

From: [Ries, Jennifer](#)
To: [Sara Lyons](#)
Subject: PLD24FR003 - incident reporting - Jackson, MS (PLD24FR003)
Date: Friday, July 26, 2024 4:00:49 PM

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Sara,

Atmos Energy investigates events that potentially involve natural gas consistent with our Emergency Response procedures previously provided as JXN-NTSB-001517-001533. These investigations are first and foremost to confirm public safety and the safe operation of our system, but they also help establish whether an event was jurisdictional or meets the criteria for a reportable incident under 49 C.F.R. §191.3.

As I previously shared, we made 96 initial telephonic reports to the NRC and filed 57 thirty-day PHMSA reports from 2018 to present for both our distribution and transmission assets. That difference represents 39 NRC calls (or 40% of all calls) that were made before confirmed discovery of a reportable event, and where the event ultimately did not meet the criteria for a reportable incident.

As requested in your July 22 email, we have reviewed various events over the last five years to determine if they meet the following criteria: involved natural gas and significantly damaged one or more homes (residence of any type) and were not reported to the NRC because either of the following conditions applied: (a) property damage was valued below PHMSA's reporting threshold, or (b) jurisdiction was not confirmed. We understand the last condition to mean whether we determined the event was jurisdictional.

Following internal review, we identified the following two events that we believe may meet the criteria:

- [REDACTED], Jackson, MS
 - On February 15, 2024, two service technicians were dispatched to conduct a leak investigation after the customer called to inquire about a high bill. The technicians discovered a fizz leak on the shut-off (or stopcock) valve which is located above-ground on the riser and upstream of the meter and regulator. During the repair the valve came apart and gas began to escape through the valve assembly. Subsequently, the gas ignited, the structure caught fire, and the service technicians conducted evacuations. There were no injuries or fatalities.
 - Atmos Energy promptly notified Rickey Cotton of the MS PSC of the event, and Mr. Cotton later conducted interviews with the service technicians. This was an

isolated event where the cause was known and there were no broader impacts to the system or to public safety. This event did not meet the criteria for a reportable incident, so it was not reported to the NRC nor was a PHMSA incident report filed. The property was valued as \$38,330 in 2023 by the Hinds County Appraisal District.

- 2147 Central Ave., Canon City, CO
 - On June 11, 2022, Atmos Energy responded to a fire at [REDACTED], Colorado that resulted in damage to a single trailer. Three additional occupied trailers in the facility were evacuated as a precaution. There were no injuries or fatalities.
 - The subsequent investigation found a leak on a gas main. This was an isolated event where the cause was known and there were no broader impacts to the system or to public safety. This event did not meet the criteria for a reportable incident, so it was not reported to the NRC nor was a PHMSA incident report filed. The estimated property damage was \$21,540.75.

Please let me know if you have any questions.

Thank you,

Jennifer

From: Sara Lyons [REDACTED]
Sent: Monday, July 22, 2024 6:58 AM
To: Ries, Jennifer [REDACTED]
Subject: [EXT] RE: PLD24FR003 - incident reporting - Jackson, MS (PLD24FR003)

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Jennifer,

Thank you for this additional information.

As we discussed in late June, also provide a listing of all events that involved natural gas and significantly damaged one or more homes (residence of any type) that were not reported to the NRC because either of the following conditions applied:

- property damage was valued below PHMSA's reporting threshold, or
- jurisdiction was not confirmed.

In your listing, include the date of the event, the city and state where it occurred, the number of injuries and fatalities, the estimated property damage, a summary of the event, and the PHMSA incident report number (if submitted).

Please respond by Friday, July 26, 2024.

Thanks,
-Sara

From: Ries, Jennifer <[REDACTED]>
Sent: Friday, July 19, 2024 6:07 PM
To: Sara Lyons [REDACTED]
Subject: PLD24FR003 - incident reporting

[CAUTION] This email originated from outside of the organization. Do not click any links or open attachments unless you recognize the sender and know the content is safe.

Sara,

This is a follow-up to our conversation about incident reporting and events that might be characterized as "significant in the judgment of the operator."

Atmos Energy provides notice of events that meet the definition of an "incident" under 49 C.F.R. §191.3 consistent with PHMSA's reporting regulations. Additionally, we regularly communicate with our state pipeline safety regulators regarding events in our service territory where we have responded and are investigating but have not confirmed discovery that any incident-reporting criteria have been met. In the four states where PHMSA and Atmos have conducted the voluntary safety assessment (Mississippi, Texas, Tennessee, and Kentucky), each state regulator provided a positive assessment of our frequent and collaborative communications around potentially reportable events and provided examples of the same. If we had determined that an event was "significant in the judgment of the operator," the event would have been reported consistent with the incident reporting regulations.

In our previous discussion, I recapped recent notices to state and/or federal officials related to events such as the school in Merigold, Mississippi, the house fire in Copperas Cove, Texas, and the Sandman Hotel in Fort Worth, Texas, all of which were either non-jurisdictional or did not meet the definition of a reportable incident.

Based on our review of the information available in the NRC and PHMSA databases and a

review of internal documents, we made 96 initial telephonic reports to the NRC and filed 57 thirty-day PHMSA reports from 2018 to present for both our distribution and transmission assets. That difference represents 39 NRC calls (or 40% of all calls) that were made before confirmed discovery of a reportable event, and where the event ultimately did not meet the criteria for a reportable incident. In addition to the frequent courtesy notifications we provide our state regulators, we regularly call in events to the NRC even when we have not yet determined that those events meet the criteria for a reportable incident.

Thank you,

Jennifer