



U.S. Department  
Of Transportation  
Pipeline and  
Hazardous Materials  
Safety Administration

820 Bear Tavern Road, Suite 103  
West Trenton, NJ 08628  
609.989.2171

**NOTICE OF PROBABLE VIOLATION  
and  
PROPOSED CIVIL PENALTY**

**EXPRESS OVERNIGHT DELIVERY**

October 14, 2010

Mr. Christopher L. Beschler  
Director Department of Public Utilities  
Deputy Chief Administrative Officer  
City of Richmond  
Department of Public Utilities  
400 Jefferson Davis Highway  
Richmond, VA 23224

**CPF 1-2010-0004**

Dear Mr. Beschler:

Between February 16-18, 2010, a State Inspector from the Virginia State Corporation Commission (VA SCC) acting as Agent for the Pipeline and Hazardous Materials Safety Administration (PHMSA) pursuant to Chapter 601 of 49 United States Code inspected your pipeline facilities in Richmond, VA.

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. §192.605(a) Procedural manual for operations, maintenance, and emergencies.**

**(a) General.** Each operator shall prepare and follow for each pipeline, a manual of written procedures for conducting operations and maintenance activities and for emergency response. For transmission lines, the manual must also include procedures for handling abnormal operations. This manual must be reviewed and updated by the operator at intervals not exceeding 15 months, but at least once each calendar year. This manual must be prepared before operations of a pipeline system commence. Appropriate parts of the manual must be kept at locations where operations and maintenance activities are conducted.

The City of Richmond, VA (City), failed to follow its own operations and maintenance procedures policy by not repairing Grade 1 leaks immediately.

City records viewed by the VA SCC inspector identified four (4) Grade 1 leaks not repaired immediately:

| Leak # | Date reported | Date repaired/Re-evaluated | Days late |
|--------|---------------|----------------------------|-----------|
| 67843  | 12/24/2008    | 1/2/2009                   | 9         |
| 566945 | 1/12/2010     | 1/13/2010                  | 1         |
| 238910 | 9/26/2008     | 9/26/2009                  | 365       |
| 562586 | 1/7/2009      | 1/9/2009                   | 2         |

**2. §192.605(a) Procedural manual for operations, maintenance, and emergencies.**

**(a) General.** Each operator shall prepare and follow for each pipeline, a manual of written procedures for conducting operations and maintenance activities and for emergency response. For transmission lines, the manual must also include procedures for handling abnormal operations. This manual must be reviewed and updated by the operator at intervals not exceeding 15 months, but at least once each calendar year. This manual must be prepared before operations of a pipeline system

The City of Richmond, VA (City), failed to follow its own operations and maintenance procedures policy by not re-evaluating Grade 2 leaks at intervals not exceeding 12 months until cleared.

City records viewed by the VA SCC inspector identified twenty six (26) Grade 2 leaks not re-evaluated or cleared at intervals not exceeding 12 months:

| Leak #   | Date reported | Date repaired/Re-evaluated | Days late |
|----------|---------------|----------------------------|-----------|
| fc03618J | 1/8/2008      | 3/27/2009                  | 79        |
| fc03607j | 1/7/2008      | 4/8/2009                   | 92        |
| a3566r   | 7/8/2008      | 10/1/2009                  | 85        |
| 20854c   | 3/12/2008     | 9/18/2009                  | 190       |
| 20824c   | 3/7/2008      | 9/18/2009                  | 195       |
| fc03707j | 1/24/2008     | 5/18/2009                  | 115       |
| 20647c   | 1/15/2008     | 3/31/2009                  | 76        |
| fc09657  | 1/15/2008     | 3/30/2009                  | 75        |
| 02655r   | 12/14/2007    | 9/4/2009                   | 265       |
| 562706   | 1/29/2008     | 2/8/2009                   | 11        |
| 237750   | 6/30/2008     | 9/21/2009                  | 83        |
| 20832c   | 3/7/2008      | 9/22/2009                  | 199       |
| 20892c   | 3/18/2008     | 9/18/2009                  | 184       |
| 03305r   | 5/1/2008      | 9/28/2009                  | 150       |
| 20454c   | 10/2/2007     | 8/4/2009                   | 307       |
| 02367r   | 10/17/2007    | 7/29/2009                  | 286       |
| fco3632j | 1/10/2008     | 4/7/2009                   | 88        |
| fc03621j | 1/8/2008      | 5/11/2009                  | 124       |
| fc03627j | 1/9/2008      | 4/7/2009                   | 89        |
| fc04460j | 7/29/2008     | 9/28/2009                  | 61        |
| n67299   | 10/9/2007     | 5/19/2009                  | 223       |
| fc03662j | 1/15/2008     | 4/6/2009                   | 82        |
| 02748r   | 1/2/2008      | 3/25/2009                  | 83        |
| 02750r   | 1/2/2008      | 4/16/2009                  | 105       |
| 20841C   | 3/10/2008     | 9/18/2009                  | 192       |
| FC04388s | 7/11/2008     | 9/21/2009                  | 72        |

Proposed Civil Penalty

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 be imposed. The Compliance Officer has reviewed the circumstances and supporting documentation involved in the above probable violations and has recommended that you be preliminarily assessed a civil penalty of \$56,200 as follows:

| <u>Item number</u> | <u>PENALTY</u> |
|--------------------|----------------|
| 1                  | \$56,200       |

Warning Items

With respect to item 2 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 promptly correct these items. Be advised that failure to do so may result in the City being subject to additional enforcement action.



Response to this Notice

Enclosed as part of this Notice is a document entitled *Response Options for Pipeline Operators in Compliance Proceedings*. Please refer to this document and note the response options. 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). If you do not respond within 30 days of receipt of this Notice, this constitutes a waiver of your right to contest the allegations in this Notice and authorizes the Associate Administrator for Pipeline Safety to find facts as alleged in this Notice without further notice to you and to issue a Final Order.

In your correspondence on this matter, please refer to **CPF 1-2010-0004** and for each document you submit, please provide a copy in electronic format whenever possible.

Sincerely,



Byron E. Coy, PE  
Director, Eastern Region  
Pipeline and Hazardous Materials Safety Administration

Cc: VA SCC

Enclosure: *Response Options for Pipeline Operators in Compliance Proceedings*