

## WARNING LETTER

### CERTIFIED - RETURN RECEIPT REQUESTED

March 31, 1999

Mr. John M. Deacon  
Manager, ES & RC  
Torch Operating Company  
201 South Broadway  
Orcutt, California 93455

**CPF NO. 59701W**

Dear Mr. Deacon:

On February 23-24, 1999, a representative of the Western Region, Office of Pipeline Safety, pursuant to Chapter 601 of 49 United States Code, conducted an onsite pipeline safety inspection of Torch Operating Company's (TOC) Platform Irene to shore crude oil system in Orcutt, California.

As a result of the inspection, it appears that you have committed probable violations as noted below of the pipeline safety regulations, Title 49, Code of Federal Regulations, Part 195. The items inspected and the probable violations are:

1. **§ 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.**

At the time of the inspection, a review of TOC's records failed to produce documentation that indicated TOC reviewed its operations and maintenance manual on an annual basis.

Under 49 United States Code, §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 have reviewed the circumstances and supporting documents involved in this case and have decided not to assess you a civil penalty. We advise you, however, that should you not correct the circumstances leading to the violations, we will take enforcement action when and if the continued violations come to our attention.

You will not hear from us again with regard to this violation. Because of the good faith that you have exhibited up to this time, we expect that you will act to bring your pipeline operations and maintenance into compliance with pipeline safety regulations.

Sincerely,

Chris Hoidal  
Director

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