

Provided Pursuant to Sections 4-404 and 5-108 of the Public Utilities Act

May 21, 2014

RECEIVED

MAY 26 2014

Via Email and U.S. Mail

Darin R. Burk
Manager – Pipeline Safety
Illinois Commerce Commission
527 East Capitol Avenue
Springfield, Illinois 62701

Illinois Commerce Commission
GAS PIPELINE SAFETY

Re: Revised Procedures in connection with NOA #s 2014-A001-00003 through 2014-A001-00022
ICC Inspection # 2014-P-00026

References: 1. Letter from DR Burk (ICC) to WS Evans (NSG) dated February 20, 2014
2. Letter from TJ Webb (NSG) to DR Burk (ICC) dated March 19, 2014

Dear Mr. Burk:

In Reference 1, the Illinois Commerce Commission (ICC) issued Notice of Amendments (NOA) to North Shore Gas Company (NSG). The NOAs resulted from an inspection conducted February 10, 11 and 13, 2014 of the NSG Operations and Maintenance Manual.

Reference 1 states:

A written response to this notice is requested by March 24, 2014. If you are contesting this Notice, include a detailed written explanation and any necessary supporting documents with your response.

If you are not contesting this Notice, the written response must acknowledge that amended procedures will be provided to this office by May 21, 2014.

In Reference 2, NSG responded that it is not contesting the NOAs and will submit its amended procedures by May 21, 2014. Below please find a chart indentifying the NOA number, the code section, and a description of each NOA, the correlating revised procedure and the attachment in which the revised procedure is located.

NOA #	49 CFR 192	NOA Description	O&M Procedure Section	Attachment
2014-A001-00003	192.613(b)	A procedure could not be located which includes requirements for reducing the MAOP or other actions to be taken, if a segment of pipeline is in unsatisfactory condition.	Exhibit 3, Safety Inspection Program	1
2014-A001-00004	192.741(a)	Documentation could not be provided that requires the telemetering or recording gauges to be in place to indicate gas pressure in the district that supplies more than one regulating station.	Exhibit 1, Plan General Section	2
2014-A001-00005	IL ADM. CO. 265.100	NSG Order EOP, Section 5, item 3, states to notify the ICC JULIE Enforcement only on third party damage on transmission pipeline.	Exhibit 5, Emergency Operating Procedure	3
2014-A001-00006	192.605(b); 192.453	Documentation could not be provided that requires the operator's procedure including design, installation, operation and maintenance of cathodic protection systems must be carried out by, or under the direction of a person qualified in pipeline corrosion control methods.	Exhibit 7, Corrosion Control Policy	4
2014-A001-00007	192.455(e)	Staff could not identify in the operator's procedure where aluminum may not be installed in a buried or submerged pipeline if that aluminum is exposed to an environment with a natural pH in excess of 8.	Exhibit 7, Corrosion Control Policy	4
2014-A001-00008	192.475(b)(3)	Staff could not identify in the operator's procedure the steps that must be taken when internal corrosion is discovered.	Exhibit 7, Corrosion Control Policy	4
2014-A001-00009	192.619(a)(1)	Documentation could not be provided for a procedure of how an MAOP is determined by test or design.	TEG Standard 1100	5
2014-A001-00010	192.703(b)	A procedure could not be	Exhibit 3, Safety	1

NOA #	49 CFR 192	NOA Description	O&M Procedure Section	Attachment
		located which requires that each segment of pipeline that becomes unsafe must be replaced, repaired, or removed from service.	Inspection Program	
2014-A001-00011	192.741(b)	Documentation could not be located of a procedure that requires the operator to determine the necessity of installing telemetering or recording gages in a distribution system supplied by only one district station.	Exhibit 1, Plan General Section	2
2014-A001-00012	192.487(b)	Documentation could not be provided of a procedure to replace or repair distribution pipe if localized corrosion has reduced the wall thickness.	Exhibit 7, Corrosion Control Policy	4
2014-A001-00013	192.619(a)(3)	Documentation could not be provided for a procedure requiring the MAOP to be determined by the highest operating pressure to which the segment of the line was subjected between July 1, 1965, and July 1, 1970.	TEG Standard 1100	5
2014-A001-00014	192.487(a)	Documentation could not be provided of a procedure to replace or repair distribution pipe if general corrosion has reduced the wall thickness.	Exhibit 7, Corrosion Control Policy	4
2014-A001-00015	192.619(b)	Staff could not identify a procedure requiring overpressure devices be installed if .619(a)(4) is applicable.	TEG Standard 1100	5
2014-A001-00016	192.455(a)	Staff could not identify in the operator's procedure that requires pipelines installed after July 31, 1971, buried segments must be externally coated and cathodically protected within one year after the completion of construction.	Exhibit 7, Corrosion Control Policy	4
2014-A001-00017	192.609	Staff could not identify a procedure for conducting a	Exhibit 3, Safety Inspection	1

NOA #	49 CFR 192	NOA Description	O&M Procedure Section	Attachment
		class location survey when an increase in population density indicates a change in class location.	Program	
2014-A001-00018	192.741(c)	Documentation could not be provided for a procedure to require the operator to inspect equipment and take corrective measures when there are indications of abnormally high or low pressure.	Exhibit 1, Plan General Section	2
2014-A001-00019	192.13	Documentation could not be provided if the plan allows the use of pre-tested pipe for repairs.	Exhibit 9, General Order 2.170	6
2014-A001-00020	192.605(a); 192.605(b)(5)	A procedure could not be located that contains provisions for startup and shutdown of a pipeline to assure operations within MAOP plus allowable buildup.	Exhibit 13, Start-up and Shut-Down of a Pipeline	7
2014-A001-00021	192.457(a)	Documentation could not be provided that requires coated steel transmission pipe installed prior to August 1, 1971.	Exhibit 7, Corrosion Control Policy	4
2014-A001-00022	192.619(a)(2)	Documentation could not be provided for a procedure requiring the MAOP to be determined by test pressure divided by applicable factor.	TEG Standard 1100	5

Please contact me at your convenience if you have any questions regarding this matter.

Sincerely,



Thomas J. Webb
Compliance Manager
The Peoples Gas Light and Coke Company
North Shore Gas Company
312-240-4650