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CERTIFIED MAIL – RETURN RECEIPT REQUESTED

April 9, 2013

Wayne T. Lemoi
Director, Office of Pipeline Safety
PHMSA Southern Region
233 Peachtree Street Ste. 600
Atlanta, GA 30303

CPF 2-2013-6002

Dear Mr. Lemoi:

On October 16-17, 2012, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA), Southern Region, Office of Pipeline Safety inspected Enmark Energy, Inc. (Enmark) written Public Awareness and Damage Prevention Program. As a result of the inspection, it appears that Enmark has committed probable violations of the Pipeline Safety Regulations, Title 49, Code of Federal regulations:

1. 195.440 Public awareness

- (a) Each pipeline operator must develop and implement a written continuing public education program that follows the guidance provided in the American Petroleum Institute's (API) Recommended Practice (RP) 1162.**

Enmark developed a written continuing public education program; i.e., the Enmark Energy, Inc. Public Awareness and Damage Prevention Program (PADPP), but did not implement the PADPP in accordance with its written procedures.

Enmark will correct this by completing annual reviews utilizing at a minimum one of the listed methods in Enmark's PADPP per section 8.2.3 as written.

2. 195.440 Public awareness

- (a) Each pipeline operator must develop and implement a written continuing public education program that follows the guidance provided in the American Petroleum Institute's (API) Recommended Practice (RP) 1162.**

Enmark developed a written continuing public education program; i.e., the Enmark Energy, Inc. Public Awareness and Damage Prevention Program (PADPP), but did not implement the PADPP in accordance with its written procedures.

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Enmark will correct this by performing program effectiveness evaluations per Section 8.3 of Enmark's PADPP and as required by API RP 1162, Section 8.4.

3. 195.440 Public awareness

...(b) The operator's program must follow the general program recommendations of American Petroleum Institute's (API) Recommended Practice (RP) 1162 and assess the unique attributes and characteristics of the operator's pipeline and facilities.

Enmark did not assess the unique attributes and characteristics of its pipeline systems in developing and implementing its written PADPP.

Enmark will correct this by addressing the unique attributes and characteristics of carbon dioxide pipelines in Enmark's PADPP baseline message brochures used by Enmark for all stakeholder audiences.

4. 195.440 Public awareness

...(e) The program must include activities to advise affected municipalities, school districts, business, and residents of pipeline facility locations.

The PADPP baseline message brochures distributed to all stakeholders from 2007 to 2011 did not adequately address the location of Enmark's pipelines.

Enmark will correct this by performing the following:

1. Enmark will revise the PADPP baseline message brochures distributed to all stakeholder audiences so that Enmark can identify itself and its contact information for stakeholders to call for information on Enmark's pipelines.
2. Enmark will revise the PADPP operator profile sheet so that Enmark is the entity to call for information on Enmark's pipelines.

Based on instructions contained within the enclosure titled *Response Options for Pipeline Operators in Compliance Proceedings* paragraph I.a.1, Enmark is not contesting any proposed violations alleged in the Notice and has therefore paid the proposed civil penalty. Please accept this as notice of payment.

If you should have any questions, please contact me at your convenience. Thank you for your thorough inspection of our records. Pipeline Safety is extremely important to Enmark Energy, Inc.

Sincerely,



Connell Rader
President
Enmark Energy, Inc.