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J. A. (Andy) Drake, P.E.
Vice President
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November 12, 2014

Mr. Jeff D. Wiese
Associate Administrator for Pipeline Safety
Pipeline and Hazardous Materials Safety Administration
1200 New Jersey Ave., S.E.
Washington, D.C. 20590-0001

RE: CPF 3-2013-1006 Final Order
Spectra Energy Partners, LP Response

Dear Mr. Wiese:

Spectra Energy Partners, LP ("SEP")¹ acknowledges receipt of the above referenced Final Order and submitting this letter in response.

On March 6, 2008, the Pipeline and Hazardous Materials Safety Administration ("PHMSA") granted a special permit to SEP waiving compliance from 49 CFR § 192.611 for two segments of a natural gas transmission pipeline system. The special permit applies to certain pipeline segments that had changed from Class 1 to Class 2 on SET's Texas Eastern Transmission, L.P. ("TETLP") system in Ohio (Lines 10 and 15 on the discharge of Wheelersburg Compressor Station). The Grant of Special Permit includes the technical criteria for pipeline segments to be covered by the special permit and requires SET to conduct alternative risk management activities in lieu of pipe replacement or pressure reduction.

On August 10-11, 2011, representatives of PHMSA Central Region conducted an inspection of the pipeline facilities and records to review SET's compliance with the special permit. On the basis of the inspection, PHMSA identified three (3) probable violations of the conditions of the special permit and issued a Notice of Probable Violation (NOPV). SEP contested two (2) of the three (3) alleged violations and requested a hearing. A hearing was held on November 5, 2013 at the PHMSA Region Office in Kansas City, MO. On September 22, 2014, PHMSA issued the Final Order finding SEP in violation for all three (3) alleged violations and assessed a total civil penalty of \$96,200, equal to the amount originally proposed in the NOPV.

¹ On November 1, 2013, Spectra Energy Corp ("Spectra Energy") completed the drop-down of substantially all of Spectra Energy Transmission's remaining U.S. transmission, storage and liquids assets, including Texas Eastern Transmission, L.P. ("TETLP"), to Spectra Energy Partners, LP (SEP), a master limited partnership. A wholly owned subsidiary of Spectra Energy is the general partner of SEP.

SEP has reviewed the Final Order. SEP continues to disagree with PHMSA's findings, but SEP will not initiate a Petition for Reconsideration. SEP has paid the civil penalty in accordance with the Instructions for Electronic Fund Transfers attached to the Final Order. While SEP will not contest the Final Order, SEP has the following comments.

General Comment - Notice

The NOPV and Final Order were addressed to Mr. Greg Ebel, Chief Executive Office of Spectra Energy Corp. SEP has provided executive contact information to PHMSA through the National Registry of Pipeline and LNG Operators as part of the Operator Identification Number ("OPID") validation required by 49 CFR 191.22(b). The executive contact for Texas Eastern Transmission, L.P. is Mr. J. Andrew Drake. To ensure the opportunity for a timely response, SEP respectfully requests that PHMSA utilize the executive contact information provided through the National Registry for future correspondence of this nature. At a minimum, the listed executive contact should be copied on correspondence.

Item 1: Special Permit Condition 2

SEP continues to believe incorporation by reference is an appropriate means to comply with Special Permit Condition 2. Incorporation by reference is a practice that has been embedded within the pipeline safety regulations since they were first issued in 1970. While SEP disagrees with PHMSA's finding, SEP will not contest this item further. SEP has incorporated all special permit segments directly into the IMP document to address this issue.

SEP does wish to comment on one statement in the Final Order, where PHMSA states:

"Finally, I disagree with SET's argument that its incorporation of the segments into the SOP rather than into the IMP was of no consequence because PHMSA did not allege that the action resulted in a failure to manage the segments in a way that was inconsistent with the IMP or Condition "2". On the contrary, Item 3 of the Notice alleged that SET failed to manage dents as directed in the special permit as part of IMP. Therefore, SET's implication that it was following the terms of the special permit despite its failure to incorporate the segments directly into the IMP is untrue."

SEP believes this statement to be unfounded and inaccurate. The special permit explicitly requires the special permit *segments* to be incorporated into the IMP as covered segments. There is no requirement to incorporate the special permit *inspection areas* into SEP's IMP. As described in SEP's notification regarding these anomalies in an e-mail dated July 2, 2011, the three (3) anomalies were located within the special permit *inspection area* but outside of the special permit *segments*. SEP's use of incorporation by reference to incorporate the special permit *segments* into the IMP as covered segments has no bearing on activities conducted outside the special permit *segments*.

Furthermore, SEP continues to believe the response to these anomalies was appropriate. SEP's procedures require investigation and remediation of dent with metal loss anomalies regardless of whether they are located inside or outside of a high consequence area. Based on our experience in investigating these types of anomalies over many years, we continue to believe the implementation of a pressure reduction within three (3) days of indentifying these anomalies was appropriate.

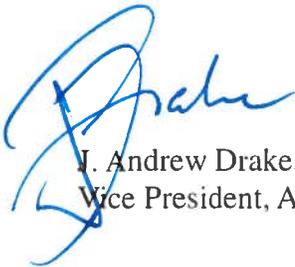
CONCLUSION

As noted above, SEP continues to believe the nature of these issues did not warrant the findings of violation and related civil penalties, but SEP will not initiate a Petition for Reconsideration. SEP has implemented appropriate changes to processes and procedures to address these issues.

SEP has elected to withdraw from this special permit effective October 9, 2014. SEP notified PHMSA of this withdrawal by letter dated October 9, 2014.

Please call Rick Kivela at (713) 627-6388 if you have any questions or comments.

Sincerely,



J. Andrew Drake, P.E.
Vice President, Asset Integrity

cc (via electronic mail):

Allan Beshore