

**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-V001-00010  
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 §192.459** titled: **“External corrosion control: Examination of buried pipelines when exposed”**, “Whenever an operator has knowledge that any portion of a buried pipeline is exposed, the exposed portion must be examined for evidence of external corrosion if the pipe is bare, or if the coating is deteriorated. If external corrosion requiring remedial action under Sees. 192.483 through 192.489 is found, the operator shall investigate circumferentially and longitudinally beyond the exposed portion (by visual examination, indirect method, or both) to determine whether additional corrosion requiring remedial action exists in the vicinity of the exposed portion.”

The Reference further states:

On 7/22/2013, a Meade crew was abandoning a main on Cambridge Ct., in Highland Park, (W.R. 1204077). The crew did not document the condition or coating on the exposed portion of the main.

It is Staff's expectation when a buried pipe is exposed, the exposed portion will be examined for evidence of external corrosion if the pipe is bare, or if the coating is deteriorated, and this examination will be documented.

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

1. An extent of condition review is in progress to determine if there were other occasions during calendar year of 2013 when NSG or contract personnel failed to document the condition of a line. NSG estimates this review will be completed by June 2, 2014
2. NSG will submit to the ICC the results of the extent of condition review and additional corrective actions if required no later than June 30, 2014.
3. The need to document the condition of exposed pipe has been emphasized to employees at shop meetings.
4. A tailgate will be held with all personnel that review work that could require documenting the condition of a main. This tailgate will be completed by May 31, 2014.

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