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1111 South 103 Street
Omaha, NE 68124

July 31, 2019

Mr. Robert Burrough
Director, PHMSA Eastern Region
840 Bear Tavern Road, Suite 300
West Trenton, NJ 08628
Robert.Burrough@dot.gov

Re: CPF 1-2019-1013W

Dear Mr. Burrough:

Northern Natural Gas Company (“Northern”) received a warning letter dated July 22, 2019, in regards to the May 2018 inspection of its Redfield underground storage field. The warning letter cited Section 9.3.2 of American Petroleum Institute’s Recommended Practice 1171, Functional Integrity of Natural Gas Storage in Depleted Hydrocarbon Reservoirs and Aquifer Reservoirs, which states in part: “The operator shall evaluate each annular gas occurrence that exceeds operator- or regulatory-defined threshold levels determined from well integrity evaluation and from risk assessment.” The warning letter stated Northern did not have adequate records to demonstrate compliance with Section 9.3.2.

During the inspection, Northern demonstrated how its Operating Instruction 003, Annular Pressure Recording (OI-003) was used to satisfy this requirement. In response to the discussion, a revised OI-003 was forwarded to PHMSA in July 2018 to fulfill an inspection action item.

Northern also developed an operating procedure to address annular pressure monitoring. As Northern continued to expand improvements in the way it monitors its storage field in light of API RP 1171, the need to create a new Operating Procedure, 190.325 – Annular Pressure Monitoring – became apparent; a draft of this operating procedure was submitted to PHMSA in February 2019. The procedure establishes an annual test for each well in the storage fields to monitor and record the annular pressure, establishes the threshold that constitutes a successful or failed test, and requires a remediation plan in the event of a failed test. The operating procedure and a standardized form for recording results and actions taken have routed through Northern’s management of change program and are now effective. Northern believes the revised operating instruction along with the new operating procedure ensure proper documentation of compliance. If PHMSA would like copies of these final documents, please advise.

Thank you for your time. If you have any further questions, please feel free to contact me directly at (402) 398-7715.

Sincerely,

Tom Correll
Vice President, Pipeline Safety and Risk