

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

December 3, 2014

*Via Email and U.S. Mail*

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

Re: Response to NOA #s 2014-A001-00118, 2014-A001-00119, 2014-A001-00120  
ICC Inspection # 2014-P-00428

Reference: Letter from DR Burk (ICC) to JD Kleczynski (PGL) dated November 3, 2014

Dear Mr. Burk:

In the Reference, the Illinois Commerce Commission (ICC) issued three Notice of Amendments (NOA) to The Peoples Gas Light and Coke Company (PGL). The NOAs resulted from a review of PGL's Transmission Integrity Management Plan (TIMP) on October 6-8 and 27-28, 2014.

The Reference identifies the following NOAs:

NOA # 2014-A001-00118

CFR §192.927 titled: "What are the requirements for using Internal Corrosion Direct Assessment (ICDA)?" states in paragraph (c) (5) (ii), "The ICDA plan. An operator must develop and follow an ICDA plan that provides for pre- assessment, identification of ICDA regions and excavation locations, detailed examination of pipe at excavation locations, and post-assessment evaluation and monitoring. Other requirements. The ICDA plan must also include-- Provisions for applying more restrictive criteria when conducting ICDA for the first time on a covered segment and that become less stringent as the operator gains experience;"

The Transmission Integrity Management Plan does not contain provisions for applying more restrictive criteria for pre-assessment and region identification when conducting ICDA for the first time on a covered segment.

NOA # 2014-A001-00119

CFR §192.911 titled: "What are the elements of an integrity management program?" states in paragraph (k), "An operator's initial integrity management

program begins with a framework (see § 192.907) and evolves into a more detailed and comprehensive integrity management program, as information is gained and incorporated into the program. An operator must make continual improvements to its program. The initial program framework and subsequent program must, at minimum, contain the following elements. (When indicated, refer to ASME/ANSI B31.8S (incorporated by reference, see § 192.7) for more detailed information on the listed element.) A management of change process as outlined in ASME/ANSI B31.8S, section 11.”

The Transmission Integrity Management Plan Section 16.3.5 states only “significant” changes affecting the written program will be maintained. ASME B31.8S-2004, Section 11 (a) specifically requires major or minor changes to be documented. Significant changes do not encompass minor changes that is required by the federal regulation.

NOA # 2014-A001-00120

CFR §192.921 titled: “How is the baseline assessment to be conducted?” states in paragraph (a) (4), “Assessment methods. An operator must assess the integrity of the line pipe in each covered segment by applying one or more of the following methods depending on the threats to which the covered segment is susceptible. An operator must select the method or methods best suited to address the threats identified to the covered segment (See § 192.917). Other technology that an operator demonstrates can provide an equivalent understanding of the condition of the line pipe. An operator choosing this option must notify the Office of Pipeline Safety (OPS) 180 days before conducting the assessment, in accordance with §192.949. An operator must also notify a State or local pipeline safety authority when either a covered segment is located in a State where OPS has an interstate agent agreement, or an intrastate covered segment is regulated by that State.”

Section 9.1.4 of the Integrys Pipeline Integrity Program for Gas Transmission Pipelines contains the requirement to notify PHMSA if “other technology” is used, but fails to mention that notification will be provided to the Illinois Commerce Commission.

The Reference further states:

A written response to this notice is requested by December 3, 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 February 2, 2015.

PGL is not contesting the NOAs and will provide the amended procedures to the ICC by February 2, 2015.

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

Sincerely,

A handwritten signature in black ink, appearing to read "Tom Webb". The signature is fluid and cursive, with a large initial "T" and "W".

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

## Nelson, Michelle

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**From:** Webb, Thomas J <TJWebb@peoplesgasdelivery.com>  
**Sent:** Wednesday, December 03, 2014 3:21 PM  
**To:** Burk, Darin; Watts, Jim; Smith, Matt; Canestrini, Steven; McElravy, Aaron; Nelson, Michelle  
**Cc:** Arroyo, Calixto; Carlson, Thomas D; @ Caro, Jodi; Doerk, Edward; Duffield, Todd L; Felicicchia, Joseph L; Findley, John M; Giesler, David D; Graham, Charles W; Hinton, Torrence L; Hurley, Sara; Jerome, Lauren A; Kleczynski, John D; Magnuson, Robert M; Mantilla, Wilson P; Maupin, Julie K; Millerick, Alison E; Morrow, William E; Mosar, Richard L; Neely, Dawn P; Puracchio, Thomas L; Roulo, Bradley W; Saigh, John R; Sandonato, Thomas P; Santiago, Juan F; Sikora, Charles R; Weber, Alan; Chan, Glannie A; Cuyler, Leah D; Kenny, Amy L; Mehta, Harsh B; Morrow, Eddie L; Smith, Kamara F; Aridas, Thomas; Just, John J; Kinzle, Mark W; Lazzaro, David J; Lenart, Theodore J; Rainge, Lance L  
**Subject:** ICC\_20141203\_TO\_NOA\_2014-A001-00118 - 2014-A001-00120 TIMP Plan  
**Attachments:** ICC\_20141203\_TO\_NOA\_2014-A001-00118 - 2014-A001-00120 TIMP Plan PGL.pdf  
**Follow Up Flag:** Follow up  
**Flag Status:** Flagged

Dear Mr. Burk:

In a letter from DR Burk (ICC) to JD Kleczynski (PGL) dated November 3, 2014 the Illinois Commerce Commission (ICC) issued three Notice of Amendments (NOAs) to The Peoples Gas Light and Coke Company (PGL). The NOAs resulted from a review of PGL's Transmission Integrity Management Plan (TIMP) on October 6-8 and 27-28, 2014.

The attached letter provides the required response to these NOAs.

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

Sincerely,

*Tom Webb*

Tom Webb  
Compliance Manager  
Peoples Gas Light and Coke Company  
O: 312-240-4650  
C: 920-246-2661