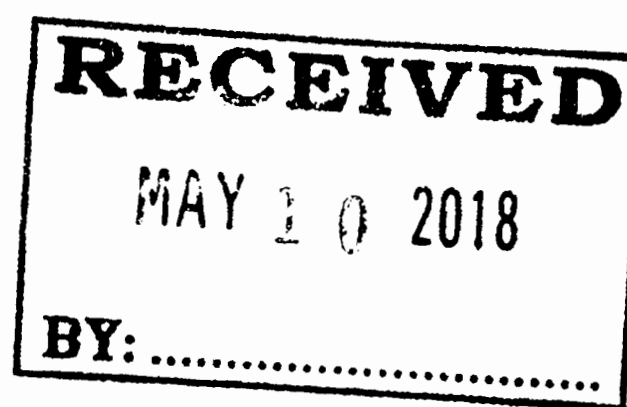


TransCanada
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Lee_Romack@transcanada.com



May 9, 2018

Kim West
Director, Western Region
Pipeline and Hazardous Materials Safety Administration
12300 W. Dakota Ave., Suite 110
Lakewood, CO, 80228

RE: CPF 5-2018-1006 NOTICE OF PROBABLE VIOLATION AND PROPOSED COMPLIANCE ORDER – OPERATOR RESPONSE

Dear Ms. West,

On April 2, 2018, the Pipeline and Hazardous Materials Administration (PHMSA) Western Region issued CPF 5-2018-1006, Notice of Probable Violation (NOPV) and Proposed Compliance Order (PCO) to TransCanada Pipelines (TransCanada). The NOPV was issued following inspections conducted by PHMSA of the TransCanada Columbia Pipeline Group's Carter Creek gas pipeline between November 13 and 17, 2017. The NOPV alleged that TransCanada failed to periodically review the work performed by its personnel to determine the effectiveness and adequacy of its procedures used in normal operation and maintenance and failed to implement its continuing public education program that follows the guidance provide in API RP 1162.

In response TransCanada is not contesting NOPV Item 1 program effectiveness, however wishes to inform PHMSA Western Region that on October 24, 2017, PHMSA Central Region issued Final Order CPF 3-2016-1001 to ANR Pipeline Company, a subsidiary of TransCanada. Item 1 of the Compliance Order required TransCanada to:

Provide a detailed written plan to address the periodic review of work done to determine the effectiveness of its operations and maintenance procedures. The procedure must encompass all aspects of the outline provided by ANR in its June 2016 response, with emphasis on how the review of work will be accomplished and thoroughly describe how the program will be documented.

The revised O&M procedure *Review Effectiveness of Procedures*, and O&M Manual Appendix B, *Process for Conducting O&M Procedure Effectiveness Reviews*, which are attached as appendices, were submitted to PHMSA Central Region on March 13, 2018. The procedure will be implemented no later than June 15, 2018, and semiannual progress reports, the first of which will be dated January 30, 2019, will be submitted to PHMSA for a period of one year. To provide additional background for this item, *CPF 3-2016-1001 PCO Response and Appendix C – Procedure Effectiveness* are attached; these were provided to PHMSA Central Region on June 20, 2016. It is TransCanada's position that this work should satisfy the requirements of PCO Item 1 of CPF 5-2018-1006.

In response TransCanada is also not contesting NOPV Item 2 public awareness, however provides PHMSA Western Region with *CPF 5-2018-1006 – Carter Creek Public Awareness Response*, an overview of the 2018 Public Awareness program for the Carter Creek facilities. In addition to utilizing the Standard Industrial Classification (SIC) codes, TransCanada also employs the Bureau of Land Management (BLM) Field Offices database to identify to identify stakeholder audiences, including the affected public, emergency officials, excavators, farmers and ranchers, public officials, and schools. *CPF 5-2018-1006 – Carter Creek*

Public Awareness Response documents the livestock, ranching, and agricultural stakeholders identified for 2018 Public Awareness mailings.

TransCanada would be pleased to meet either in person or telephonically to discuss the details of the ongoing work discussed above. Should you have any questions, or wish to discuss, please contact me at your convenience.

Sincerely,

A handwritten signature in cursive script that reads "Lee Romack".

Lee Romack
Manager, US Regulatory Compliance