

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

March 31, 2014

Via Email and U.S. Mail

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

Re: Response to NOPV #2014-V001-00008
Inspection #2014-P-00040

Reference: Letter from DR Burk (ICC) to WS Evans (NSG) dated February 27, 2014

Dear Mr. Burk:

In the Reference, the Illinois Commerce Commission (ICC) issued a Notice of Probable Violation (NOPV) to North Shore Gas Company (NSG). The Reference states:

During that audit, our Analysts observed the following probable violations with reference to Part 192 of the Federal Regulations for the transportation of Natural Gas.

CFR §192.605 titled: **“Procedure manual for operations, maintenance, and emergencies”**, states in paragraph (a), Each operator shall include the following in its operating and maintenance plan:

(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 one 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 Reference further states:

From the documentation provided, twenty four (24) O&M procedures were not reviewed on an annual basis in 2013.

Staff is requiring the review of the procedures be completed by March 31, 2014.

To address this issue, the following actions have or will be taken.

1. The event was investigated and the cause of the event was determined to be a less than systematic approach to tracking the completion of the reviews. Several different spreadsheets were used to track the completion of the reviews; as a result, data gaps developed between the different sheets.

To address this issue, a complete master list of all O&M procedures to be reviewed for 2014 is being created for ease of tracking and assignment.

2. The 24 O&M procedures have been reviewed.

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

Sincerely,



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