



U.S. Department
of Transportation

Pipeline and Hazardous Materials
Safety Administration

12300 W. Dakota Ave., Suite 110
Lakewood, CO 80228

WARNING LETTER

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

June 30, 2015

Mr. Ross Gould
Manager of Thermal Generation of Gas Pipelines
Sacramento Municipal Utility District (SMUD)
6201 S Street
Sacramento, CA 95817

CPF 5-2015-0008W

Dear Mr. Gould:

It has been brought to PHMSA's attention through an internal audit that this enforcement letter was not sent out. This letter is being sent to you in order to ensure past violations from previous inspections are publicly documented. We recognize that a follow up inspection by our inspector in 2015 indicated the noncompliances have been corrected.

On August 7, 2012 a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA) pursuant to Chapter 601 of 49 United States Code inspected your Public Awareness Program (PAP) and supporting records for your natural gas transmission pipeline facilities in Sacramento, California.

As a result of the inspection, it appears that you have committed probable violations of the Pipeline Safety Regulations, Title 49, Code of Federal Regulations. The items inspected and the probable violations are:

1. **§192.616 Public Awareness**

(c) The operator must follow the general program recommendations, including baseline and supplemental requirements of API RP 1162, unless the operator provides justification in its program or procedural manual as to why compliance with all or certain provisions of the recommended practice is not practicable and not necessary for safety.

In evaluating the PAP effectiveness in 2012, SMUD did not assess the percentage of the intended stakeholder audience that understand and retain the key information of the message, within the area along the system covered by this program or provide justification as to why compliance with all or certain provisions of the recommended practice is not practicable and not necessary for the safety.

SMUD did not attempt to assess the percentage of the intended stakeholder audiences that understood and retained the key information in the message received, nor did they pre-test messages for each stakeholder audience group. SMUD also did not provide any justification as to why compliance with all or certain provisions of the recommended practice is not practicable and not necessary for the safety.

2. **§192.616 Public Awareness**

(c) The operator must follow the general program recommendations, including baseline and supplemental requirements of API RP 1162, unless the operator provides justification in its program or procedural manual as to why compliance with all or certain provisions of the recommended practice is not practicable and not necessary for safety.

In evaluating the PAP effectiveness in 2012, SMUD did not determine whether appropriate preventive behavior has been understood by the stakeholder audiences and are taking place when needed, or provide justification as to why compliance with all or certain provisions of the recommended practice are not practicable and not necessary for the safety.

SMUD also did not evaluate the effectiveness results and data to determine if stakeholders have demonstrated the intended learned behavior for each stakeholder audience group and provided no justification as to why compliance with all or certain provisions of the recommended practice is not practicable and not necessary for the safety.

Under 49 United States Code, § 60122, you are subject to a civil penalty not to exceed \$200,000 per violation per day the violation persists up to a maximum of \$2,000,000 for a related series of violations. For violations occurring prior to January 4, 2012, the maximum penalty may not exceed \$100,000 per violation per day, with a maximum penalty not to

exceed \$1,000,000 for a related series of violations. Based on the fact these items are corrected, we reviewed the circumstances and supporting documents involved in this 2012 inspection case. PHMSA decided not to conduct additional enforcement action or penalty assessment proceedings.

No reply to this letter is required. If you choose to reply, in your correspondence please refer to **CPF 5-2015-0008W**. Be advised that all material you submit in response to this enforcement action is subject to being made publicly available. If you believe that any portion of your responsive material qualifies for confidential treatment under 5 U.S.C. 552(b), along with the complete original document you must provide a second copy of the document with the portions you believe qualify for confidential treatment redacted and an explanation of why you believe the redacted information qualifies for confidential treatment under 5 U.S.C. 552(b).

PHMSA does apologize for any inconvenience or confusion that this delayed enforcement let might cause. If there are any questions concerning this letter, please do not hesitate to contact me at (720) 963-3160. Thank you for your cooperation in this matter.

Sincerely,



Chris Hoidal
Director, Western Region
Pipeline and Hazardous Materials Safety Administration

cc: PHP-60 Compliance Registry
PHP-500 H. Monfared (#139071)