

**TransCanada**  
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July 23, 2018

Mr. Allan Beshore  
Director, PHMSA Central Region  
Pipeline and Hazardous Materials Safety Administration  
901 Locust St., Suite 462  
Kansas City, MO, 64106

**RE: CPF 3-2018-1001 – RESPONSE TO NOTICE OF PROBABLE VIOLATION, PROPOSED CIVIL PENALTY, AND PROPOSED COMPLIANCE ORDER**

Dear Mr. Beshore,

On July 26-28, August 2-4, and August 23-25, 2016, representatives of the Pipeline and Hazardous Materials Safety Administration (PHMSA), Office of Pipeline Safety (OPS), pursuant to Chapter 601 of 49 United States Code (U.S.C.), inspected TransCanada's records and facilities in Indiana and part of Illinois. As a result, on April 24, 2018, PHMSA issued CPF 3-2018-1001 (Order) containing a Notice of Probable Violation, Proposed Civil Penalty, and Proposed Compliance Order (Order). On May 30, 2018 PHMSA approved an extension to the comment period until July 23, 2018.

TransCanada hereby notifies PHMSA that we will not be contesting the findings in the subject Notice, and agree to pay the Civil Penalty.

Additionally, in response to the Proposed Compliance Order, TransCanada has instituted ongoing work orders in our Work Management System for operating personnel to annually pursue the required compliance records at the subject locations. TransCanada has also instituted ongoing work orders to witness the tests/inspections whenever such can be coordinated with the third party operator. If such actions will satisfy the proposed compliance order, please advise what would be necessary to close out this item..

If you wish to discuss, please contact me at your convenience.

Sincerely,

A handwritten signature in black ink that reads "Lee Romack". The signature is written in a cursive style.

Lee Romack  
Manager, US Regulatory Compliance