



U.S. Department
of Transportation

**Pipeline and Hazardous
Materials Safety Administration**

400 Seventh Street, S.W.
Washington, D.C. 20590

DEC 11 2006

Mr. Robert P. Carone
President
Pacific Operators Offshore, LLC
6307 Carpinteria Ave
Carpinteria, CA 93013-3013

Re: CPF No. 5-2004-5034

Dear Mr. Carone:

Enclosed is the Final Order issued by the Acting Associate Administrator for Pipeline Safety in the above-referenced case. It makes findings of violation and finds that you have completed the actions specified in the Notice required to comply with the pipeline safety regulations. The Final Order also finds that you have addressed the inadequacies in your procedures that were cited in the Notice of Amendment. This case is now closed. Your receipt of the Final Order constitutes service under 49 C.F.R. § 190.5.

Sincerely,

James Reynolds
Pipeline Compliance Registry
PHMSA-Office of Pipeline Safety

Enclosure

cc: Mr. Chris Hoidal, P.E., Director, Western Region, PHMSA
Mr. Clement M. Alberts, Environmental Coordinator, Pacific Operators Offshore, LLC.

CERTIFIED MAIL – RETURN RECEIPT REQUESTED

**DEPARTMENT OF TRANSPORTATION
PIPELINE AND HAZARDOUS MATERIALS SAFETY ADMINISTRATION
OFFICE OF PIPELINE SAFETY
WASHINGTON, DC 20590**

_____)
In the Matter of)

Pacific Operators Offshore, LLC,)

Respondent)
_____)

CPF No. 5-2004-5034

FINAL ORDER

On December 8, 2004, in accordance with 49 C.F.R. § 190.207, the Director, Western Region, Pipeline and Hazardous Materials Safety Administration's (PHMSA's)¹ Office of Pipeline Safety, issued to Respondent a Notice of Probable Violation, Proposed Compliance Order, and Notice of Amendment (Notice). The Notice proposed finding that Respondent had violated 49 C.F.R. Parts 192 and 195 and proposed ordering Respondent to take certain measures to correct the alleged violations. The Notice also proposed that Respondent amend its procedures for Operations, Maintenance, and Emergency.

After requesting and receiving an extension of time to respond, Respondent responded to the Notice on June 13, 2005 and September 13, 2005 (Response). Respondent did not contest the allegations and provided information concerning the corrective actions it has taken. Respondent did not request a hearing, and therefore has waived its right to one.

Pursuant to 49 C.F.R. § 190.213 and 49 U.S.C § 60122, I find that Respondent violated the following sections of 49 C.F.R. Parts 192 and 195, as more fully described in the Notice:

49 C.F.R. §§ 192.801(b) and 195.501(b) (Notice Item 2) – failing to have documentation demonstrating that the regulatory four-part test was applied in identifying the covered tasks.

These findings of violation will be considered prior offenses in any subsequent enforcement

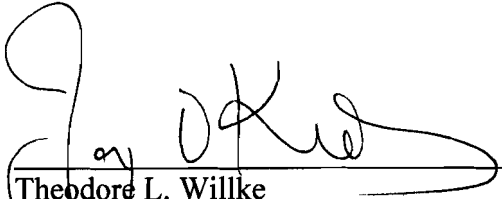
¹ Effective February 20, 2005, the Pipeline and Hazardous Materials Safety Administration (PHMSA) succeeded Research and Special Programs Administration as the agency responsible for regulating safety in pipeline transportation and hazardous materials transportation. See, section 108 of the Norman Y. Mineta Research and Special Programs Improvement Act (Public Law 108-426, 118 Stat. 2423-2429 (November 30, 2004)). See also, 70 Fed. Reg. 8299 (February 18, 2005) re delegating the pipeline safety authorities and functions to the PHMSA Administrator.

action taken against Respondent.

The Notice also proposed a compliance order with respect to Item 2 in the Notice for violation of 49 C.F.R. §§ 192.801(b) and 195.501(b). Under 49 U.S.C. § 60118(a), each person who engages in the transportation of gas/hazardous liquids or who owns or operates a pipeline facility is required to comply with the applicable safety standards established under Chapter 601. The Director, Western Region, PHMSA, has indicated that Respondent adequately addressed Notice Item 2 in its Response. Accordingly, since compliance has been achieved with respect to this violation, the compliance terms are not included in this Order.

The Notice alleged inadequacies in Respondent's Operations, Maintenance, and Emergencies Manual and proposed to require amendment of Respondent's procedures to comply with the requirements of 49 C.F.R. §§ 192.805(a) and 195.505(a) as fully described in Notice Item 1. Respondent submitted documentation in its Response for the Region to review. Accordingly, based on the results of this review, I find that Respondent's original procedures as described in the Notice were inadequate to ensure safe operation of its pipeline system, but that Respondent has corrected the identified inadequacies. No need exists to issue an Order Directing Amendment.

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


Theodore L. Willke
Acting Associate Administrator
for Pipeline Safety

DEC 11 2006

Date Issued