

**WARNING LETTER****OVERNIGHT EXPRESS DELIVERY**

February 8, 2022

Mr. Mark Richard  
President and Chief Executive Officer  
Ameren Illinois Company  
10 Executive Drive  
Collinsville, Illinois 62234

CPF 1-2022-005-WL

Dear Mr. Richard:

From August 24 to 27, 2021, the Illinois Department of Natural Resources, Office of Oil and Gas Resource Management (IDNR) acting as a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA) pursuant to Chapter 601 of 49 United States Code (U.S.C.) inspected Ameren Illinois Company's (Ameren III) Sciota Underground Natural Gas Storage Facility in Sciota, Illinois.

As a result of the inspection, it is alleged that you have committed a probable violation of the Pipeline Safety Regulations, Title 49, Code of Federal Regulations (CFR). The item inspected and the probable violation is:

1. **§ 192.12 Underground natural gas storage facilities.**
  - (a) . . .
  - (b) *Depleted hydrocarbon and aquifer reservoir UNGSFs.*
  - (1) . . .
  - (2) **Each UNGSF that uses a depleted hydrocarbon reservoir or an aquifer reservoir for natural gas storage and was constructed on or before July 18, 2017, must meet the provisions of API RP 1171 (incorporated by reference, *see* §192.7), sections 8, 9, 10, and 11, and paragraph (c) of this section, by January 18, 2018, and must meet all provisions of paragraph (d) of this section by March 13, 2021.**

Ameren III failed to meet the provisions of API RP 1171, Section 8. Specifically, Ameren III failed to include certain potential threats and hazards impacting the reservoir in its risk management model in accordance with API RP 1171, Section 8.4.2 (Section 8.4.2).

Section 8.4.2 states in part that “The operator shall evaluate the potential threats and hazards impacting storage wells and reservoirs.”

During the inspection, Ameren III reported that potential threats and hazards impacting the reservoir had not been incorporated into the risk management model. Specifically, third party drilling activities, seismic activity, and inventory analysis were not included in the risk analysis.

Therefore, Ameren III failed to meet the provisions of Section 8.4.2.

Under 49 U.S.C. § 60122 and 49 CFR § 190.223, you are subject to a civil penalty not to exceed \$225,134 per violation per day the violation persists, up to a maximum of \$2,251,334 for a related series of violations. For violation occurring on or after January 11, 2021 and before May 3, 2021, the maximum penalty may not exceed \$222,504 per violation per day the violation persists, up to a maximum of \$2,225,034 for a related series of violations. For violation occurring on or after July 31, 2019 and before January 11, 2021, the maximum penalty may not exceed \$218,647 per violation per day the violation persists, up to a maximum of \$2,186,465 for a related series of violations. For violation occurring on or after November 27, 2018 and before July 31, 2019, the maximum penalty may not exceed \$213,268 per violation per day, with a maximum penalty not to exceed \$2,132,679. For violation occurring on or after November 2, 2015 and before November 27, 2018, the maximum penalty may not exceed \$209,002 per violation per day, with a maximum penalty not to exceed \$2,090,022.

We have reviewed the circumstances and supporting documents involved in this case and have decided not to conduct additional enforcement action or penalty assessment proceedings at this time. We advise you to correct the item identified in this letter. Failure to do so will result in Ameren Illinois Company being subject to additional enforcement action.

No reply to this letter is required. If you choose to reply, in your correspondence please refer to **CPF 1-2022-005-WL**. Be advised that all material you submit in response to this enforcement action is subject to being made publicly available. If you believe that any portion of your responsive material qualifies for confidential treatment under 5 U.S.C. 552(b), along with the complete original document you must provide a second copy of the document with the portions you believe qualify for confidential treatment redacted and an explanation of why you believe the redacted information qualifies for confidential treatment under 5 U.S.C. 552(b).

Sincerely,

Robert Burrough  
Director, Eastern Region, Office of Pipeline Safety  
Pipeline and Hazardous Materials Safety Administration