



U.S. Department
of Transportation

**Pipeline and
Hazardous Materials
Safety Administration**

840 Bear Tavern Road, Suite 300
West Trenton, NJ 08628
609.771.7800

NOTICE OF AMENDMENT

VIA ELECTRONIC MAIL TO: drm@calichestorage.com

February 13, 2026

Dave Marchese
Chief Executive Officer
Caliche Development Partners, LLC
919 Milam Street, Suite 2425
Houston, TX 77002

CPF 1-2026-025-NOA

Dear Mr. Marchese:

From March 10 to 21, 2025, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA), pursuant to Chapter 601 of 49 United States Code (U.S.C.), conducted an inspection of Central Valley Gas Storage LLC's (CVGS) procedures in Colusa County, California.

As a result of the inspection, PHMSA has identified an apparent inadequacy found within the CVGS's plans or procedures. The alleged inadequacy and proposed revision is described below:

1. § 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.

CVGS's written procedures for conducting operations, maintenance, and emergency preparedness and response activities were inadequate to ensure safe operation of a pipeline facility in accordance with section 192.12(c). Specifically, CVGS's *Integrity and Risk Management Plan* (12/30/24) (I&R Plan) failed to include a requirement to review and update its operations and maintenance procedures (manuals) at intervals not exceeding 15 months, but at least once each calendar year, in accordance with section 192.12(c).

During the inspection, PHMSA reviewed the CVGS I&R Plan and determined that the procedures failed to include requirements that CVGS operations and maintenance procedures be reviewed and updated at intervals not exceeding 15 months, but at least once each calendar year, they instead required annual reviews in section 5.1.2.

Therefore, CVGS's written procedures for conducting operations, maintenance, and emergency preparedness and response activities were inadequate to ensure safe operation of a pipeline facility in accordance with section 192.12(c). PHMSA proposes that CVGS revise its procedures to address the inadequacy noted above.

Response to this Notice

This Notice is provided pursuant to 49 U.S.C. § 60108(a) and 49 CFR § 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 49 CFR § 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 CFR § 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 Central Valley Gas Storage LLC maintain documentation of the safety improvement costs associated with fulfilling this Notice of Amendment (preparation/revision of plans, procedures) and submit the total to the Director, Eastern Region, Pipeline and Hazardous Materials Safety Administration, Office of Pipeline Safety. In

correspondence concerning this matter, please refer to **CPF 1-2026-025-NOA** and, for each document you submit, please provide a copy in electronic format whenever possible.

Sincerely,

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

Enclosure: *Response Options for Pipeline Operators in Enforcement Proceedings*