STATE OF ILLINOIS

ILLINOIS COMMERCE COMMISSION

CERTIFIED MAIL

July 14, 2015

Mr. Ron Pate
Vice President Operations and Technical Services
Ameren Illinois Company
370 S. Main St.
Decatur, IL 62523

Re: Notice of Probable Violations (NOPV #'s 2015-V001-00004, 2015-V002-00004, 2015-V003-00004, and 2015-V004-00004)

Dear Mr. Pate:

Representatives of the Illinois Commerce Commission Pipeline Safety Program ("Staff") conducted an audit for the Ameren Illinois Company ("Ameren") on May 12-14, 2015 (Inspection # 2015-P-00221). 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. A Notice of Probable Violation ("NOPV") has been issued for the sections of the Code of Federal Regulations ("CFR") cited, and were discussed with Dallas Jett on May 14, 2015.

Below is the applicable section of the CFR and the subsection language applicable to the violation. In some instances, additional sections of the CFR are referenced to clarify the inadequacy identified. Following the CFR or subsection language is a description of each violation along with required corrective measures that must be taken to become compliant with the CFR.

CFR §192.1005 titled: ***"What must a gas distribution operator (other than a master meter or small LPG operator) do to implement this subpart?"*** states, "No later than August 2, 2011 a gas distribution operator must develop and implement an integrity management program that includes a written integrity management plan as specified in §192.1007."

With reference to the requirements included in **CFR § 192.1007** titled: ***"What are the required elements of an integrity management plan?"*** states in paragraph (a), "A written integrity management plan must contain procedures for developing and implementing the following elements: Knowledge. An operator must demonstrate an understanding of its gas distribution system developed from reasonably available information."

Listed below are 4 instances detailing the failure to meet the requirements as stipulated under §192.1005:

NOPV # 2015-V001-00004

Staff was informed that the gas service at 309 Prairie Street, Jerseyville, was recently discovered as an isolated service. Ameren had failed to inspect or document this location as an isolated service since installation on September 26, 1997, until April 30, 2015. This failure to properly identify the isolated service in the recordkeeping system, clearly indicates that Ameren did not demonstrate an understanding of its gas distribution system by reviewing the gas service record, which is a document that is reasonably available to Ameren personnel. Reasonably available information includes gas service records as described in the Ameren Illinois DIMP in Section II Knowledge of Facilities Part B. Type and Location of Records 2. Records Utilized e. Pipe and System Attribute Data and the utilization of Subject Matter resources in Section II Knowledge of Facilities Part B. Type and Location of Records 4. Acquiring Additional Information. It has been clearly identified by Staff that Ameren does not have an adequate knowledge of the attributes within its system.

NOPV # 2015-V002-00004

Staff was informed that the gas service at 311 Prairie Street, Jerseyville, was recently discovered as an isolated service. Ameren had failed to inspect or document this location as an isolated service since installation on September 26, 1997, until April 30, 2015. This failure to properly identify the isolated service in the recordkeeping system, clearly indicates that Ameren did not demonstrate an understanding of its gas distribution system by reviewing the gas service record, which is a document that is reasonably available to Ameren personnel. Reasonably available information includes gas service records as described in the Ameren Illinois DIMP in Section II Knowledge of Facilities Part B. Type and Location of Records 2. Records Utilized e. Pipe and System Attribute Data and the utilization of Subject Matter resources in Section II Knowledge of Facilities Part B. Type and Location of Records 4. Acquiring Additional Information. It has been clearly identified by Staff that Ameren does not have an adequate knowledge of the attributes within its system.

NOPV # 2015-V003-00004

Staff was informed that the gas service at 319 Prairie Street, Jerseyville, was recently discovered as an isolated service. Ameren had failed to inspect or document this location as an isolated service since installation on September 26, 1997, until April 30, 2015. This failure to properly identify the isolated service in the recordkeeping system, clearly indicates that Ameren did not demonstrate an understanding of its gas distribution system by reviewing the gas service record, which is a document that is reasonably available to Ameren personnel. Reasonably available information includes gas service records as described in the Ameren Illinois DIMP in Section II Knowledge of

Facilities Part B. Type and Location of Records 2. Records Utilized e. Pipe and System Attribute Data and the utilization of Subject Matter resources in Section II Knowledge of Facilities Part B. Type and Location of Records 4. Acquiring Additional Information. It has been clearly identified by Staff that Ameren does not have an adequate knowledge of the attributes within its system.

NOPV # 2015-V004-00004

Staff was informed that the gas service at 325 Prairie Street, Jerseyville, was recently discovered as an isolated service. Ameren had failed to inspect or document this location as an isolated service since installation on September 26, 1997, until April 30, 2015. This failure to properly identify the isolated service in the recordkeeping system, clearly indicates that Ameren did not demonstrate an understanding of its gas distribution system by reviewing the gas service record, which is a document that is reasonably available to Ameren personnel. Reasonably available information includes gas service records as described in the Ameren Illinois DIMP in Section II Knowledge of Facilities Part B. Type and Location of Records 2. Records Utilized e. Pipe and System Attribute Data and the utilization of Subject Matter resources in Section II Knowledge of Facilities Part B. Type and Location of Records 4. Acquiring Additional Information. It has been clearly identified by Staff that Ameren does not have an adequate knowledge of the attributes within its system.

Staff is requiring Ameren to inspect all reasonably available information to properly populate the Ameren DIMP. Once a review has been completed, then the findings must be forwarded to Staff. Ameren must notify Staff of a date when the review is anticipated to be completed within 30 days of the receipt of this letter. If Staff determines the review was adequate, then the violations will be corrected.

Upon receipt of the NOPV, Ameren may submit to this office by August 13, 2015, in writing, evidence refuting the probable violation referenced in the NOPV. If evidence refuting the probable violation cannot be provided, you must submit a written plan of action outlining actions to be taken to correct the violation, including a schedule and the date when compliance is anticipated by August 13, 2015. This response should include the steps that Ameren has taken, or expects to take to prevent a recurrence of this situation.

Once the inadequacies identified herein have been addressed, documentation confirming the corrective action must be forwarded to this office. Staff will review the documentation provided to determine compliance. Any correspondence must include the Inspection Report Number as well as the corresponding NOPV Number.

Failure to respond to this letter by the date specified above and take corrective actions <u>will</u> subject Ameren to a penalty assessment as allowed under Section 7 of the Illinois Gas Pipeline Safety Act (220 ILCS 20/7).

Please be advised that pursuant to IL Adm. Code Part 596 of the Commission's Rules, all information regarding this inspection in possession of the Commission, including communications regarding this inspection will be made available to the public

and posted on the Commission's website. Confidential and/or personal information including, but not limited to social security numbers, driver's license numbers, credit card numbers, debit card numbers, and medical records, etc. should be included in neither inspection documents nor correspondence with the Commission. Any person, as set forth in Section 596.20, who believes that any inspection information is confidential or proprietary shall request that the Commission enter an order to protect the confidential or proprietary information pursuant to 83 Ill. Adm. Code 200.430.

If you have any questions concerning this matter, please contact Valerie Schwing at (217) 414-9608, or I may be contacted at (217) 785-1165.

Sincerely,

Matthew T. Smith/mn

Matthew T. Smith
Interim Program Manager- Pipeline Safety

MTS/mn