

## Recommended Guideline for Enhancement of Penalties in Enforcement Cases for Pollution, Safety Hazards, and Severity of Violations

This schedule is provided solely as a guideline for enhancements in recommended administrative penalties where there is threatened or actual pollution, threatened or actual safety hazards to persons or property, and the severity of the violation. The actual amount of any proposed penalty and enhancement will be determined on an individual case-by-case basis for each violation by the assigned hearings examiner after consideration of all evidence submitted at the hearing. The final amount of any actual administrative penalty imposed and enhancement for prior violations will be determined by the action of a majority of the Commissioners at Conference.

Evidentiary Factors	Pollution Threatened or Actual	Safety Hazard	Severity of Violation
Agricultural Land of Sensitive Wildlife Habitat	\$1,000.00 to \$5,000.00		
Endangered or Threatened Species Habitat	\$2,000.00 to \$10,000.00		
Bay, Estuary of Marine Habitat	\$5,000.00 to \$25,000.00		
Minor Freshwater Source (Minor Aquifer, Seasonal Watercourse)	\$2,500.00 to \$7,500.00		
Major Freshwater Source (Major Aquifer, Creeks, Rivers, Lakes and Reservoirs)	\$5,000.00 to \$25,000.00		
Impacted Residential/Public Area		\$1,000.00 to \$15,000.00	
Hazardous Materials Release		\$2,000.00 to \$25,000.00	
Reportable Incident/Accident (Applicable to LP-Gas and Pipeline Safety Violations)		\$5,000.00 to \$25,000.00	
Exceeding Pressure Control Limits (Applicable to LP-Gas and Pipeline Safety Violations)		\$5,000.00 to \$20,000.00	
Well in H2S Field		Up to \$10,000.00	
Time out of Compliance			\$100.00 to \$2,000.00 each month
Reckless Conduct of Operator			Double Total Penalty
Intentional Conduct of Operator			Triple Total Penalty

## Recommended Guideline for Enhancement of Penalties in Enforcement Cases for Prior Violations

This schedule is provided solely as a guideline for enhancements in recommended administrative penalties where an operator has a history of prior violations. The actual amount of any proposed penalty and enhancement will be determined on an individual case-by-case basis for each

violation by the assigned hearings examiner after consideration of all evidence submitted at the hearing. The final amount of any actual administrative penalty imposed and enhancement for prior violations will be determined by the action of a majority of the Commissioners at Conference.

The two guidelines set forth are intended to be used separately. Either guideline may be used where applicable, but not both.

**Violations in 5 Years Prior to Action**

<b>Violations in 5 Years Prior to Action</b>	<b>Enhancement Amount</b>
One	\$1,000.00
Two	\$2,000.00
Three	\$3,000.00
Four	\$4,000.00
Five	\$5,000.00

<b>Total Administrative Penalties Assessed in 5 Years Prior to Action</b>	
Less than \$10,000.00	\$1,000.00
Between \$10,000.00 and \$25,000.00	\$2,500.00
Between \$25,000.00 and \$50,000.00	\$5,000.00
Between \$50,000.00 and \$100,000.00	\$10,000.00
Over \$100,000.00	10% of total amount

**Recommended Guideline for Reduction of Penalties**

<b>Operator Brings Violation into Compliance</b>	<b>Percentage Reduction*</b>
Before Complaint is Filed	50%
Before Hearing on Complaint	25%

- Reduction percentages apply only to standard penalties and do not apply to enhancement penalties.

**Pipeline Safety Rules (Federal and State Jurisdiction)**

<b>Gas Services – Pipeline Safety Rules</b>	<b>Standard Penalty Amount</b>
§ 3.65 – Permit to operate a pipeline	\$1,000.00
§ 7.70 – Natural gas reporting, records and procedures	\$5,000.00
§ 7.71 – Odorization of natural gas	\$5,000.00
§ 7.72 – Handling leak complaints for natural gas	\$1,000.00
§ 7.73 – Overpressure protection and leak surveys for master meters	\$5,000.00
§ 7.80 – Compliance with hazardous liquid rules	\$5,000.00
§ 7.84 – Hazardous liquid reporting, records and procedures	\$5,000.00
§ 7.85 – Construction of hazardous pipelines and compliance with rules	\$1,000.00
§ 7.86 – Corrosion control of hazardous liquid pipelines	\$1,000.00

192.613 – Continual surveillance of pipelines for hazards	\$5,000.00
192.619 – Maximum operating pressure with protection for natural gas	\$5,000.00
192.625 – Odorization of natural gas	\$5,000.00
192.403 – Training for operations of hazardous liquids pipelines	\$5,000.00
192.406 – Maximum operating pressure with protection for hazardous liquids	\$5,000.00
49 CFR Part 192 – Rules for natural gas pipelines	\$1,000.00
49 CFR Part 193 – Rules for liquefied natural gas storage and transportation	\$1,000.00
49 CFR Part 195 – Rules for hazardous liquid pipelines	\$1,000.00
49 CFR Part 199 – Rules for drug and alcohol programs	\$500.00