OPERATOR RESPONSE FORM

Informal Conference Requested: Yes ☐ No ☒

Operator Name: LIBERTY UTILITIES- Docket Number: 37064

Responses required within **30 days of electronic mail.** Provide the following information for this report:

Response to Inspection Number: JB22-023

Type of Enforcement Action(s) cited in report:		Informal Conference Requested
☐ Notice of Probable Violation (NOPV)	☐ New ☐Continuing	☐ Yes ☐ No
☐ Notice of Amendment (NOA)	☒ New ☐Continuing	☐ Yes ☒ No
☐ Warning Letter	☐ New ☐Continuing	☐ Yes ☐ No
☐ Letter of Concern	☐ New ☐Continuing	☐ Yes ☐ No
☐ Observed Issue	☐ New ☐Continuing	☐ Yes ☐ No
☐ Proposed Civil Penalty	$ None	
	PCP $ Amount (Total for report)	

Indicate below (A-E) based on the type of Enforcement Actions in this report: (Check all that apply)
Complete a separate copy of Page 2, Operator Response to Enforcement Action, for each cited item.

A. Response for **Notice of Probable Violation** (with and without proposed civil penalty):
   1. ☐ Written statement indicating that corrective measures have achieved Compliance or
   2. ☐ Written plan of action outlining the corrective measures that will be taken to achieve compliance and when compliance is anticipated.

B. Response for **NOA**:
   1. ☐ Contested: Attach written explanation, information, or other material in answer to the allegations in the Notice of Amendment stating your reasons for objecting to the NOA, in whole or in part; or
   2. ☒ Not Contested: Explanation, information, or other material believed to warrant modification of the NOA in whole or in part; or
   3. ☐ Written request for clarification. (Attached)

C. Response for **Continuing** and/or **Existing** violations:
   Current status, updates, expected completion dates, proposed modifications, etc., of the continuing and/or existing violations, even if this information was previously provided. Referencing a previously filed response letter, as status, updates, etc. alone is not sufficient for this response. Failure to provide this information may result in formal interrogatories from the Director through data requests.

D. Response for ☐ **Letter of Concern** / ☐ **Warning Letter**
   I acknowledge receipt of the Letter of Concern/Warning Letter: _____
   SIGNATURE / TITLE

   Additional Comments: (Optional) _____

E. Response for **Observed Issue** and **No Violation**: (Optional Response)
   Staff requests that the Operator acknowledge receipt of the Observed Issue/No Violation in writing, or by submitting an email to the FPU Director

Enforcement Action for: 49 CFR Section 192.603 ☒ New Violation ☐ Continuing Violation
Enter Code / Commission Rule (Complete a separate attachment for each enforcement action)

Enforcement Action(s) cited in report:	Conference Requested:
☐ Notice of Probable Violation (NOPV)	☐ Yes ☐ No
☐ Notice of Amendment (NOA)	☐ Yes ☒ No
☐ Warning Letter	☐ Yes ☐ No
☐ Letter of Concern	☐ Yes ☐ No
☐ Observed Issue	☐ Yes ☐ No
☐ Proposed Civil Penalty	☐ Yes ☐ No

$ None
Proposed Penalty for this violation

OPERATORS RESPONSE: See attached.

Response Provided by: John Patton, Director, Engineering
Name / Title

Date: Nov. 3, 2022

Internal use only:

Lead Inspector: _____ Date Response Reviewed: _____

Actions Acceptable: ☐ Yes ☐No Re-inspection Needed: ☐ Yes ☐ No Clear Violation: ☐ Yes ☐ No

Supervisor Review by: _____ Date Reviewed: _____

Additional Enforcement Recommended: ☐ Yes ☐ No

Director Review

Approved: ☐ Yes ☐No Schedule Special Follow-up Inspection: ☐ Yes ☐ No

Cleared Violation: ☐ Yes ☐ No

Comments: _____

Without admitting or denying that a violation of any Commission or federal pipeline safety law or regulation occurred in relation to the below-noted matters, the Company agrees to the following:

1. Plan does not address the heater at the old LNG station.

   Operator's methane emission reduction plan will be amended by December 31, 2022, to include the pipeline heater at the Columbus #3 take point.

