



CERTIFIED MAIL - RETURN RECEIPT REQUESTED

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Shell Pipeline Company LP

One Shell Plaza
910 Louisiana Street
42nd Floor
Houston, Texas 77002-5316

May 31, 2017

Ms. Terri Binns
Acting Director, Southwest Region
Pipeline and Hazardous Materials Safety Administration
8701 South Gessner, Suite 1110
Houston, TX 77074

SUBJECT: CPF 4-2017-5016M

Dear Ms. Binns:

On May 5, 2017, Shell Pipeline Company LP (SPLC) received a Notice of Amendment (NOA) from the Pipeline and Hazardous Materials Safety Administration (PHMSA), Southwest Region regarding the inspection of SPLC's Operations and Maintenance procedures that took place between June and November 2016.

For the record, all liquid pipelines built by SPLC that will be regulated by PHMSA are required to be designed and built to the requirements in 49 CFR 195 per references to the code as a whole in several engineering guides and specifications. However, SPLC understands and appreciates the need to have the specific code requirements spelled out in company specifications and has updated the documents as required by the NOA.

Below is an explanation of how each item in the NOA was addressed. The revised pages have been attached. Additionally, the directly applicable text on each page has been highlighted.

To provide a framework for what documents were updated, SPLC has three types of engineering documents, Technical Specifications (TS), Technical Guides (TG), and Design and Engineering Practices (DEP). A TS contains construction requirements which comply with relevant pipeline industry standards, e.g. B31.4, and regulatory requirements. These documents are designed to provide requirements to contractors. A TG provides the rationale for certain requirements and recommendations specified in TS's. The TG is not meant to be given to construction contractors and is used by engineering personnel. DEPs are global Shell documents that provide technical guidance, but do not contain specific country regulatory requirements. While the NOA specified only certain documents be modified, SPLC has modified other documents as well to more fully comply with the requirements based on how these documents are used.

Item 1: Cover Over Buried Pipelines

SPLC's "40 TS-002 Construction of Onshore Pipelines and Related Facilities" Section 17 was modified to reference depth of cover standards for use when backfilling operations are being

performed on new construction projects. In addition, SPLC's "40TG-002 Construction of Onshore Pipelines and Related Facilities" was modified to provide the proper reference to engineering staff during pipeline design and construction.

Item 2: Valve Placement

SPLC's developed a cover page for "DEP 31.40.00.10 Pipeline Engineering" to specify where valves are to be placed during pipeline design for a regulated pipeline being built in the United States.

Item 3: Bending of Pipes

SPLC's "40 TS-002 Construction of Onshore Pipelines and Related Facilities" Section 17 was modified to specify that circumferential welds located where the stress during bending causes a permanent deformation in the pipe must be nondestructively tested after the bending process. In addition "40 TG-002 Construction of Onshore Pipelines and Related Facilities" was modified to provide a reference to the requirement to the engineer during design and construction.

At this point I believe that SPLC has addressed all of the items in the NOA. As requested in the NOA, we are also sending an electronic version of this response via e-mail. If you have any questions regarding this response or need any additional information, please contact me at (713) 241-2035.

Sincerely,



Deborah Price
Integrity & Regulatory Services Manager
Shell Pipeline Company LP

Attachments