

NOTICE OF AMENDMENT

OVERNIGHT EXPRESS DELIVERY

April 26, 2022

Mr. Richard J. Mark
Chairman and President
Ameren Illinois Company
10 Executive Drive
Collinsville, Illinois 62234

CPF 1-2022-045-NOA

Dear Mr. Mark:

From April 19, 2021 through April 23, 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 (AIC) Lincoln Underground Natural Gas Storage Facility (UNGSF) in Logan County, Illinois.

On the basis of the inspection, PHMSA has identified the apparent inadequacies found within AIC's plans or procedures, as described below:

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.**

AIC's written procedures were inadequate to assure safe operation of a pipeline facility. Specifically, AIC's procedures required by API RP 1171, Section 11.2.1 - *Construction, Operation, and Maintenance Procedures* (Section 11.2.1) were inadequate for the storing, transporting, lifting and

installing of piping pursuant to API RP 1171, Section 6.3.6 - *Handling* (Section 6.3.6).

Section 11.2.1 requires that “[t]he operator shall develop and follow procedures for the construction, operation, and maintenance of natural gas storage wells and reservoirs to establish and maintain functional integrity.” Section 6.3.6 states in part that the “[c]asing shall be stored, transported, lifted and installed as specified by the manufacturer and in accordance with API 5C1.”

During the inspection, AIC was not able to provide procedures or records to verify that casing was stored, transported, lifted and installed as specified by the manufacturer and in accordance with API 5C1 for tubing installed in wells Worthington Horney in 2020 and Roller in 2019. Form 6.3, Tubular Handling and Transportation Checklist was developed for future well workovers.

Therefore, AIC’s procedures were inadequate regarding casings. AIC must revise its procedures to address the deficiency noted above.

2. § 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.**

AIC’s written procedures were inadequate to assure safe operation of a pipeline facility. Specifically, AIC’s procedures required by Section 11.2.1 were inadequate regarding safeguards to the environment, safety, and health of workers and the public pursuant to API RP 1171, Section 6.8.1- *Design and Construction Safeguards* (Section 6.8.1).

Section 11.2.1 states in part “[t]he operator shall develop and follow procedures for the construction, operation, and maintenance of natural gas storage wells and reservoirs to establish and maintain functional integrity.” Section 6.8.1 states in part “[s]afeguards to the environment, safety, and health of workers and the public shall be incorporated into well design and well work activities.”

During the inspection, AIC was not able to provide procedures or records that identified and enforced safeguards to the environment, safety and health of workers and the public prior to well workover on Worthington Horney in 2020 and Roller in 2019. No measures were demonstrated to have been taken to detect and mitigate H2S gas which was known to be present within the wells in this field. AIC provided a draft of form, *Well Work Environmental Safety Checklist*, to incorporate for future records.

Therefore, AIC’s procedures were inadequate regarding safeguards to the environment, safety and health of workers and the public. AIC must revise its procedures to address the deficiency noted above.

Response to this Notice

This Notice is provided pursuant to 49 U.S.C. § 60108(a) and 49 C.F.R. § 190.206. Enclosed as part of this Notice is a document entitled Response Options for Pipeline Operators in Enforcement

Proceedings.

Please refer to this document and note the response options. 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).

Following the receipt of this Notice, you have 30 days to submit written comments, revised procedures, or a request for a hearing under §190.211. If you do not respond within 30 days of receipt of this Notice, this constitutes a waiver of your right to contest the allegations in this Notice and authorizes the Associate Administrator for Pipeline Safety to find facts as alleged in this Notice without further notice to you and to issue an Order Directing Amendment. If your plans or procedures are found inadequate as alleged in this Notice, you may be ordered to amend your plans or procedures to correct the inadequacies (49 C.F.R. § 190.206). If you are not contesting this Notice, we propose that you submit your amended procedures to my office within 30 days of receipt of this Notice. This period may be extended by written request for good cause. Once the inadequacies identified herein have been addressed in your amended procedures, this enforcement action will be closed.

It is requested (not mandated) that Ameren Illinois Company maintain documentation of the safety improvement costs associated with fulfilling this Notice of Amendment (preparation/revision of plans, procedures) and submit the total to Robert Burrough, Director, Eastern Region, Pipeline and Hazardous Materials Safety Administration, 840 Bear Tavern Road, Suite 300, West Trenton, NJ 08628. In correspondence concerning this matter, please refer to **CPF 1-2022-045-NOA** and, for each document you submit, please provide a copy in electronic format whenever possible. Smaller files may be emailed to robert.burrough@dot.gov. Larger files should be sent on USB flash drive accompanied by the original paper copy to the Eastern Region Office.

Sincerely,

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

Enclosure: Response Options for Pipeline Operators in Enforcement Proceedings