

WARNING LETTER

UPS Next Day Air

October 5, 2012

Mr. Richard Adams
Vice President, U.S. Operations
Enbridge Energy, Limited Partnership
City Center Office
1409 Hammond Avenue
Superior, Wisconsin 54880-5247

CPF 3-2012-5022W

Dear Mr. Adams:

On October 2-4, 2012, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA) pursuant to Chapter 601 of 49 United States Code inspected your Line 6B pipeline replacement project near Fenton, Howell, Niles and Marshall, Michigan.

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. §195.202 Compliance with specification or standards

Each pipeline system must be constructed in accordance with comprehensive written specifications or standards that are consistent with the requirements of this part.

PHMSA Central Region staff observed instances where the external coating inspection was not in accordance with Enbridge's construction specifications. Specifically, holiday detection was performed with foreign material such as tape and fiber board on the outer surface of the pipe coating. Enbridge's construction specifications describe the requirements for holiday detection, including incorporation of NACE standards and recommended practices. These NACE

documents state, “The exploring electrode shall maintain contact with the coated surface at all times” and “All foreign material that cause an increase in the distance between the exploring electrode and the coated surface must be removed prior to electrical inspection.” Clearly, the tape and fiber board are foreign materials that cause an increase in the distance between the electrode and the coated surface, and must be removed prior to electrical inspection. Therefore, the holiday detection on the external coating was not properly performed as described in Enbridge’s construction specifications.

2. §195.204 Inspection - General.

Inspection must be provided to ensure the installation of pipe or pipeline systems in accordance with the requirements of this subpart. No person may be used to perform inspections unless that person has been trained and is qualified in the phase of construction to be inspected.

Enbridge’s inspection of Line 6B was not adequate to ensure the installation of pipe was in accordance with Part 195 requirements. As described in Item 1 above, Central Region staff observed instances where the external coating inspection was not in accordance with the required Enbridge construction specifications. Pipe had already been inspected by Enbridge for coating holidays and lowered into the ground, yet foreign material on the unburied segment was observed by PHMSA staff. At PHMSA’s behest the foreign material had to be removed and re-inspected prior to backfilling.

3. §195.222 Welders: Qualification of welders

(a) Each welder must be qualified in accordance with section 6 of API 1104 (ibr, see § 195.3 or section IX of the ASME Boiler and Pressure Vessel Code, (ibr, see § 195.3) except that a welder qualified under an earlier edition than listed in § 195.3 may weld but may not re-qualify under that earlier edition.

A welder’s qualification records were not consistent with Enbridge welding procedures, including verification and documentation that the qualification welding was performed per the essential variables described in the procedure. The qualification record was found to have a documented preheat of 250 °F which is below the preheat and inter-pass temperature of 300 °F specified in Enbridge’s Weld Procedure Specification Procedure No. WP-103 Rev. 1 for branch fittings.

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 items identified in this letter. Failure to do so will result in Enbridge Energy, Limited Partnership 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 3-2012-5022W**. 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,

David Barrett
Director, Central Region
Pipeline and Hazardous Materials Safety Administration