



Lodi Gas Storage, L.L.C.
A Rockpoint Gas Storage Company
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July 14, 2023

Robert Burrough
Director, Eastern Region
Pipeline and Hazardous Materials Safety Administration
840 Bear Tavern Road, Suite 300
West Trenton, NJ 08628
robert.burrough@dot.gov

VIA ELECTRONIC MAIL

RE: Notice of Amendment CPF-1-2023-041-NOA

Dear Mr. Burrough:

Lodi Gas Storage, L.L.C. (LGS) submits this written response to the Pipeline and Hazardous Materials Safety Administration (PHMSA) regarding the subject Notice of Amendment. Acting as an agent of PHMSA, the California Geologic Energy Management Division (CalGEM) conducted an inspection of LGS procedures from September 26-30, 2022. On the basis of the inspection, PHMSA identified apparent inadequacies found within LGS's procedures and issued a Notice of Amendment which was received by LGS on June 15, 2023.

LGS responds to the subject Notice of Amendment in accordance with option (c) located within the "Response Options for Pipeline Operators in Enforcement Proceedings" guidance document:

c. If you are contesting the Notice of Amendment but are not requesting an oral hearing, submit written explanations, information, or other materials in answer to the allegations in the Notice and stating your reasons for objecting to the Notice of Amendment items in whole or in part;

Specifically, LGS addresses the Notice of Amendment findings as noted by PHMSA in the following enclosed documents:

- **Attachment #1** – Lodi Records Management Program
- **Attachment #2** – Kirby Hills Records Management Program

If you have any questions, or require more information, please contact me at **greg.clark@rockpointgs.com** or at (209) 368-9277 x3.

Sincerely,

p.p. 

Gregory N. Clark
Senior Compliance Manager

Enclosures

cc: A. Anderson, M. Fournier, H. Gold, K. Peterson, D. Smolinski (via e-mail)



LGS responses to Notice of Amendment findings

Concerns

1. 49 CFR § 192.12 Underground natural gas storage facilities.

(a) ...

(b) Depleted hydrocarbon and aquifer reservoir UNGSFs

(1) Each UNGSF that uses a depleted hydrocarbon reservoir or an aquifer reservoir for natural gas storage and was constructed after July 18, 2017, must meet all provisions of API RP 1171 (incorporated by reference, see § 192.7), and paragraphs (c) and (d) of this section, prior to commencing operations.

LGS' procedures were inadequate because they failed to meet the provisions of API RP 1171, Section 11.2.1 and Section 6 as required. Specifically, LGS' procedures failed to define a records retention period in accordance with API RP 1171, Section 6.11.2.

API RP 1171, Section 6.11.2 states in part:

Records relating to permitting, procedures, personnel, and equipment shall be retained for a period that meets regulatory requirements, or where no regulatory requirements exist, intervals as determined by the operator. These records shall include, as applicable and available, the items listed below as referenced in each subsection.

- 6.8 Environmental, Health, and Safety
- On-site safety meeting records.
- 6.10 Monitoring of Construction Activities
- Supervisor qualifications.
- Contractor personnel qualifications.
- Equipment suitability records.
- Contractor safety orientation

LGS Response:

LGS has updated its Records Management Programs to include the items listed above to ensure compliance with API RP 1172, Section 6.11.2. This update was completed on July 14, 2023. Updated copies of the Records Management Programs can be found in the following attachments.