

WARNING LETTER

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

November 27, 1996

Mr. Keith Casenhiser
Manager Kern Canyon Estates
8536 Kern Canyon Road
Bakersfield, CA 93306

CPF No. 56014-W

Dear Mr. Casenhiser:

On November 11, 1996, the Office of Pipeline Safety (OPS) received a telephonic incident report from the National Response Center (NRC) for an incident involving your pipeline facilities located at 8536 Kern Canyon Road in Bakersfield, California.

As a result of our review of the telephonic incident report, it appears that you have committed a probable violation, as noted below, of the pipeline safety regulations, Title 49, Code of Federal Regulations, Part 191. The probable violation is:

1) §191.5 Telephonic notice of certain incidents.

§191.5(a) requires each operator at the earliest practicable moment following discovery, to give notice in accordance with paragraph (b) of this section for each incident as defined in §191.3.

§191.5(b) requires that the notice required by §191.5(a) be given by telephone to the NRC at (800) 424-8802 and that it include; (1) Names of operator and person making report and their telephone numbers; (2) The location of the incident; (3) The time of the incident; (4) The number of fatalities and personal injuries, if any; (5) All other significant facts that are known by the operator that are relevant to the cause of the incident or extent of the damages.

§191.3 defines a reportable incident as:

- (1) An event that involves the release of gas from a pipeline or of liquefied natural gas or gas from an LNG facility and (i) A death, or personal injury necessitating in patient hospitalization; or (ii) estimated property damage, including the cost of gas lost, of the operator or others, or both, of \$50,000 or more.**
- (2) An event that results in an emergency shutdown of an LNG facility.**
- (3) An event that is significant, in the judgement of the operator, even though it did not meet the criteria of paragraphs (1) or (2).**

An incident occurred, at approximately 5:30 P.M. EST on November 10, 1996, on your pipeline system meeting the reporting requirements of §191.5 of the pipeline safety regulations. The incident was not reported to the NRC until approximately 12:30 P.M. EST on November 11, 1996. This is approximately 17 hours over the two (2) hour time limit OPS considers as **practicable** for giving notice to the NRC for a reportable incident as defined by §191.3.

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.

You will not hear from us again with regard to this issue. 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,

Edward J. Ondak
Director

cc: Harry Strahl, CPUC

Enclosure