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August 24, 2009

VIA: UPS NEXT DAY AIR SAVER

Ivan A Huntoon
Director, Central Region
Pipeline and Hazardous Materials Safety Administration
901 Locust Street, Suite 462
Kansas City, MO 64106-2641

RE: Notice of Amendment - CPF 3-2009-1012M

Dear Mr. Huntoon:

DCP Midstream, LP ("DCP"), formerly Duke Energy Field Services ("DEFS"), has received your letter dated July 27, 2009 arising from your October 16-20 and October 30 – November 1, 2006 inspection of the DCP Integrity Management Program and Procedures in Denver, Colorado. The letter requested that DCP respond to the inadequacies noted and our plans to address these inadequacies. DCP does not contest this Notice and since the inspection in 2006, DCP has addressed the inadequacies in its Integrity Management Program as noted below.

§192.911 What are the elements of an Integrity Management Rrogram?

An operator's initial Integrity Management Program begins with a framework (see §192.907) and evolves into a more detailed and comprehensive Integrity Management Program, as information is gained and incorporated into the program. An operator must make continual improvements to its program. The initial program framework and subsequent program and subsequent program must, at minimum, contain the following elements. (When indicated, refer to ASME/ANSI B31.8S (ibr, see §192.7) for more detailed information on the listed element.)

§192.911 (a) An identification of all high consequence areas, in accordance with §192.905.

Item 1A. §192.905. How does an operator identify a high consequence area?
(c) Newly identified areas. When an operator has information that the area around a pipeline segment not previously identified as a high consequence area could satisfy any of the definitions in §192.903, the operator must complete the evaluation using method (1) or (2). If the segment is determined to meet the definition as a high consequence area, it must be incorporated into the operator's baseline assessment plan as a high consequence area within one year from the date the area is identified.

The DCP Integrity Management process for keeping its high consequence (HCA) information up to date lacks adequate specificity or guidance. For example, the following details are missing:

A description of how changes to the environment around the pipeline are captured by the routine patrols and the continual surveillance procedures for evaluation for HCA identification.

A description of how to determine changes in building use.

A requirement to annually review all pipelines within the system for potential changes to initial HCA identification

A requirement to document the annual review on Form 57 if no changes to the HCA identification are required.

A set of criteria for the qualification and training of individuals performing the annual HCA review.

RESPONSE: Since the 2006 inspection, DCP has revised its Integrity Management Processes, Procedures and Forms that address these inadequacies.

A new DCP Form 59G – Annual HCA Review – Gas Transmission was created to document the process for conducting annual HCA reviews and any changes around the pipeline and in building use that would result in a new HCA or change in HCA segment.

DCP Form 47 – HCA Verification Form was revised to verify and describe in detail all changes to HCAs and new HCAs found during the annual reviews.

DCP Gas Integrity Management Plan Section 3.3 – HCA Identification was revised to require the Pipeline Integrity Specialist to conduct annual HCA reviews on all transmission pipelines. This review is documented on DCP Form 59G and other forms as required.

DCP Form 57 - Gas HCA Identification Documentation has been revised to include when a pipeline has been reviewed and no HCAs have been identified.

DCP Gas Integrity Management Plan Section 12 – HCA Identification was revised to include the qualification and training requirements for Pipeline Integrity Specialists who conduct the Annual HCA reviews.

Attached are:
DCP Form 59G – Annual HCA Review – Gas Transmission
DCP Form 47 – HCA Verification Form,
DCP Form 57 - Gas HCA Identification Documentation
Gas Integrity Management Plan Section 3 – HCA Identification
Gas Integrity Management Plan Section 12 - Roles and Responsibilities Quality Control Plan
Integrity Procedure 012- Identifying HCAs

We trust that these revisions to our Integrity Management Program address the inadequacies in this Notice of Amendment. Please contact Manager, Pipeline Integrity Services, Anita Cuevas in the DCP Denver office at 303-605-2207 if you have any questions or comments.

