



Ken Crowl
Manager US Pipeline Compliance
US Pipeline Operations

tel 832.320.5462
fax 832.320.6462
email ken_crowl@transcanada.com
web www.transcanada.com

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Mr. Chris Hoidal
Director, Western Region
Pipeline and Hazardous Materials Safety Administration
12300 W. Dakota Avenue, Suite 110
Lakewood, CO 80228

VIA ELECTRONIC DELIVERY AND COURIER

CPF 5-2012-1016M

Dear Mr. Hoidal:

TransCanada promptly responded to PHMSA's comments during the Bison O&M inspection, and submitted revisions to its O&M procedures to Mr. Allen eight months ago. A PDF copy of the email transmittal is included as a reference. Based on these previous actions, TransCanada believes no additional amendments are required. Accordingly, TransCanada responds to the NOA dated August 6, 2012 as follows:

1. TransCanada's operation and maintenance (O&M) manual did not adequately address the requirements of §192.605(a)(1), a requirement of Subpart L. Specifically, TransCanada's procedures did not adequately address alternative maximum allowable operating pressure (AMAOP) design pressure and design factor consistent with class location.

RESPONSE: This requirement is addressed in Section 4. See attached.

2. TransCanada's O&M manual did not adequately address the requirements of §192.620(a)(2)(i), a requirement of Subpart L. Specifically, TransCanada's procedures did not adequately address design pressure of the weakest element in adequate detail or with adequate references (no reference to or the inclusion of the relevant sections of Part 192, Subparts C and D).

RESPONSE: This requirement is addressed in Section 4. See attached.

3. TransCanada's O&M manual did not adequately address the requirements of §192.620(b), a requirement of Subpart L. Specifically, TransCanada's procedures did not address the seven conditions an operator must meet before operating a pipeline at the AMAOP calculated under paragraph (a) of this section:

- 1) Class 1, 2, and 3 locations;
- 2) Steel pipe must meet requirements of §192.112
- 3) Supervisory and data acquisition requirements;

- 4) Pipeline construction must meet requirements of §192.328;
- 5) Restriction of using mechanical couplings;
 - 6) If previously operated, no failure during normal operations indicative of systematic fault in materials determined by root cause analysis;
 - 7) Minimum of 95% non-destructive examination of girth welds per §192.243(b) and (c) for segments operated before December 22, 2008.

RESPONSE: Items 6 and 7 do not apply to Bison, as it was not previously operated prior to AMAOP, and was not in service prior to December 22, 2008. All of the other items listed are addressed in the O&M procedure. See attached.

4. TransCanada's O&M manual did not adequately address the requirements of §192.620(c), a requirement of Subpart L. Specifically, the procedures did not specify what TransCanada must do to operate at an AMAOP including:

- 1) Notifications to PHMSA;
- 2) Certifications with signature of a senior executive officer;
- 3) Where to send certifications;
- 4) Strength tests;
- 5) Additional O&M requirements;
- 6) Performance of "covered tasks;"
- 7) Record keeping requirements; and
- 8) Class location changes.

RESPONSE: As previously submitted to Mr. Allen, the O&M procedures include all of the required elements. Part 192.620 states the requirement that an operator's senior officer certify that its operating and maintenance procedures include the additional requirements of Code Section 192.620 (d). This certification was made for Bison. There is, however, no requirement that the provisions of 192.620 (b) and (c) be included in an operator's operating and maintenance procedures as these requirements are not necessary for conducting operating and maintenance activities or emergency response (ref. 192.605(a)) on our pipeline facilities. Such certification is made prior to operating an AMAOP pipeline.

5. TransCanada's O&M manual did not adequately address the requirements of §192.620(d)(11)(i)(A), a requirement of Subpart L. Specifically, TransCanada's procedure did not adequately address or make clear the use of the most conservative calculation for anomaly remaining strength, or alternative calculation.

RESPONSE: TransCanada's procedure states: **When evaluating an anomaly, an approved analysis methodology is used in accordance with the *Pipeline Defect Assessment and Repair Procedure* (attached). The analytical method involves a calculation of remaining strength based on pipe diameter, wall thickness, grade, operating pressure, operating stress level and operating temperature. The calculation takes into account the tolerances of the tools used for the inspection, meeting the intent of the code.**

Please contact me at (832)320-5462 or (402)680-3636 if you wish to discuss this further.

Sincerely,



Ken Crowl
Manager, US Pipeline Compliance
TransCanada Pipelines
717 Texas Street
Houston, TX 77002-2761