

## WARNING LETTER

### CERTIFIED MAIL - RETURN RECEIPT REQUESTED

November 17, 1997

Mr. Martin Morell  
Oil and Gas Division Manager  
Unocal Corporation  
909 West 9th Avenue  
Anchorage, AK 99501

**CPF No. 57010W**

Dear Mr. Morell:

On September 2 and 3, 1997, a representative of the Western Region, Office of Pipeline Safety (OPS), pursuant to Chapter 601 of 49 United States Code, conducted an inspection of Unocal Corporation pipeline operations near Nikiski, Alaska. The facilities inspected were the 10-inch natural gas pipeline between the East Forelands Delivery Facility and the Unocal Collier plant, and the 16-inch natural gas pipeline from Swanson River to KPL Junction. The inspection included review of operation and maintenance procedures and records at your Kenai office.

As a result of the inspection, it appears that Unocal has committed a probable violation of pipeline safety regulations, Title 49, Code of Federal Regulations, Part 192. The probable violation is:

1. **§ 192.739 Pressure limiting and regulating stations: Inspection and testing.**

**Each pressure limiting station, relief device, and pressure regulating station and its equipment must be subjected at intervals not exceeding 15 months, but at least once each calendar year, to inspections and tests to determine that it is -**

- (a) In good mechanical condition;**
- (b) Adequate from the standpoint of capacity and reliability for the service in which it is employed;**
- (c) Set to function at the correct pressure; and**
- (d) Properly installed and protected from dirt, liquids, or other conditions that might prevent proper operation.**

Unocal did not perform an annual inspection of the Swanson River pipeline relief device (Station R, VS-884) during the 1996 calendar year. Unocal's last three tests for this device were completed on April 18, 1995, December 15, 1995, and January 14, 1997. In addition, Unocal did not evaluate the relief valve in 1996 or 1997 to determine if it was adequate from the standpoint of capacity and reliability for the service in which it is employed. Unocal inspections must be completed at least once each calendar year. This inspection must include determination of adequate capacity. Adequate capacity must be verified and documented in accordance with §192.743.

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 this violation, we will take enforcement action when and if the continued violation comes to our attention.

You will not hear from us again with regard to the noted inspection 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 operations into compliance with pipeline safety regulations.

Sincerely,

Edward J. Ondak  
Director