Sincerely,

Alison E. Barry

AEB/cak
Enclosures

REVISION LOG

Rev. No.	Date of Revision	Description of Change	Section	Change Authorized by
1.1	May 2005	Change Recommended Practices to Required Practices	3.1, 3.3 & 3.4	Jeannette Jones
1.2	Sept 2005	Corrected how the IMP documents are controlled; paper copies are not tracked; latest version on portal.	Footer	IMP Steering Committee
2.0	Oct 2005	Annual Review; Better define use of IMGs and forms, and address gap findings; Rename Section from Consequences to HCA Identification		IMP Steering Committee
2.0	Jan 2006	Relocated Consequence and Risk Assessment info to Section 5 of IMP; deleted from Expectations	3.1, 3.4, 3.5, 3.6, 3.7	IMP Steering Committee
2.1	Feb 2006	Included use of form 56 for exemptions, expanded Section 3.2 to clarify that HCA is the first step for lines under this program; Added section 3.4 to better explain how HCA information is used and requirements for these HCAs	3.1, 3.2, 3.4	Jeannette Jones & Susie Sjulin
2.2	Aug 2006	Clarified use of Form 47 for changes and elimination of HCAs, and Form 56 to exempt HCAs	3.1, 3.3	Anita Cuevas
2.3	Jan 2007	Changed company name to DCP Midstream; changed formatting for consistency with other IMP documents	All	Anita Cuevas
2.5	April 2008	Changed Integrity Management Office to Asset Integrity due to company reorganization	3.1, 3.4	Anita Cuevas
3.0	Oct 2008	GIMP Review – Added expectations for Asset Operations and Engineering; Added new section 3.4 HCAs on Temporarily Abandoned Pipelines; changed references to IMG to IP; added location on intranet portal to find BAP Master Summary	All	Asset Integrity
3.1	April 2009	Corrected reference to Form 61 to Form 59G "Annual HCA Review – Gas Transmission"	3.1 Expectations	Anita Cuevas
3.2	August 2009	Clarified that the Pipeline Integrity Specialist conducts the Annual HCA Review on all transmission pipelines	3.3	Anita Cuevas

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3.0 HCA Identification

3.1 Expectations

Asset Operations

Understand how to identify and document HCAs on new and existing gas transmission pipelines using the following.

- Use IP-012 Identifying HCAs, to understand the application of Potential Impact Radius on the identification of HCA's
- Use DCP Midstream Form 57 "Gas HCA Identification Documentation" to document the method for determining the HCA boundary.
- Use DCP Midstream Form 48 "Potential Identified Sites Questionnaire" to document review of potential identified sites.
- Use DCP Midstream Form 56 "Exemption of HCAs and Integrity Assessments" to defer integrity assessments on temporarily abandoned transmission lines with HCAs.
- Use DCP Midstream Form 47 "HCA Verification" to verify and communicate potential new HCAs, changes to existing HCAs, or elimination of HCAs.
- Use DCP Midstream Form 59G "Annual HCA Review – Gas Transmission" to document the annual review of all gas transmission lines.
- Know which pipelines have HCAs and where the HCAs are located.
- Use tools such as PODS, BAP, and X-Map to manage the HCA requirements

Asset Integrity

- Provide guidance, support and training for HCA identification.
- Facilitate annual HCA reviews and ensure proper documentation using DCP Midstream Form 59G "Annual HCA Review – Gas Transmission".

Commercial/Marketing/Business Development

- Understand that acquisitions, expansions or other changes must incorporate a review of potential HCA's and involve Asset Operations and Asset Integrity in a timely manner to evaluate for HCAs and allocate appropriate funding to comply with regulations.
- Notify Asset Integrity of any acquisitions, new construction, or changes in current service or status for review of impact to HCAs.

Engineering

- Understand that acquisitions, expansions or other changes must incorporate a review of potential HCA's and involve Asset Operations and Asset Integrity in a timely manner to evaluate for HCAs and allocate appropriate funding to comply with regulations.
- Notify Asset Integrity of any acquisitions, new construction, or changes in current service or status for review of impact to HCAs.

3.2 Introduction

Implementation of an Integrity Management Program begins with identifying those segments of a pipeline system that could impact a High Consequence Area (HCA). These sections cover the process for identifying new HCAs, changes to HCAs, eliminations of HCAs and exemptions of HCAs as well as required documentation that is required by the plan.

3.3 Identification of HCAs, Identified Sites, and Covered Segments

There are 3 main parts to the HCA identification process:

- DCP Midstream IP-012 "Identifying HCA's", will be used to determine which gas transmission pipeline segments in DCP Midstream operating assets are covered by 49 CFR 192 Subpart O.

