

WARNING LETTER

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

November 15, 2007

Mr. Terry McGill
President
Enbridge Energy, Limited Partners
1100 Louisiana
Suite 3300
Houston, TX 77002

CPF 3-2007-5031W

Dear Mr. McGill:

On August 6-10, 2007 and September 24-28, 2007, representatives of the Pipeline and Hazardous Materials Safety Administration (PHMSA) and the Minnesota Office of Pipeline Safety (MN-OPS) pursuant to Chapter 601 of 49 United States Code inspected your records in Superior, WI and your facilities in North Dakota and Minnesota.

As a result of the inspection, it appears that you have committed probable violations of the Pipeline Safety Regulations, Title 49, Code of Federal Regulations. The items inspected and the probable violation(s) are:

1. §195.49 Annual report

Beginning no later than June 15, 2005, each operator must annually complete and submit DOT form RSPA F 7000-1.1 for each type of hazardous liquid pipeline facility operated at the end of the previous year. A separate report is required for crude oil, HVL (including anhydrous ammonia), petroleum products, and carbon dioxide pipelines. Operators are encouraged, but not required, to file an annual report by June 15, 2004, for calendar year 2003.

Enbridge did not accurately report the mileage of their highly volatile liquid (HVL) line for 2005 and 2006.

Review of the 2005 annual report found that Enbridge was reporting 190 miles as the total mileage for their HVL systems. This 190 miles was from Clearbrook to Superior. However, the 20" line from the Canadian border to Clearbrook predominantly transports HVL's and should have been reported as an HVL line as well.

2. §195.410 Line markers.

(c) Each operator shall provide line marking at locations where the line is above ground in areas that are accessible to the public.

Enbridge did not have any line markers at the above ground exposure located at the Necktie River crossing.

The exposure at the Necktie River Crossing was brought to the attention of the MN-OPS by the MN Department of Pollution Control during the records review. When the exposure was visited during the subsequent field evaluation, it was noted that there were no line markers at the exposure, nor were there any within ½ mile of this exposure.

3. §195.573 What must I do to monitor external corrosion control?

a) Protected pipelines. You must do the following to determine whether cathodic protection required by this subpart complies with Sec. 195.571:

(1) Conduct tests on the protected pipeline at least once each calendar year, but with intervals not exceeding 15 months. However, if tests at those intervals are impractical for separately protected short sections of bare or ineffectively coated pipelines, testing may be done at least once every 3 calendar years, but with intervals not exceeding 39 months.

Enbridge personnel did not take annual cathodic protection readings in 2005 and 2006 at one test point in North Dakota and two test points in Minnesota.

The annual cathodic protection records reviewed found that the test stations at MP 831.065 in North Dakota and MPs 1035.483 and 1043.064 did not have readings taken in 2005 and 2006. Your personnel were unable to explain why the readings were not taken.

4. §195.583 What must I do to monitor atmospheric corrosion control?

(a) You must inspect each pipeline or portion of pipeline that is exposed to the atmosphere for evidence of atmospheric corrosion, as follows:

If the pipeline is located:

Then the frequency of inspection is:

Onshore

At least once every 3 calendar years, but with intervals not exceeding 39 months

Offshore

At least once each calendar year, but with intervals not exceeding 15 months

Enbridge personnel have not conducted an atmospheric inspection of the above ground pipeline facilities located MP 797, MP 829, and the Necktie River.

While reviewing the atmospheric corrosion survey books, it was noted that the exposures at MP 797 and 829 did not have an evaluation. As indicated earlier, during the records inspection, a picture of an exposure at the Necktie River was sent to the MN-OPS by the MN Department of Pollution Control. Further investigation found that this exposure also did not have an evaluation done.

Under 49 United States Code, § 60122, you are subject to a civil penalty not to exceed \$100,000 for each violation for each day the violation persists up to a maximum of \$1,000,000 for any related series of violations. We have reviewed the circumstances and supporting documents involved in this case, and have decided not to conduct additional enforcement action or penalty assessment proceedings at this time. We advise you to correct the item(s) identified in this letter. Failure to do so will result in Enbridge Energy, Limited Partners being subject to additional enforcement action.

No reply to this letter is required. If you choose to reply, in your correspondence please refer to **CPF 3-2007-5031W**. Be advised that all material you submit in response to this enforcement action is subject to being made publicly available. If you believe that any portion of your responsive material qualifies for confidential treatment under 5 U.S.C. 552(b), along with the complete original document you must provide a second copy of the document with the portions you believe qualify for confidential treatment redacted and an explanation of why you believe the redacted information qualifies for confidential treatment under 5 U.S.C. 552(b).

Sincerely,

Ivan A. Huntoon
Director, Central Region
Pipeline and Hazardous Materials Safety Administration