

NOTICE OF AMENDMENT

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

June 17, 2019

Stanley Chapman
Executive VP and President of US Natural Gas Pipelines
TransCanada Great Lakes Gas Transmission
700 Louisiana St., Suite 300
Houston, TX 77002

CPF 3-2019-1002M

Dear Mr. Chapman:

From April 16-20, 2018, April 30-May 4, 2018, May 14 – 18, 2018, May 21 – 24, 2018, June 4 -6, 2018, July 16 – 20, 2018, July 23 – 27, 2018, and August 20 – 24, 2018, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA), Michigan Public Service Commission and Minnesota Department of Public Safety, pursuant to Chapter 601 of 49 United States Code inspected Great Lakes Gas Transmission procedures for The TER as it relates to Risk assessment in the IM Plan when reviewed in Houston, TX.

Based on the inspection, PHMSA has identified the apparent inadequacy found within Great Lakes Gas Transmission's plans or procedures, as described below:

- 1. 192.909 (a) How can an operator change its integrity management program?**
General. An operator must document any change to its program and the reasons for the change before implementing the change.

Great Lakes Gas Transmission's (GLGT) Risk Model Procedure is inadequate because it fails to accurately describe how GLGT documents changes to its program and the reasons for the change before implementing the change by computing risk based on different formulas and factors for the new assessment year than those provided in the current procedure.

After completion of the Risk Assessment, the procedure formulas and factors were updated to reflect and document the process. The procedure lagged behind the actual process

implemented for risk assessment. Language related to the retroactive procedure update process needs to be included if TC/GLGT continues this practice.

Response to this Notice

This Notice is provided pursuant to 49 U.S.C. § 60108(a) and 49 C.F.R. § 190.206. Enclosed as part of this Notice is a document entitled *Response Options for Pipeline Operators in Compliance Proceedings*. Please refer to this document and note the response options. 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).

Following the receipt of this Notice, you have 30 days to submit written comments, revised procedures, or a request for a hearing under §190.211. If you do not respond within 30 days of receipt of this Notice, this constitutes a waiver of your right to contest the allegations in this Notice and authorizes the Associate Administrator for Pipeline Safety to find facts as alleged in this Notice without further notice to you and to issue an Order Directing Amendment. If your plans or procedures are found inadequate as alleged in this Notice, you may be ordered to amend your plans or procedures to correct the inadequacies (49 C.F.R. § 190.206). If you are not contesting this Notice, we propose that you submit your amended procedures to my office within [number of days] days of receipt of this Notice. This period may be extended by written request for good cause. Once the inadequacies identified herein have been addressed in your amended procedures, this enforcement action will be closed.

It is requested (not mandated) that Great Lakes Gas Transmission maintain documentation of the safety improvement costs associated with fulfilling this Notice of Amendment (preparation/revision of plans, procedures) and submit the total to Allan Beshore, Director, Central Region, Pipeline and Hazardous Materials Safety Administration. In correspondence concerning this matter, please refer to **CPF 3-2019-1002M** and, for each document you submit, please provide a copy in electronic format whenever possible.

Sincerely,

Allan C. Beshore, P.E.
Director, Central Region, OPS
Pipeline and Hazardous Materials Safety Administration

Enclosure: *Response Options for Pipeline Operators in Enforcement Proceedings*