



Mr. Byron Coy, P.E.  
Director, PHMSA Eastern Region  
820 Bear Tavern Rd Suite 103  
West Trenton, NJ 08628

July 9, 2012

Re: CPF 1-2012-1003M

Mr. Coy:

This letter is in response to your March 12, 2012 letter regarding the emergency, operations & maintenance and abnormal operations procedures inspection for the NYSEG Seneca Storage facility and Seneca Pipeline conducted July 12 to August 23, 2010 for determination of compliance with Chapter 601 of 49 United States Code.

The purpose of this letter is to provide detailed responses to the identified inadequacy issues. Please review the attachment for details regarding each of the issues identified.

Please note that on July 13, 2011 New York State Electric and Gas (NYSEG) completed the sale of its' Seneca Lake Gas Storage Cavern, Seneca East Pipeline (37.2 miles in length) and Seneca West Pipeline (19.9 miles in length) to Inergy Midstream, LLC at 2 Brush Creek Blvd, Suite 200, Kansas City, Missouri 64112. We also intend to communicate these issues to Inergy Midstream for their information in operating the Seneca Facility and Pipelines.

Thank you for identifying these issues to us. We value the feedback provided by your organization and will make every effort to improve our performance.

Please contact Barry Kachmaryk at (585) 771-4143 for any additional information.

Sincerely,

Michael Eastman  
Vice President, Gas Operations  
Rochester Gas and Electric  
89 East Ave  
Rochester NY 14649

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89 East Avenue, Rochester, NY 14649 0001





Attachment I

Cc: Kevin Speicher, NYSDPS  
G. George



## Attachment I: Notice of Amendment findings and NYSEG Responses

### 1. 192.605 Procedural manual for operations, maintenance, and emergencies

**(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 NYSEG emergency plan lacks specific details and comprehensiveness in addressing certain specific emergency conditions that the Seneca Storage Facility and/or the Seneca West Pipeline could experience due to pipeline damage, fire involving pipeline facilities, loss of gas supply to customers served via the Seneca West Pipeline, acts of terrorism, and natural disasters that could result in catastrophic loss of cavern gas or access to cavern gas.

### **NYSEG Response**

New York State Electric and Gas is not contesting item 1 of the Notice of Amendment but wishes to provide further clarification as follows:

On July 13, 2011 New York State Electric and Gas (NYSEG) completed the sale of its Seneca Lake Gas Storage Cavern, Seneca East Pipeline (37.2 miles in length) and Seneca West Pipeline (19.9 miles in length) to Inergy Midstream, LLC at 2 Brush Creek Blvd, Suite 200, Kansas City, Missouri 64112.

NYSEG will also conduct a review of the existing Gas Emergency Plan for all other transmission and distribution piping systems to ensure emergency response to abnormal operating conditions is adequately addressed and revise requirements as necessary.



**2. 192.605 Procedural manual for operations, maintenance, and emergencies**

**(b) Maintenance and normal operations. The manual required by paragraph (a) of this section must include procedures for the following, if applicable, to provide safety during maintenance and operations.**

**(1) Operating, maintaining, and repairing the pipeline in accordance with each of the requirements of this subpart and Subpart M of this part.**

NYSEG O&M procedures do not address the patrolling requirements for transmission lines under §192.05 Transmission lines: Patrolling

**NYSEG Response**

New York State Electric and Gas is not contesting item 2 of the Notice of Amendment but wishes to provide further clarification as follows:

On July 13, 2011 New York State Electric and Gas (NYSEG) completed the sale of its Seneca Lake Gas Storage Cavern, Seneca East Pipeline (37.2 miles in length) and Seneca West Pipeline (19.9 miles in length) to Inergy Midstream, LLC at 2 Brush Creek Blvd, Suite 200, Kansas City, Missouri 64112.

NYSEG will also conduct a review of the existing O&M Procedure 7.250, Patrolling of Mains Transmission and Distribution to ensure requirements are adequately addressed and revise as necessary.

**3. 192.605 Procedural manual for operations, maintenance, and emergencies**

**(b) Maintenance and normal operations. The manual required by paragraph (a) of this section must include procedures for the following, if applicable, to provide safety during maintenance and operations.**

**(1) Operating, maintaining, and repairing the pipeline in accordance with each of the requirements of this subpart and Subpart M of this part.**

NYSEG O&M plan does not address the §192.625(b) odorization requirements for the NYSEG designated Class 3 location of the Seneca Storage Facility’s out flowing gas and the “closed-in” farm tap systems served only by the Seneca West Pipeline.







- (b) Maintenance and normal operations. The manual required by paragraph (a) of this section must include procedures for the following, if applicable, to provide safety during maintenance and operations.**
  - (1) Operating, maintaining, and repairing the pipeline in accordance with each of the requirements of this subpart and Subpart M of this part.**

NYSEG O&M plan does not include comprehensive compressor station inspection procedures adequately covering each item in §192.736 Compressor stations: Gas detection.

**NYSEG Response**

New York State Electric and Gas is not contesting item 5 of the Notice of Amendment but wishes to provide further clarification as follows:

On July 13, 2011 New York State Electric and Gas (NYSEG) completed the sale of its Seneca Lake Gas Storage Cavern, Seneca East Pipeline (37.2 miles in length) and Seneca West Pipeline (19.9 miles in length) to Inergy Midstream, LLC at 2 Brush Creek Blvd, Suite 200, Kansas City, Missouri 64112.

