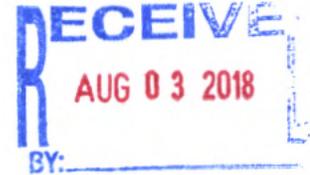


NOVA Chemicals Inc.  
c/o Red Deer Pipeline Office  
#6 4940 81<sup>st</sup> Street  
Red Deer, Alberta  
Canada, T4P 3V3  
Telephone: (403) 342-6461  
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August 2, 2018

U.S. Department of Transportation  
Pipeline and Hazardous Materials Safety Administration  
901 Locust Street, Suite 462  
Kansas City, MO 64106 United States of America



Attn: Mr. Allan C. Beshore, Director, Central Region

Dear Mr. Beshore:

**Re: CPF 3-2018-5007M – Notice of Amendment**

As per your letter dated July 3, 2018, Notice of Amendment, NOVA Chemicals Inc. ("NOVA Chemicals") provides the following response for closure of the identified inadequacies.

As of November 1, 2017, NOVA Chemicals ceased operatorship of the Vantage Pipeline, and the new operator is Vantage Pipeline US LP ("Pembina") (OPID 39731). This was communicated to PHMSA through notification B-20171123-17720.

With respect to the noted inadequacies found within NOVA Chemicals' procedures in items 1 & 3, effective as of the transition of operatorship, NOVA Chemicals' procedures are no longer applicable to the Vantage Pipeline. From correspondence with Pembina, we understand that Pembina will provide a response with respect to actions undertaken subsequent to November 1, 2017.

However, we also wanted to provide the following context and/or correction on the outstanding items insofar as they relate to NOVA Chemicals' operatorship of the Vantage Pipeline:

Item 1:

NOVA Chemicals held meetings in 2014 with North Dakota emergency response officials at the start of Vantage Pipeline operations. NOVA Chemicals joined the Pipeline Association for Public Awareness in January 2017 in the areas of Emergency Response Mailing, Emergency Response Meeting, Excavator Mailing and Public Officials Newsletter for North Dakota, in order to meet the requirements of 49 C.F.R. §§ 195.402 and 195.440. The Public Awareness Program manual was revised in August 2017 to reflect the changes to the program.

Item 4:

NOVA Chemicals wishes to contest this notice of amendment alleging noncompliance with 49 C.F.R. § 195.446. NOVA Chemicals identified the controller's authority and responsibilities when making decisions and taking actions during normal operations within the NOVA Chemicals Operations and Maintenance Manual (Section 3 Organization, Roles, and



Responsibilities; Subsection 3.4 Panel Operations; Paragraphs 3.4.3 Pipeline Panel Operations Coordinator and 3.4.5 Pipeline Panel Operators).

The security of the control room and backup control room is specifically covered in our Security Management Program. The primary control room is situated inside the Joffre Plant Site, and its security features were identified through the site's security vulnerability assessment. This included the security of the site's perimeter. The assessment outlined requirements for control of access to the site entrance, lighting requirements, perimeter intrusion detection systems, closed circuit television systems, security patrols, and the use of natural barriers. The backup control room, situated at the Red Deer pipeline office, requires a card key in order to gain entry.

Item 7:

NOVA Chemicals wishes to contest this notice of amendment. NOVA Chemicals either had the ability to perform the covered tasks at the time of the audit or the task did not qualify as an operation or maintenance task that was required as the equipment was not installed and operational on the pipeline facility at the time of the audit.

The following tasks were identified in the notice of amendment as not having been identified as a covered task:

- Purging, flaring, and nitrogen purge – These tasks were covered at the time of the audit in tasks identified as Startup of a Liquid Pipeline Field (task 63.1), Shutdown of a Liquid Pipeline Field (task 63.2), Startup of a Liquid Pipeline Control Centre (task 43.1), and Shutdown of a Liquid Pipeline Control Centre (task 43.2).
- Cutting pipe, threading pipe, bending and connecting tubing, connecting flanges – Threaded pipe is not used in any portion of the Vantage pipeline, and NOVA Chemicals did not complete any pipe cutting, pipe bending, installation of connecting flanges, or installation of connecting tubing during its operating term. NOVA Chemicals did, however, develop new covered tasks to address these tasks, in preparation for commissioning a new pipeline in the area.
- Composite sleeve installation – NOVA Chemicals does not, and does not intend to, install composite sleeves. Composite sleeve installation is not listed as an activity that would be completed within NOVA Chemicals' Integrity Management Plan.
- Relief valve installation, inspection, and maintenance – NOVA Chemicals did not have any relief valves installed on the pipeline which PHMSA audited. It did, however, create a covered task addressing relief valves in preparation for commissioning a new pipeline in the area (task 23.2 (B)).
- Overpressure protection inspection and maintenance – There is not any overpressure equipment on the Vantage Pipeline within the United States. Pressure safety valves were installed and remain in place on the pipeline within Canada; overpressure protection for the portion of the Vantage Pipeline located within the United States was furnished by a valve located within the Hess Tioga processing facility which is owned and maintained by Hess.
- Maintain/repair relief valves – There were no physical relief valves installed on the pipeline during the period covered by the audit, but a covered task was later created (task 23.1) in preparation for the commissioning of a new asset.
- Inspect, test, and calibrate relief valves - There were no physical relief valves installed on the pipeline during the period covered by the audit, but a covered task was later created (task 23.2) in preparation for the commissioning of a new asset.





- Maintain/repair pressure limiting devices - There were no pressure limiting devices installed on the pipeline during the period covered by the audit, but a covered task was later created (task 24.2) in preparation for the commissioning of a new asset.
- Inspect, test, and calibrate pressure limiting devices – Covered task 24.1 had been identified at the time of the audit.
- Inspect, test, and calibrate pressure switches – There were no pressure switches present at the time of the audit, but covered task 25.1 was later created.

We trust the above is satisfactory and look forward to receipt of confirmation that the audit has been closed.

If you have any questions, please contact me.

Sincerely,

William C. Mitchell  
Vice President, General Counsel and  
Assistant Corporate Secretary  
Phone: (412) 490-4206  
E-mail: Bill.Mitchell@novachem.com

cc: Josh Miller, Manager – Regulatory, Vantage Pipeline US LP  
Melissa Lundy, Operating Management System Advisor, Vantage Pipeline US LP

