



U.S. Department  
of Transportation

**Research and  
Special Programs  
Administration**

400 Seventh St., S.W.  
Washington, D.C. 20590

MAR 15 2004

Mr. Dan Britton  
President  
Fairbanks Natural Gas, LLC  
3408 International Way  
Fairbanks, AK 99701

Re: CPF No. 5-2000-0006

Dear Mr. Britton:

Enclosed is the Final Order issued by the Associate Administrator for Pipeline Safety in the above-referenced case. It makes findings of violation and finds that you have completed the actions specified in the Notice required to comply with the pipeline safety regulations. This case is now closed. Your receipt of the Final Order constitutes service of that document under 49 C.F.R. § 190.5.

Sincerely,

James Reynolds  
Pipeline Compliance Registry  
Office of Pipeline Safety

Enclosure

cc: Mr. Charles A. Helm  
Vice President, Operations

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

DEPARTMENT OF TRANSPORTATION  
RESEARCH AND SPECIAL PROGRAMS ADMINISTRATION  
OFFICE OF PIPELINE SAFETY  
WASHINGTON, DC 20590

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In the Matter of )  
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Fairbanks Natural Gas, LLC, )  
a subsidiary of Northern Eclipse, LLC, )  
 )

Respondent )  
\_\_\_\_\_)

CPF No. 5-2000-0006

FINAL ORDER

On February 14 and 17, 2000, pursuant to 49 U.S.C. § 60117, representatives of the Office of Pipeline Safety (OPS) conducted an on-site pipeline safety inspection of Respondent's facilities and records at the Point MacKenzie Gas Treating and Liquefaction plant. As a result of the inspection, the Director, Western Region, OPS, issued to Respondent, by letter dated May 11, 2000, a Notice of Probable Violation and Proposed Compliance Order (Notice). In accordance with 49 C.F.R. § 190.207, the Notice proposed finding that Respondent had committed violations of 49 C.F.R. Part 192 and proposed that Respondent take certain measures to correct the alleged violations.

Respondent responded to the Notice by letter dated June 6, 2000 (Response). Respondent did not contest the allegations of violation but provided information concerning the corrective action it intended to take. By letter dated November 7, 2001, Respondent submitted supplemental information concerning the corrective action it has taken. Respondent did not request a hearing, and therefore has waived its right to one.

FINDINGS OF VIOLATION

In its Response, Respondent did not contest the alleged violations in the Notice. Accordingly, I find that Respondent violated the following sections of 49 C.F.R. Part 192, as more fully described in the Notice:

49 C.F.R. § 192.455 – failing to provide cathodic protection for its transmission line from Enstar's natural gas line odorization facility to Respondent's gas treatment and liquefaction plant facility. Respondent also failed to have procedures for monitoring the cathodic protection, as required under § 192.465;

49 C.F.R. § 192.479 – failing to clean and coat, or otherwise protect from atmospheric corrosion, the aboveground piping and appurtenances at the Enstar odorization facility yard. Respondent also failed to monitor the piping for atmospheric corrosion, as required under § 192.481, and to have procedures for monitoring the piping for atmospheric corrosion;

49 C.F.R. § 192.605 – failing to have procedures for cathodic protection monitoring, relief valve testing and inspections, isolation valve partial operation testing and inspections, and leakage surveys;

49 C.F.R. § 192.706 – failing to conduct leakage surveys at least once each calendar year, with intervals not exceeding 15 months;

49 C.F.R. § 192.707 – failing to have markers to identify the location of the pipeline, particularly at locations where the line runs close to buried power line poles;

49 C.F.R. § 192.739 – failing to inspect and test a relief valve for correct pressure setting at least once each calendar year, with intervals not exceeding 15 months;

49 C.F.R. § 192.743 – failing to test a pressure relief valve for adequate capacity, or alternatively, to have calculations made to compare the required relief capacity with the actual relief valve capacity, at least once each calendar year with intervals not exceeding 15 months; and

49 C.F.R. § 192.745 – failing to inspect and partially operate an isolation valve that might be required during an emergency, at least once each calendar year with intervals not exceeding 15 months.

These findings of violation will be considered prior offenses in any subsequent enforcement action taken against Respondent.

#### COMPLIANCE ORDER

The Notice proposed a compliance order for the violations of Part 192. Under 49 U.S.C. § 60118(a), each person who engages in the transportation of gas or who owns or operates a pipeline facility is required to comply with the applicable safety standards established under Chapter 601. The Regional Director has indicated that Respondent has taken the following actions specified in the Proposed Compliance Order:

Respondent has installed a sacrificial anode on the subject transmission line to provide cathodic protection against external corrosion. Respondent has also developed adequate procedures to monitor the cathodic protection system.

Respondent has coated the necessary aboveground piping to protect the line from atmospheric corrosion. Respondent has also developed adequate procedures to monitor for atmospheric corrosion.

Respondent has developed an adequate procedure for performing leakage surveys and completed at least two leakage surveys since September 27, 2000.

Respondent has placed aboveground markers over the transmission line in sufficient numbers to identify the location of the line. Respondent has also developed a procedure for maintaining the location markers.

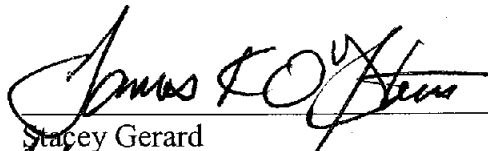
Respondent has developed an adequate procedure for testing and inspecting the relief valve and inspected and tested the valve on October 12, 2001.

Respondent has developed an adequate procedure for determining whether its relief valve capacity is adequate, to be performed at least once each calendar year with intervals not exceeding 15 months. Respondent has reviewed the capacity of its relief valve and has determined that the capacity is adequate.

Respondent has developed an adequate procedure for the inspection and partial operation of the isolation valve and inspected and tested the valve on February 13, 2001 and April 2, 2002.

Respondent has incorporated the above procedures into its Standard Operating Procedures Manual.

Accordingly, since compliance has been achieved with respect to each of the identified violations, the compliance terms are not included in this Order.



Stacey Gerard  
Associate Administrator  
for Pipeline Safety

MAR 15 2004

Date Issued