtain additional information on Master Meter Operations from the Transportation Safety Institute's (TSI) publication titled "Guidance Manual for Operators of Small Natural Gas Systems." Please contact Ms. Jill Nelson at (405) 954-4643 or (405) 954-0206 (fax). Ms. Nelson can fax you an order form. The cost of the manual is \$15.00. TSI's address is:

Transportation Safety Institute (TSI) Publications
Pipeline Safety Division DTI-60
6500 South MacArthur Blvd.
Oklahoma City, OK 73169

This manual can also be downloaded from TSI's home page on the world wide web. Their address is <http://tsi.dot.gov/>.

Please refer to CPF No. 18005W on any future correspondence.

Sincerely,

William H. Gute
Eastern Regional Director
Office of Pipeline Safety

JKADNAR/sj/DPS-24/60568/6/9/98
FILE: CPF-18005W/Warning Ltr.
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electronic file to Lea Coleman