

December 16, 2016

Mr. R. M. Sealy
Director, Southwest Region
Pipeline and Hazardous Materials Safety Administration
8701 S. Gessner
Suite 630
Houston, TX 77074

**RE: Ozark Gas Transmission, LLC Response
Notice of Probable Violation
CPF 4-2016-1012**

Dear Mr. Sealy,

From April 11, 2016 to September 8, 2016, a representative from the Pipeline Hazardous Material Safety Administration (PHMSA), pursuant to Chapter 601 of 49 United States Code, inspected the records and facilities of Ozark Gas Transmission (OGT), a subsidiary of Spectra Energy Partners, LP, (SEP¹), in Oklahoma and Arkansas.

On November 3, 2016, PHMSA issued the above referenced Notice of Probable Violation (NOPV) alleging one (1) violation of the pipeline safety regulations. On November 28, 2016, OGT requested an extension of the 30 day response time to January 3, 2016. PHMSA granted the time extension by letter dated December 6, 2016.

The NOPV reads as follows: "As a result of the inspection, it is alleged that you have committed a probable violation of the Pipeline Safety Regulations, Title 49, Code of Federal Regulations. The item inspected and the probable violation is:"

1. § 192.605 Procedural Manual for Operations and Maintenance, and emergencies

PHMSA Finding

Ozark Gas Transmission, LLC (Spectra) failed to follow its written Administrative procedure, Section 3 Page 2, Maximum Allowable Operating Pressure Calculation (AP-CD3.0) and Section 4 Supporting Documentation, to calculate and record the MAOP for the Ozark pipeline. Spectra was unable to provide records for calculation of the MAOP from 2010 on Form 6-64 or any supporting

¹ Ozark Gas Transmission, LLC is a wholly-owned subsidiary of Spectra Energy Partners, LP ("SEP"), a master limited partnership whose general partner is a wholly owned subsidiary of Spectra Energy.

documentation for the calculation as required. Spectra's written Administrative procedure for Maximum Operating Pressure Calculation (AP-CD3.0) Section 3, page 2 requires that Form 6-64 be utilized in the calculation of MAOP's for all assets. Spectra did not utilize this form as required in the procedure.

Also, Section 4, Supporting Documentation, requires all supporting documents be attached to the MAOP establishment form in order to allow future users to be able to trace the origin of the information and determine if changes to the pipeline are prior to or subsequent to the calculation. There was no supporting documentation as required by the procedure.

SEP Response

SEP respectfully disagrees with PHMSA's finding that SEP was unable to provide records for the calculation for the MAOP from 2010, or any supporting documentation for the calculation as required.

During the inspection, from April 11, 2016 to September 8, 2016, SEP provided to the representative from PHMSA a copy of the MAOP Establishment Report (TS-064) for Lequire and Noark compressor station discharge segments as requested by the representative from PHMSA. SEP also provided the as-built drawings, alignment sheets and hydrostatic test records as supporting documentation.

SEP acknowledges that TS-064 was not completed in 2010, but instead was completed in 2016. However, SEP acquired OGT in 2010, and validated the MAOP of the OGT system at the time of acquisition. SEP validated the MAOP in accordance with §192.619 by reviewing the material and hydrostatic test records and identifying the weakest element in each segment. This information was provided and discussed during the inspection. All supporting documentation, including the MAOP validation reports, are maintained as records with our Facility Records department.

SEP recognizes that some revisions are required to the AP-CD3.0 procedure, and is making appropriate revisions to the procedure. SEP now utilizes an MAOP software application, a company approved program, for performing MAOP calculations in lieu of the TS-064. The MAOP establishment calculation is performed on a continual and as-needed basis.

In summary, SEP diligently reviewed records during the acquisition in 2010 to confirm the previously established MAOP of the OGT system. However, SEP did not fill out the TS-064 form in 2010, as specified in the AP-CD3.0 procedure. Thus, SEP will not contest PHMSA's finding in this matter. SEP is revising the AP-CD3.0 procedure to reflect the current processes and documentation for establishing MAOP.

Please call me at (713) 627-6388 if you need additional information to consider this request.

Sincerely,

A handwritten signature in black ink, appearing to read "Rick Kivela". The signature is written in a cursive style with a large initial "R".

Rick Kivela
Director, Operational Compliance