

WARNING LETTER

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

September 22, 1998

Mr. Wayne Parkin
Manager
Barrow Utilities and Electric Cooperative, Inc.
1295 Agvik Street
Barrow, Alaska 99723

CPF NO. 58015w

Dear Mr. Parkin:

On July 29 and 30, 1998, a representative of the Western Region, Office of Pipeline Safety (OPS), pursuant to Chapter 601 of 49 United States Code, conducted an on-site pipeline safety inspection of Barrow Utilities and Electric Cooperative, Inc. (BUECI) records at your offices in Barrow, Alaska. A field inspection of your distribution system was also conducted.

As a result of the inspection, it appears that BUECI has committed probable violations, as noted below, of pipeline safety regulations, Title 49, Code of Federal Regulations, Part 192. The items inspected and the probable violation is:

1. **§192.723(b)(1) requires that a leakage survey with leak detector equipment must be conducted in business districts, including tests of the atmosphere in gas, electric, telephone, sewer, and water system manholes, at cracks in pavement and sidewalks, and at other locations providing an opportunity for finding gas leaks, at interval not exceeding 15 months, but at least once each calendar year.**

BUECI had not identified any business districts in the City of Barrow. BUECI's *Operation and Maintenance Manual* states, "A gas detector survey will be accomplished annually by the Operations Manager or designee. It will be conducted in certain areas and in certain buildings according to a schedule prepared by the Operations Manager. Outside surveys will include inspection of ally utility distribution lines and gas valves." Currently, BUECI does not consider any of their system to be located in a business district. Our inspector, however, noted that there were at least three fairly well defined areas within Barrow where commercial transactions involving numerous people were conducted on a regular basis. These apparent business districts include the commercial buildings near: the airport, the Top of the World Hotel,

and the new "AC" supermarket. BUECI must define a "business district" in their Operation and Maintenance Manual. BUECI must also annually perform leak surveys in any areas that meet the definition of a business district.

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 persist 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 violation, we will take enforcement action when and if the continued violations come to our attention.

In addition to the above probable violation, the inspection revealed additional areas that are causes for concern. I hope that you will consider the following concerns as constructive relating to continued pipeline safety.

BUECI currently uses a combustible gas indicator (CGI) equipped with a probe to conduct its leakage surveys. The CGI is not suitable for outside surveys unless you have a confined space. To properly utilize this device, the operator must either use available openings or bar hole the soil to create a confined space. Considering the frozen ground conditions in Barrow, bar holing is not an effective means for performing leak surveys. This was demonstrated on July 13, 1998 when BUECI and our inspector tried to use the CGI at a known leak source in a partially confined area. The CGI did not detect the leak.

We recommend that a flame ionization (FI) detector be utilized for leak surveys on the BUECI system. FI units typically are more sensitive, have faster response times, perform better in dynamic air conditions, and allow a continuous leak survey to be performed over the entire system. These FI characteristics will make it a much more effective tool in locating natural gas leaks in Barrow, particularly during winter months and windier conditions.

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 and your operations into compliance with pipeline safety regulations.

Sincerely,

Edward J. Ondak
Director

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