



CALPINE

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AUG 07 2007

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August 3, 2007

Mr. Chris Hoidal
Director, Western Region
Pipeline and Hazardous Materials Safety Administration
12300 W. Dakota Ave., Suite 110
Lakewood, CO 80228

SENT TO COMPLIANCE REGISTRY
Hardcopy Electronically
of Copies 1 / Date 8/10/07

RE: CPF 5-2007-1011M
Response to Notice of Amendment

Dear Mr. Hoidal:

Thank you for this opportunity to respond to the Notice of Amendment dated July 9, 2007. As explained in greater detail below, the purpose of this letter is to request a telephonic hearing, if necessary, and provide additional explanations. CPN also requests an extension of time to revise our Integrity Management Plan to address PHMSA concerns.

In response to the specific Items in the Notice of amendment, CPN Pipeline offers the following explanations and additional information, where applicable:

• **Item 1A: 192.911(b) & 192.921(a)(1)**

CPN Pipeline will establish specifications for ILI vendor and tool performance and procedures for running ILI tools in preparation for each specific integrity assessment. We do not believe it is appropriate for ILI specifications and procedures to be part of the Integrity Management Plan itself. Rather, specifications and procedures will be developed per B31.8S, section 6.2 in preparation for vendor and tool selection for each assessment. This information will be included in the documentation and records for each assessment. No ILI inspections have been completed; therefore, these procedures were not available at the time of the audit

• **Item 1B: 192.911(b) & 192.921(b)**

CPN will revise and clarify the Baseline Assessment Plan (BAP) to ensure that the planned assessment methods are appropriate for the threats.

• **Item 2A: 192.911(c) and 192.917(a)**

CPN will review the criteria listed in our IMP for Stress Corrosion Cracking, and revise if determined to be inconsistent with industry standards.

- **Item 2B: 192.911(c) and 192.917(a) ASME/ANSI B31.8S, Section 2.2**

CPN will revise the threat identification procedure to ensure that potentially interactive threats are identified.

- **Item 2C: 192.911(c) and 192.917(c)**

CPN will revise section 3.5 of the Integrity Management Plan to include documentation of the risk assessment validation process.

- **Item 3A: 192.911(e) and 192.933(c)**

CPN will revise section 5.5 of the Integrity Management Plan to include the requirement to document the justification for not meeting a remediation schedule and why it will not jeopardize public safety.

- **Item 4A: 192.911(k) and ASME B31.8S-2001, Section 11(a)**

CPN will clarify section 2.9 so it is clear that changes to the BAP will be handled the same as other changes to the IMP and documented as indicated.

- **Item 4B: 192.911(k) and ASME B31.8S-2001, Section 11(b)**

CPN will revise section 11.4 of the IMP MOC to clearly state that new information will be incorporated prior to the annual re-evaluation of the risk analysis.

- **Item 5A: 192.911(l) and ASME B31.8S-2001, Section 12.2(b)(3)**

CPN will revise Element #12 to include a checklist of key documents to be reviewed annually.

- **Item 5B: 192.911(l) and ASME B31.8S-2001, Section 12.2(b)(7)**

CPN will revise Element #12 to include a process for identifying and tracking corrective actions to improve the Integrity Management Program.

- **Item 5C: 192.911(l) and ASME B31.8S-2001, Section 12.2(c)**

CPN will revise Element #12 to include a process for ensuring the quality of integrity management processes when outside resources are used.

- **Item 5D: 192.911(l) and ASME B31.8S-2001, Section 12.2(b)(4) and 192.915(a)&(b)**

CPN will revise Section 12.7 to include minimum qualification requirements for supervisory personnel.

- **Item 6A: 192.911(m)(1) and 192.911(m)(2)**

CPN will revise Appendix 13A to include a process for addressing safety concerns raised by OPS or other State and local pipeline safety authorities.

CPN Pipeline is in the process of revising our Integrity Management Program to address these apparent inadequacies and respectfully requests additional time to complete the revisions. If the above explanations are sufficient and acceptable, we will proceed with these revisions and complete as soon as practicable. Please call me if you have any questions, or to schedule a telephonic hearing, if necessary. I can be reached at 707-374-1505.

Respectfully,



Scott Vickers
Compliance Manager

Cc: Lyle Fedje
Kurt Seel