



Matthew T. Paul
President and Chief Operating Officer
DTE Gas Company
One Energy Plaza
WCB 2377
Detroit, MI 48226

February 26, 2020

Allan C. Beshore
Director, Central Region, OPS
Pipeline and Hazardous Materials Safety Administration
901 Locust Street, Suite 462
Kansas City, Missouri 64106

Re: **NOTICE OF AMENDMENT: CPF 3-2020-1002M**

Dear Mr. Beshore,

From May 13, 2019 to May 16, 2019, the Michigan Public Service Commission (MPSC), acting as an interstate agent of the Pipeline and Hazardous Material Safety Administration (PHMSA), inspected DTE Gas Company's (DTE) procedures for operations and maintenance and integrity management at the Milford Compressor Station near Milford, MI.

On the basis of this inspection, PHMSA issued Notice of Amendment: CPF 3-2020-1002M to DTE. The Notice of Amendment defines four apparent inadequacies within DTE's plans or procedures. DTE acknowledges receipt of this PHMSA Notice of Amendment on January 27, 2020.

DTE Gas takes full responsibility for the findings described in the Notice of Amendment and hereby submits our response to each of the four items listed in the Notice.

DTE Gas is fully committed to pipeline safety and takes this responsibility seriously. We are committed to initiating proactive processes that can improve the operation, reliability and safety of our system. We are committed to learn from our experiences and have taken measures to identify plans and implement corrective actions to address the findings listed in the Notice. In this letter you will find details and information that explain how DTE is addressing the issues. The findings listed in the Notice are shown below in italics followed by our response.

1. *DTE's operation and maintenance manual did not have adequate procedures for periodically reviewing the work done by operator personnel to determine the effectiveness and adequacy of the procedure. The procedure (Procedure 192.605(b)(8) on page 6 of the Operations Standards) did not define what DTE would do to meet this requirement and how that review would be documented. DTE's procedures must set forth a process for how DTE would conduct the periodic reviews to determine the effectiveness and adequacy of the procedures, as well as how these reviews will be documented.*

DTE Gas acknowledges our Operation and Maintenance Standards do not include adequate procedures for reviewing work performed to determine the effectiveness and adequacy of the procedures for §192.605 "Procedural manual for operations, maintenance, and emergencies."

DTE Gas Company will take the following actions:

- (1) DTE will revise Standard 601/603/605 Section 605(b)(8) to include procedures for the periodic review of work performed by personnel to determine the effectiveness and adequacy of the written procedures. A process for conducting these reviews will be developed and requirements for documentation will be identified. This will be completed by April 26, 2020.

2. *DTE's procedures (Section 2.0 - Identification of High Consequence Areas (HCA)) did not consider long term construction activity within a potential impact radius (PIR) as potentially creating a high consequence area. Long term construction activities often have enough personnel to meet the definition of an identified site. DTE's procedures must be clarified to include those type of activities to ensure that all high consequence areas are addressed in DTE's written integrity management program.*

DTE Gas acknowledges our Transmission Integrity Management Program does not include language to identify construction activity as a potential HCA for §192.911 "What are the elements of an integrity management program?"

DTE Gas Company has taken the following actions:

- (1) Standard Work Instruction 13-SWI-011-0071 Population Density Survey (Rev. 8) has been updated with new requirements. This was completed in June of 2019.
- (2) DTE Gas developed a process to review construction activity at each compressor station twice a year using formal station maps. This process was implemented in July 2019.

- (3) DTE Gas Codes & Standards issued a compliance advisory detailing the requirements to review activity at transmission facilities. This was completed in July 2019.
- (4) DTE Gas updated Distribution and Transmission Systems Standard 005 and Procedure 3.1 of the Distribution and Transmission Procedure Book. These revisions were completed in July of 2019.

3. *DTE's procedures (Section 4.0 Identification of Threats and Risk Assessment) did not include data integration and a risk assessment for station piping within meter, regulator, and compressor stations as well as transmission pipeline segments that extend within a station boundary. The integrity management regulation applies to these facilities and should be addressed within DTE's written integrity management program.*

DTE Gas acknowledges our Transmission Integrity Management Program does not include language to identify requirements for risk assessment for station piping within meter, regulator, and compressor stations for §192.911 "What are the elements of an integrity management program?"

DTE Gas Company has taken/will take the following actions:

- (1) DTE Gas began adding station piping for stations with High Consequence Areas to the data model for HCA and Class Location calculation purposes in December of 2019. The remaining data required for risk analysis of this piping will be loaded into the data model by August 31, 2020.
- (2) In addition, a plan has been developed to add the facility information and calculate risk for the remaining non-HCA stations in Class 1 and 2 locations by December 30, 2022.

4. *DTE's procedures (Section 13.0 Quality Assurance) did not include specific language on how to determine whether DTE's integrity management program is effective in assessing and evaluating the integrity of each covered pipeline segment. The procedure lacked guidance on what this evaluation includes and how this evaluation is documented. DTE's procedures must define how they are going to measure program effectiveness in accordance with § 192.945 and what records will be used to document this process.*

DTE Gas acknowledges our Transmission Integrity Management Program does not include language to determine the effectiveness of our Integrity Management Program to address and evaluate the integrity of each covered pipeline segment, requirements for the evaluation and documentation for §192.911 "What are the elements of an integrity management program?"

DTE Gas Company has taken the following actions:

- (1) DTE Gas procedures have been updated to include specific language for how to determine TIMP program effectiveness outlining what data is reviewed, sources of the data, and actions taken or plans as the result of the data reviewed which is documented on the Continual Evaluation Form. This was completed December 2019.
- (2) The measures to be reviewed in the annual continual evaluation have been added to the TIMP document, Section 7.0, Continual Evaluation. This was completed in December 2019.
- (3) A checklist has been developed for documenting the continual evaluation on a threat-specific basis. The checklist outlines the data reviewed for each threat, document findings and root causes, identified actions taken or planned based on the data element review, identified further TIMP actions needed, and identified additional P&M measures if any. This was completed December 2019.
- (4) An initial effectiveness review of the transmission integrity program will be completed by April 1, 2020.

Based on the above actions, DTE Gas requests that you consider this Notice of Amendment resolved. If further action is required, please contact Frenae Smith, Manager of DTE Gas Company Codes and Standards, at (313) 389-7762.

Sincerely,



Matthew T. Paul
President and Chief Operating Officer
DTE Gas Company

Enclosures (6)