

WARNING LETTER

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

November 9, 1998

Mr. Eugene Braithwaite
General Manager
CalNev Pipe Line Company
348 W. Hospitality Lane #100
P.O. Box 6346
San Bernardino, CA 92412

CPF No. 58527W

Dear Mr. Braithwaite:

On March 3-4, 1998, a representative of the California State Fire Marshal (CSFM) acting as an agent for the inspection of interstate pipelines for the Western Region, Office of Pipeline Safety (OPS), pursuant to Section 60105(a) of Title 49, United States Code, conducted an onsite pipeline safety inspection of your pipeline facilities and records for the Colton, California, to Nevada border section of pipeline.

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 probable violations are:

1) §195.406 Maximum operating pressure.

§195.406(b) states: No operator may permit the pressure in a pipeline during surges or other variations from normal operations to exceed 110 percent of the operating pressure limit established under paragraph (a) of this section. Each operator must provide adequate controls and protective equipment to control the pressure within this limit.

CalNev Pipeline Company's records indicate that from May of 1995, till March 6, 1998, the high pressure discharge set points for the 8 and 14-inch pipelines, at the Colton pump station, were not properly set to prevent the pipeline pressure from exceeding 110 percent of the operating pressure limit during normal operations.

2) §195.420 Valve maintenance.

§195.420(b) states: Each operator shall, at intervals not exceeding 7 ½ months, but at least twice each calendar year, inspect each mainline valve to determine that it is functioning properly.

CalNev's valve inspection records indicate that for the 8-inch pipeline, 9 valves were not inspected as required by 195.420(b) in 1995 at the following locations: Sidewinder, Lenwood, Barstow S., Barstow N., Field Rd., Afton Rd., Basin Rd., Zzyzx Rd., and Baker Stn. For 1997, CalNev's valve inspection records indicate that 7 valves were not inspected as required by 195.420(b) at the following locations: Sidewinder, Lenwood, Barstow S., Barstow N., Basin Rd., Baker Stn., and Yates Well.

Additionally, 11 valves were not inspected as required by 195.420(b) in 1995 for the 14-inch pipeline at the following locations: Lenwood, Yellow Freight T/O, Santa Fe, Santa Fe T/O, Barstow So., Barstow No., Field Rd., Afton Rd., Basin Rd., Zzyzx Rd., and Baker Stn. The valve located at the Yates Well was not inspected in 1997 as required by 195.420(b).

3) §195.430 Firefighting equipment.

§195.430(a) requires each operator to maintain adequate firefighting equipment at each pump station and breakout tank area. The equipment must be in proper operating condition at all times;

Fire Fighting equipment was not properly maintained at the Cajon Pump Station as the last fire extinguisher inspection date was June of 1996.

4) §195.410 Line markers.

§195.410(a)(1) requires each operator to place and maintain line markers over each buried pipeline located at each public road crossing, at each railroad crossing, and in sufficient number along the remainder of each buried line so that its location is accurately known.

Pipeline markers were not in place over each buried pipeline at the Yucca Rd. crossing.

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 violation 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 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.

Sincerely,

Chris Hoidal
Director

ZB/sma

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