- For initial segment review and review of all new lines, including acquisitions and new construction, the flowchart in IP-012, Attachment 1, describes the process that will be followed and the forms that will be used to document the method used to identify HCAs, PIR / PIC calculations (DCP Midstream Form 57), identified sites (DCP Midstream Form 48), and new HCAs (DCP Midstream Form 47).

- On-going annual reviews on all transmission pipelines (outlined in IP-012 – Attachment 4) will be conducted by the Pipeline Integrity Specialist to capture any changes to the operating areas that could result in a new HCA or a change to an existing HCA. This review will be documented using DCP Midstream Form 59G "Annual HCA Review – Gas Transmission".

3.4 HCA on Temporarily Abandoned Pipelines

DCP Midstream Form 56 "Exemptions of HCAs and Integrity Assessments" should be used to document the exemption of an integrity assessment for temporarily abandoned pipelines with HCAs. Assessments must be conducted prior to these pipelines returning to service. Removal of HCA segments on abandoned pipelines should also be documented on DCP Midstream Form 47 "HCA Verification" to communicate the changes appropriately.

3.5 HCA Master List and Mapping

DCP Midstream completed an initial review of all DCP Midstream active and idle transmission pipelines and identified HCAs on these lines. The initial list was compiled by the rule deadline of December 17, 2004. The approved source of all HCAs currently included in the Gas Transmission IMP is the DCP Midstream Gas BAP Master Summary List that is located on the DCP Midstream intranet portal Document Directory / Asset Integrity / Manuals / Pipeline Integrity Management / Gas Transmission BAP. This list is maintained by the Manager, Pipeline Integrity Programs.

All covered segments must follow this IMP and the requirements of Subpart O. To better manage the HCA segments and requirements, DCP Midstream will utilize the GIS database (PODS). This technology will be used to electronically store data and information about DCP Midstream pipeline segments including HCA boundaries and allows for integration of ILI results, leak information, etc. with other pipeline attributes.

REVISION LOG

Rev. No.	Date of Revision	Description of Change	Section	Change Authorized by
1.1	May 2005		12.5, 12.6 & Table 12.1	Jeannette Jones
1.2	Sept 2005	Corrected how the IMP documents are controlled; paper copies are not tracked; latest version on portal.	Footer	IMP Steering Committee
2.0	Oct 2005	Annual Review; Deleted actual names in various groups; Deleted section 12.3, 12.7-12.13 and renumbered sections	12.4, 12.5, 12.7 to 12.13	IMP Steering Committee
2.0	Jan 2006	Expanded section to include ILI vendor selection guidelines from LIMP section 13.4	12.7	Jeannette Jones
2.1	Feb 2006	Added comments for operations responsibility for time and money to complete risk assessments (Protocol C.3.e)	12.1, 12.5	Jeannette Jones
2.2	Aug 2006	Added language back to Section 12 regarding training that was removed with the October 2005 annual review. Added language on knowledge of IMP per 192.915 to address Protocol L.2	12.7	Jeannette Jones
2.3	Jan 2007	Changed company name to DCP Midstream; changed formatting for consistency with other IMP documents	All	Anita Cuevas
3.0	Oct 2008	GIMP Review – Changed Operations to Asset Operations, Integrity Management Office and Integrity Steering Committee to Asset Integrity, Division to Region	All	Asset Integrity
3.0	Oct 2008	GIMP Review Updated composition of Asset Integrity with new organization	12.2	Asset Integrity
3.0	Oct 2008	GIMP Review – Updated repair criteria to reflect gas repair criteria rather than liquid repair criteria	12.7	Asset Integrity
3.0	Oct 2008	GIMP Review – Update roles and responsibility tables	Table 12.2	Asset Integrity
3.0	Mar 2009	Revised organization to better explain what a quality control plan is and to focus on required parts per ASME B31.8S's Section 12; introduction section describes seven activities and remaining section is organized around those seven activities; removed roles and responsibilities chart since specific assignments are identified in each section of the IMP		
3.1	August 2009	Added section describing the Pipeline Integrity Specialist's qualifications and training required for conducting the annual HCA review.	All	Asset Integrity

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12.0 IMP Roles and Responsibilities Quality Control Plan

12.1 Introduction

The Quality Control Plan is documented proof that DCP Midstream's Integrity Management Program is meeting the requirements of the rules and that it is being implemented as written. This is accomplished through seven activities.

