



U.S. Department  
of Transportation

**Pipeline and  
Hazardous Materials Safety  
Administration**

8701 South Gessner, Suite 1110  
Houston, TX 77074

## NOTICE OF AMENDMENT

### **CERTIFIED MAIL - RETURN RECEIPT REQUESTED**

August 20, 2007

Mr. Walter Ferguson  
Senior Vice President  
CenterPoint Energy  
1111 Louisiana, Suite 1120  
Houston, TX 77002

**CPF 4-2007-1011M**

Dear Mr. Ferguson:

On June 12-13, 2007, representatives of the Pipeline and Hazardous Materials Safety Administration (PHMSA) pursuant to Chapter 601 of 49 United States Code inspected CenterPoint Energy's (CenterPoint) Operator Qualification (OQ) plan in Shreveport, Louisiana.

On the basis of the inspection, PHMSA has identified the apparent inadequacies found within CenterPoint's plans or procedures, as described below:

**1. §192.805 Qualification program**

**Each operator shall have and follow a written qualification program. The program shall include provisions to:**

**(b) Ensure through evaluation that individuals performing covered tasks are qualified;**

CenterPoint's OQ plan needs requirements to:

- Ensure effective communication of operator-specific requirements for task performance when qualified contractor individuals speak and comprehend languages other than English.

- Describe what steps are to be taken after an individual does not successfully complete a performance on-the-job evaluation.

**2. §192.805 Qualification program**

**Each operator shall have and follow a written qualification program. The program shall include provisions to:**

**(c) Allow individuals that are not qualified pursuant to this subpart to perform a covered task if directed and observed by an individual that is qualified**

CenterPoint's OQ plan needs requirements to ensure the ability of qualified individuals to effectively communicate direction of task activities and reactions to AOCs to non-qualified individuals who speak and comprehend languages other than English.

**3. §192.805 Qualification program**

**Each operator shall have and follow a written qualification program. The program shall include provisions to:**

**(f) Communicate changes that affect covered tasks to individuals performing those covered tasks**

CenterPoint's OQ plan needs requirements to utilize incident investigations, employee feedback programs, or other approaches to ensure that the AOCs identified and used in evaluating individuals are representative of those that could reasonably be anticipated during performance of covered tasks.

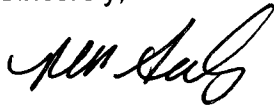
Response to this Notice

This Notice is provided pursuant to 49 U.S.C. § 60108(a) and 49 C.F.R. § 190.237. Enclosed as part of this Notice is a document entitled *Response Options for Pipeline Operators in Compliance Proceedings*. Please refer to this document and note the response options. Be advised that all material you submit in response to this enforcement action is subject to being made publicly available. If you believe that any portion of your responsive material qualifies for confidential treatment under 5 U.S.C. 552(b), along with the complete original document you must provide a second copy of the document with the portions you believe qualify for confidential treatment redacted and an explanation of why you believe the redacted information qualifies for confidential treatment under 5 U.S.C. 552(b). If you do not respond within 30 days of receipt of this Notice, this constitutes a waiver of your right to contest the allegations in this Notice and authorizes the Associate Administrator for Pipeline Safety to find facts as alleged in this Notice without further notice to you and to issue a Final Order.

If, after opportunity for a hearing, your plans or procedures are found inadequate as alleged in this Notice, you may be ordered to amend your plans or procedures to correct the inadequacies (49 C.F.R. § 190.237). If you are not contesting this Notice, we propose that you submit your amended procedures to my office within 30 days of receipt of this Notice. This period may be extended by written request for good cause. Once the inadequacies identified herein have been addressed in your amended procedures, this enforcement action will be closed.

In correspondence concerning this matter, please refer to **CPF 4-2007-1011M** and, for each document you submit, please provide a copy in electronic format whenever possible.

Sincerely,

A handwritten signature in black ink, appearing to read "R. M. Seeley". The signature is fluid and cursive, with a large initial "R" and "S".

R. M. Seeley  
Director, Southwest  
Pipeline and Hazardous  
Materials Safety Administration

Enclosure: *Response Options for Pipeline Operators in Compliance Proceedings*