WARNING LETTER

May 30, 2000

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

Mr. Daryl Pierce PAPCO P.O. Box 627 Warren, PA 16365

CPF No. 1-2000-0001W

Dear Mr. Pierce:

On March 13-16, 2000, a representative of the Eastern Region, Office of Pipeline Safety (OPS), pursuant to Chapter 601 of the United States Code, conducted an onsite pipeline safety inspection of your pipeline facilities and records at Warren, Pennsylvania.

As a result of the inspection, it appears that you have committed probable violations as noted below of pipeline safety regulations Title 49, Code of Federal Regulations, Part 192.

The items inspected and the probable violations are:

1. Section 192.625(a), in this section, the code requires that a combustible gas in a distribution system, or a combustible gas in a transmission system in a class 3 or 4 location, must contain either a natural odorant or be odorized so that the gas can be readily detectible by a person with a normal sense of smell at a concentration of one-fifth of the lower explosive limit. During the inspection it was noted that "sniff tests" were being conducted by PAPCO but without the use of specialized equipment. In order to ensure the correct concentration of either natural or injected odorant it is detectable at this level, proper equipment must be utilized to conduct these tests.

2. Section 192.616, in that this section of the code requires the establishment of a continuing education program to enable customers, the public, appropriate government organizations, and persons engaged in excavation related activities to recognize a pipeline emergency for the purpose of reporting it to the operator or the appropriate public officials. During the inspection, it was noted that PAPCO has not been providing public education as required under this subpart.

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 persists up to a maximum of \$500,000 for any related series of violations.

We have reviewed the circumstances and supporting documents involved in this investigation, and have decided not to assess a civil penalty regarding this incident. 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 comes to our attention.

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

Sincerely,

William H. Gute Director, Eastern Region Office of Pipeline Safety

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