1) Identify documentation needed to show compliance with the IMP requirements and where these will be stored

2) Define roles and responsibilities for the IMP

3) Identify qualifications for personnel performing IMP activities; documentation that these individuals are competent and aware of program requirements shall be part of this quality control plan

4) Review at predetermined intervals results of the IMP and quality control program; Make recommendations for improvement

5) Determine how DCP Midstream will monitor and document that the IMP is being implemented as written

6) Perform periodic internal audits of the IMP and the quality control plan

7) Identify and document corrective actions to improve the IMP; monitor the effectiveness of the implementation of the corrective actions

Activities 4 through 7 typically fall under the general "auditing" category and are covered as a unit in Section 12.4. Section 14 of the IMP lists the required records to implement and comply with the IMP. In addition, record retention requirements and location are further discussed in the "Records Management- Minimum Record Keeping Requirements" RP.

12.2 Roles & Responsibilities

Pipeline Integrity Management Policy

DCP Midstream will systematically apply standards, processes, and procedures, to the tasks of analyzing, assessing, controlling and mitigating risks associated with constructing and operating pipelines in order to protect employees, the public, the environment and company assets.

DCP Midstream employees are expected to follow the Pipeline Integrity Management Policy and understand their individual roles and responsibilities in maintaining compliance with the policy and regulatory requirements.

Clearly defined roles and responsibilities ensure that employees at the functional and project level are aware of the tasks necessary to complete an integrity assessment and perform the work in a safe and effective manner. Each stakeholder of the IMP from senior management to the subcontractor is responsible to ensure successful completion of the program. Areas of responsibility are divided into two main groups that have a majority of the responsibilities with compliance with the IMP and each area is summarized below. However, each section of the IMP assigns tasks to certain groups and these tasks are stated at the beginning of each section of the IMP.

Asset Integrity
Asset Integrity has several key roles in the development, implementation, and auditing of the IMP. The group provides leadership and technical support to ensure compliance with federal requirements.

Asset Integrity develops and maintains the IMP and framework for DCP Midstream, provides guidance and technical support to drive consistency and compliance with the IMP, develops measures for future performance assessments, and monitors and report program performance. The Asset Integrity group is responsible for applicable data management and integration into the program.

The Asset Integrity group leads the biennial audits of the IMP including development and documentation of the process by which it is done, and changes incorporated into the IMP document as necessary. The audits ensure the IMP is compliant with company policy and state and federal requirements and ensure the company has appropriate tools and resources to ensure consistent and effective deployment and implementation. The group may also include representatives from Engineering, Operations, GIS, and other departments as needed for these audits.

In addition, this group conducts audits on implementation, understanding, and documentation of the IMP. These are performed under the EHS Audit program. The group also participates on federal and state audits of the IMP.

The Asset Integrity group serves as a liaison to Asset Operations, regarding integrity management. The Asset Integrity group provides training and overall guidance on the processes and resources required to implement integrity management in the field. The group coordinates with HR's Learning and Performance group to develop training to ensure understanding of the IMP requirements.

Asset Operations
The role of Asset Operations group is to implement and comply with the IMP within the Assets and ensure pipeline operations protect the employees, the environment, and company assets. Region and Asset personnel are responsible for committing the

necessary time and monetary resources to complete and document HCA reviews, assessments, data analysis, the risk management process and any resulting mitigation activities. The Asset Operations group must also communicate this data to the Asset Integrity group for inclusion as applicable in the IMP.

DCP Midstream IMP personnel and contractors, such as ILI vendors (see below), must meet the requirements for knowledge and training to comply with §192.915. Supervisory personnel, persons carrying out assessments, and persons responsible for preventative and mitigative measures must understand the DCP Midstream IMP and have appropriate training or experience to execute the activities within the program.

The role of ILI vendors is to complete in-line inspections according to schedule utilizing the most applicable inspection technology in accordance with IP 001 – In-Line Inspections. They must provide specific inspection data to DCP Midstream and any designated engineering contractors. Timely initial and final reports must be submitted to DCP Midstream.

12.3 Reviewing the IMP and Quality Control Plan Requirements

The IMP results and the Quality Control Plan must be reviewed periodically to ensure the program is compliant and on track with regulatory and company goals Gaps or deficiencies will be addressed via program recommendations.

