

## WARNING LETTER

**VIA UPS 2ND DAY AIR - 1ZWR25880298368340**

April 18, 2012

Mr. Jon Arakaki  
Director, Fuel Infrastructure Division  
Hawaiian Electric Company  
91-196 Hanau St  
Kapolei, Hawaii 96782

**CPF 5-2012-5005W**

Dear Mr. Arakaki:

On March 26, 2012, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA), pursuant to Chapter 601 of 49 United States Code, inspected Hawaiian Electric Company's (HECO) Public Awareness Program in Kapolei, Hawaii.

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 item inspected and the probable violation is:

1. **§195.440 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.**

HECO did not perform the following program effectiveness evaluations as identified in API RP 1162, Section 8.4.1 through 8.4.3:

- 1) Evaluations of the number of actual program outreach for each stakeholder audience or justify why the evaluation was not conducted.

- 2) Evaluation of stakeholders' understanding of HECO's program messages or justify why the evaluation was not conducted.
- 3) Evaluation of desired behaviors by stakeholder audience or justify why the evaluation was not conducted.

Under 49 United States Code, § 60122, you are subject to a civil penalty not to exceed \$100,000 for each violation for each day the violation persists up to a maximum of \$1,000,000 for any related series of violations. We have reviewed the circumstances and supporting documents involved in this case, and have decided not to conduct additional enforcement action or penalty assessment proceedings at this time. We advise you to correct the items identified in this letter. Failure to do so will result in Hawaiian Electric Company being subject to additional enforcement action.

No reply to this letter is required. If you choose to reply, in your correspondence please refer to **CPF 5-2012-5005W**, and send all documents to our office at 188 W. Northern Lights Blvd., Suite 520, Anchorage, AK 99503. 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).

Sincerely,

Dennis Hinnah  
Deputy Director, Western Region  
Pipeline and Hazardous Materials Safety Administration

cc: PHP-60 Compliance Registry  
PHP-500 B. Flanders (#137750)