2. In the Operator's methane emission reduction plan, in O&M Sec 11-I/Item 6.7 – Vented Emissions, it states that Liberty is considering the feasibility and practicality of several options. The plan then lists several options, but does not specify any particular action.

   Operator's methane emission reduction plan will be amended by December 31, 2022, to specify action thresholds and guidelines for minimizing natural gas release volumes associated with non-emergency venting and blowdowns from operations and maintenance.

3. Staff noted no procedures for increased inspection or patrol beyond the minimum requirements. Staff also noted that the Operator's procedure in O&M Sec 12-G, Item 6.1.3 – Routine Inspection Schedule, calls for "A test for the presence of gas before and after ventilating the station," however, it does not specify a method of detection.

   Operator's methane emission reduction plan will be amended by December 31, 2022, to specify acceptable methods of detection.

4. Leak grading and repair are addressed in Sec 12-B, Item 6.2 – General Leak Classification Procedure of the Operator's O&M Procedures. Leaks are scheduled for repair based on the Commission Rules, however there is not a defined repair schedule for Grade 3 leaks.

   Operator's methane emission reduction plan will be amended by December 31, 2022, to define a repair schedule for Grade 3 leaks.

5. Staff found no process in the Operator's methane emission plan or their for reviewing lost and unaccounted for gas, or procedures which specified actions to reduce the associated volume.

   While lost and unaccounted for is not a measure directly related to methane emissions, Operator's methane emission reduction plan will be amended by December 31, 2022, to include review of lost and unaccounted trends as part of the overall methane emission reduction strategy.

6. Staff noted no procedures for increased inspection or patrol beyond the minimum requirements. The Operator's procedures in O&M Sec 12-G – Pressure Limiting and Regulating Stations, does not specify any increased measures.

   Operator's methane emission reduction plan will be amended by December 31, 2022, to include measures for reduction of methane emissions.

7. Staff did not find this item addressed in the Operator's methane emission reduction plan.

   Operator's methane emission reduction plan will be amended by December 31, 2022, to contain measures for identifying potential configuration changes that would reduce natural gas releases from regulators.

8. Staff did not find this item addressed in the Operator's methane emission reduction plan.

   Operator's methane emission reduction plan will be amended by December 31, 2022, to include measures to minimize natural gas releases during relief valve testing.

9. Staff did not find this item addressed in the Operator's methane emission reduction plan.

   Operator's methane emission reduction plan will be amended by December 31, 2022, to include mechanisms for identifying potential design/configuration changes for reducing natural gas releases.

10. The Operator advised that this process is addressed through their DIMP program, but it is not cited in their methane emission reduction plan.

    Operator's methane emission reduction plan will be amended by March 31, 2023, to cite the DIMP program as appropriate.

11. The Operator advised that this process is addressed through their DIMP program, but it is not cited in their methane emission reduction plan.

    Operator's methane emission reduction plan will be amended by March 31, 2023, to cite the DIMP program as appropriate. However, the DIMP program only includes leaks that meet regulatory reporting thresholds.

12. The Operator advised that this process is addressed through their DIMP program, but it is not cited in their methane emission reduction plan.

    Operator's pipeline system does not contain known cast iron, unprotected steel, wrought iron, or vintage plastic pipe. However, Operator's methane emission reduction plan will be amended by March 31, 2023, to address the identification of cast iron, unprotected steel, and vintage plastic pipe with known leak issues if encountered.

13. The Operator advised that this process is addressed through their DIMP program, but it is not cited in their methane emission reduction plan.

    Operator's methane emission reduction plan will be amended by March 31, 2023, to clearly define a process to address replacement or remediation of pipe segments with known leak issues beyond those specifically identified in Section 114.

14. Plan does not address the heater at the old LNG station.

    Operator's methane emission reduction plan will be amended by December 31, 2022, to include the pipeline heater at the Columbus #3 take point.

15. In the Operator's methane emission reduction plan, in O&M Sec 11-I/Item6.7 – Vented Emissions, it states that Liberty is considering the feasibility and practicality of several options. The plan then lists several options, but does not specify any particular action.

    Operator's methane emissions reduction plan will be amended by December 31, 2022, to specify action thresholds and guidelines for minimizing natural gas release volumes associated with non-emergency venting and blowdowns from operations and maintenance.