NYSEG will also conduct a review of the existing O&M procedure 8.800, Compressor Station Operation and Maintenance to ensure requirements are adequately addressed and revise as necessary.

**6. 192.605 Procedural manual for operations, maintenance, and emergencies**

- (b) Maintenance and normal operations. The manual required by paragraph (a) of this section must include procedures for the following, if applicable, to provide safety during maintenance and operations.**
  - (1) Operating, maintaining, and repairing the pipeline in accordance with each of the requirements of this subpart and Subpart M of this part.**

The NYSEG Seneca Storage Facility O&M Manual does not address in detail the prevention of accidental ignition of gas in all potential areas applicable to both the storage facility and the pipeline, where the presence of gas constitutes a hazard under §192.751 Prevention of accidental ignition.





**NYSEG Response**

New York State Electric and Gas is not contesting item 6 of the Notice of Amendment but wishes to provide further clarification as follows:

On July 13, 2011 New York State Electric and Gas (NYSEG) completed the sale of its Seneca Lake Gas Storage Cavern, Seneca East Pipeline (37.2 miles in length) and Seneca West Pipeline (19.9 miles in length) to Inergy Midstream, LLC at 2 Brush Creek Blvd, Suite 200, Kansas City, Missouri 64112.

NYSEG will also conduct a review of the existing O&M procedure 8.800, Compressor Station Operation and Maintenance to ensure requirements are adequately addressed and revise as necessary.

**7. 192.605 Procedural manual for operations, maintenance, and emergencies**

**(b) Maintenance and normal operations. The manual required by paragraph (a) of this section must include procedures for the following, if applicable, to provide safety during maintenance and operations.**

**(2) Controlling corrosion in accordance with the operations and maintenance requirements of Subpart I of this part.**

NYSEG O&M plan needs to address all the internal corrosion control requirements under §192.475 Internal corrosion control: General, and §192.491 corrosion control records.

**NYSEG Response**

New York State Electric and Gas is not contesting item 7 of the Notice of Amendment. NYSEG will also conduct a review of the existing O&M procedure 4.200, Internal Corrosion Control to ensure requirements are adequately addressed and revise as necessary.

**8. 192.605 Procedural manual for operations, maintenance, and emergencies**



- (b) Maintenance and normal operations. The manual required by paragraph (a) of this section must include procedures for the following, if applicable, to provide safety during maintenance and operations.**
- (7) Starting, operating and shutting down gas compressor units.**

NYSEG Seneca Storage Facility O&M manual, Section 4, does not adequately detail or point to other specific company documents that may provide the specific process steps for the starting, operating and shutdown of the compressor units.

### **NYSEG Response**

New York State Electric and Gas is not contesting item 8 of the Notice of Amendment but wishes to provide further clarification as follows:

On July 13, 2011 New York State Electric and Gas (NYSEG) completed the sale of its Seneca Lake Gas Storage Cavern, Seneca East Pipeline (37.2 miles in length) and Seneca West Pipeline (19.9 miles in length) to Inergy Midstream, LLC at 2 Brush Creek Blvd, Suite 200, Kansas City, Missouri 64112.

NYSEG will also conduct a review of the existing O&M procedure 8.800, Compressor Station Operation and Maintenance to ensure requirements are adequately addressed and revise as necessary.

### **9. 192.605 Procedural manual for operations, maintenance, and emergencies**

- (b) Maintenance and normal operations. The manual required by paragraph (a) of this section must include procedures for the following, if applicable, to provide safety during maintenance and operations.**
- (8) Periodically reviewing the work done by operator personnel to determine the effectiveness and adequacy of the procedures used in normal operation and maintenance and modifying the procedure when deficiencies are found.**

NYSEG O&M plan does not address the periodic reviewing of work done by operator personnel to determine the effectiveness, and adequacy of NYSEG procedures used in normal operations and maintenance work. The O&M Plan does not address modifying procedures found deficient as indicated by the periodic review.



**NYSEG Response**

New York State Electric and Gas is not contesting item 9 of the Notice of Amendment. NYSEG will also conduct a review of the existing O&M procedure 1.100, Adequacy and Effectiveness of Procedures and Standards. This O&M procedure contains requirements for periodic Gas Operations record and process audits by Gas Quality Assurance as well as requirements to address deficiencies. This procedure will be reviewed to ensure requirements are adequately addressed and be revised as necessary.

**10. 192.605 Procedural manual for operations, maintenance, and emergencies**

**(c) Abnormal operation. For transmission lines, the manual required by paragraph (a) of this section must include procedures for the following to provide safety when operating design limits have been exceeded:**

NYSEG O&M plan does not address the requirements for abnormal operation listed under §192.605(c).

**NYSEG Response**

New York State Electric and Gas is not contesting item 10 of the Notice of Amendment. NYSEG will also conduct a review of the existing Gas Emergency Plan for all other transmission and distribution piping systems to ensure emergency response to abnormal operating conditions is adequately addressed and revise requirements if necessary. It should be noted that per §192.605(c)(5), The requirements of this paragraph (c) do not apply to natural gas distribution operators that are operating transmission lines in connections with their distribution system.