



GILL RANCH STORAGE®

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VIA ELECTRONIC MAIL [Robert.burrough@dot.gov]

Robert Burrough
Director, Eastern Region
Pipeline and Hazardous Materials Safety Administration
840 Bear Tavern Road, Suite 300
West Trenton, NJ 08628

RE: CPF 1-2023-002-NOA

Dear Mr. Burrough,

Gill Ranch Storage, LLC ("GRS") operates the Gill Ranch Storage Facility ("Gill Ranch"). GRS is committed to a culture and operations that value public and worker safety as a first priority. GRS appreciated the opportunity to demonstrate its commitment to actively and aggressively pursue safe and reliable operations during the 2021 inspection by CalGEM of the Gill Ranch Storage LLC UNGS procedures.

GRS has carefully reviewed PHMSA's NOA and has addressed below.

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Safety is of the most paramount importance to GRS and GRS continuously seeks to improve its practices. GRS appreciates PHMSA's input on our UNGS programs and procedures, and we look forward to working with PHMSA over the years to come. Please contact me if you have any questions about this response or require additional information.

Sincerely,

John Thrash
CEO

I. §192.12 Underground natural gas storage facilities.

(a)...

(c) *Procedural manuals.* Each operator of a UNGSF must prepare and follow for each facility one or more manuals of written procedures for conducting operations, maintenance, and emergency preparedness and response activities under paragraphs (a) and (b) of this section. Each operator must keep records necessary to administer such procedures and review and update these manuals at intervals not exceeding 15 months, but at least once each calendar year. Each operator must keep the appropriate parts of these manuals accessible at locations where UNGSF work is being performed. Each operator must have written procedures in place before commencing operations or beginning an activity not yet implemented.

GRS written procedures for conducting operations and maintenance activities were inadequate to ensure safe operation of a pipeline facility. Specifically, GRS's *UNGS Task Procedures Task 0331* (Valve Procedure), presented as its process for maintenance, repair, or replacement of isolation valves, did not address maintenance, repair, or replacement of isolation valves pursuant to API RP 1171, Section 9.3.2 Well Integrity Monitoring.

API RP 1171, Section 9.3.2 states in part, that "The valves shall be maintained, repaired, or replaced in accordance with the operator's valve maintenance program for isolation valves." During the inspection, PHMSA reviewed the Valve Procedure. Based on that review, PHMSA determined that GRS's Valve Procedure failed to adequately describe a process on how GRS maintains its valves, remediates inoperable valves, and designates the use of alternate valves. The reviewed procedures, *UNGS Task Procedures Task 0331*, did not describe the process for repairing and replacing valves. The reviewed procedures stated that a notification would be made to the area manager but did not go on to describe the repair or replacement methodologies.

Therefore, GRS's written procedures required by §192.12(c) were inadequate. GRS must revise its to address the deficiency outlined above.

GRS Response: GRS has created UNGS Task 0335 "Maintenance, Repair, and Replacement of Valves." This document describes the process that GRS personnel go through when a valve needing repair or replacement is discovered. GRS believes that by implementing this procedure it can safely address any issues related to valve maintenance, repair, and replacement that may arise on its UNGS facilities.