16. Staff noted no procedures for increased inspection or patrol beyond the minimum requirements. The Operator's procedures in O&M Sec 12-G – Pressure Limiting and Regulating Stations, does not specify any increased measures.

    Operator's methane emission reduction plan will be amended by December 31, 2022, to specify inspection measures at regulating stations designed to reduce methane emissions.

17. Staff did not find this item addressed in the Operator's methane emission reduction plan.

    Operator's methane emission reduction plan will be amended by December 31, 2022, to include measures to minimize natural gas releases during relief valve testing.

18. Staff did not find this item addressed in the Operator's methane emission reduction plan.

    Operator's methane emission reduction plan will be amended by December 31, 2022, to include mechanisms for identifying potential design/configuration changes for reducing natural gas releases.

19. Staff did not find this item addressed in the Operator's methane emissions reduction plan.

    Operator's methane emission reduction plan will be amended by March 31, 2023, to include procedures to monitor for and identify pipe segments that are leak-prone, and what criteria (e.g., frequency of leak or failure events) are specified for determining a pipeline segment is leak-prone.

20. Staff did not find this item addressed in the Operator's methane emissions reduction plan.

    Operator's methane emission reduction plan will be amended by March 31, 2023, to include a methodology to collect, retain and analyze detailed information from detected leaks that meet thresholds for regulatory reporting.

21. Staff did not find this item addressed in the Operator's methane emissions reduction plan.

    Operator's pipeline system does not contain know cast iron, unprotected steel, wrought iron, or vintage plastic pipe. However, Operator's methane emission reduction plan will be amended by March 31, 2023, to address the identification of cast iron, unprotected steel, and vintage plastic pipe with known leak issues.

22. Staff did not find this item addressed in the Operator's methane emissions reduction plan.

    Operator's methane emission reduction plan will be amended by March 31, 2023, to clearly define a process to address replacement or remediation of pipe segments with known leak issues beyond those specifically identified in Section 114.

BEFORE THE GEORGIA PUBLIC SERVICE COMMISSION

IN RE:	)	
NOTICE OF AMENDMENT	)	
LIBERTY UTILITIES (PEACH STATE	)	**DOCKET NO. 37064**
NATURAL GAS) CORP.	)	
INSEPCTION JB22-023 ON AUGUST 9, 2022	)_	

CERTIFICATE OF SERVICE

I, Mark D. Caudill, on behalf of Liberty Utilities (Peach State Natural Gas) Corp., hereby certify this date furnished a copy of the foregoing RESPONSE TO A NOTICE OF AMENDMENT (REF: Methane Emission Plan Inspection # JB22-023), by hand deliver, by email, by depositing a copy of same in United States mail with adequate postage affixed thereto, or by a prepaid overnight delivery service addressed to the following:

Sallie Tanner **
Executive Secretary
Georgia Public Service Commission
244 Washington Street, SW
Atlanta, Georgia 30334-9052
stanner@psc.ga.gov

Michelle Thebert **
Facilities Protection Unit Director
Georgia Public Service Commission
244 Washington Street, SW
Atlanta, Georgia 30334
michellet@psc.ga.gov

John Patton **
Director, Engineering
Liberty Utilities (Peach State Natural Gas) Corp.
2300 Victory Drive
Columbus, GA 31901-3455
Carolyn.Bermudez@libertyutilities.com

Carolyn Bermudez **
President
Liberty Utilities (Peach State Natural Gas) Corp.
2300 Victory Drive
Columbus, GA 31901-3455
Carolyn.Bermudez@libertyutilities.com

Jill Schwartz **
Manager, Rates and Regulatory Affairs
Liberty Utilities
602 S Joplin Ave.
Joplin, Missouri 64818
Jill.Schwartz@libertyutilities.com

This 3rd day of November 2022.

MARK D. CAUDILL, LLC, Attorney for
Liberty Utilities (Peach State Natural Gas) Corp.

By: _____
Mark D. Caudill

State Bar of Georgia No. 768424
3290 Commons Gate Bend
Berkeley Lake, GA 30092-4946
Voice: 404-394-4663
Fax: 404-585-3156
Mark@MDCaudill.com

* By Hand Delivery
** By Email
*** By US Mail
****By Overnight Delivery Service