Reviewing the IMP Results
The Pipeline Inspection Manager will monitor each year's assessments schedule on a monthly basis and provide a report to asset Integrity. Any schedule concerns will be discussed with the Director of Asset Integrity.

The Manager, Pipeline Integrity Programs will review data to be submitted in the semiannual performance metrics report to PHMSA and the Group Vice President of EHS, Operations, and Technical Services. This report will be reviewed to ensure program compliance and that resources and funding are adequate to maintain integrity and protect these HCAs. Any concerns will be discussed and documented with the Group Vice President.

Reviewing the Quality Control Plan
This section will be reviewed biannually to ensure it reflects current processes and procedures. In addition, periodic audits will be performed to ensure the activities in this section are performed and documented per the plan. Auditing is discussed in further detail in Section 12.5

Recommendations for Program Improvement
Gaps or deficiencies will be addressed. Recommendations will be documented and tracked to completion by the Manager, Pipeline Integrity Programs. Periodic follow-up will occur for these recommendations. A review will be made to determine if these changes have corrected the issues or if further program changes are needed to achieve compliance, etc.

12.4 Personnel Qualification & Training Requirements

DCP Midstream personnel will meet the requirements for knowledge and training to comply with §192.915 to ensure supervisory personnel, persons carrying out assessments, and persons responsible for preventative and mitigative measures understand the DCP Midstream IMP and has appropriate training or experience in the area for which the person is responsible.

DCP Midstream personnel and contractors will meet DOT OQ Rule requirements through its Pipeline Operator Qualification Program for covered tasks applicable to the elements of carrying out integrity assessment activities. These personnel qualifications are currently managed through a vendor database.

When utilizing in-line inspection of pipelines, API Standard 1163 can be referenced to compliment this plan and assure quality data is produced by qualified personnel.

Experience and Technical Expertise
DCP Midstream will ensure that personnel responsible for reviewing ILI integrity assessments will have at least 3 years of relevant pipeline operational experience, including cathodic protection, hydrostatic test design and implementation, and all applicable in-line and direct-assessment technologies that have been or will be performed as part of the IMP. Each qualified reviewer will have received formal training and/or certification in respective areas of assigned review. DCP Midstream will be responsible for ensuring that certifications and required training are kept current. It will not be necessary for each candidate to be officially certified for review procedures outside of their specific area(s) of responsibility.

Annual HCA Reviews

DCP Midstream will ensure that the Pipeline Integrity Specialist responsible for conducting annual HCA reviews has the relevant experience and training. Basic qualifications for the Pipeline Integrity Specialist include:

1. Knowledge of DOT regulations; including, but not limited to, 49 CFR 191 through 49 CFR 199 and Texas Administrative Code, Title 16, Chapter 8.101

2. Experience with legislative and regulatory processes, interpretation of regulations, and development of programs to comply with regulations.
3. Knowledge of GIS tools / PODS database
4. Must have a bachelor's degree in a technical field OR equivalent field experience and training to demonstrate understanding of DOT regulations.
5. Have completed training on Identification of HCAs

Data Integration
DCP Midstream will ensure that qualified review personnel have had experience with the surveillance, monitoring, inspection and failure/response activities described in Section 12. They must be capable of integrating this information with data gathered as part of this IMP.

Inspection Method Results Review
DCP Midstream documents industry training and/or certification as an assurance that qualified review personnel are available to review and interpret respective inspection methods, including:

- In-Line Inspection (for metal loss and for deformities)
- Hydrostatic Pressure Testing

Make determinations for line segments subject to 49CFR, Part 192 for:

- Immediate Repair
- Scheduled Repair (1 year), and
- Monitored Repair.

In addition to those qualifications, their duties will involve data quality control for each project and the following:

- Identify Where Anomalies Are
- Criteria to Determine Repairs
- Number of Calibration Digs Required
- Remaining Pipe Wall Strength Calculations
- Determination if other repairs are needed

Training
DCP Midstream will provide training to personnel involved with Pipeline Integrity on the Integrity Management Program, the applicable Required Practices (RPs), Engineering Standards, Operating and Maintenance Procedures, Integrity Procedures (IP), such as, but not limited to, Operator Qualification, Management of Change, Risk Assessment, Document Management, as well as any other relative training that enhances knowledge and understanding of the IMP requirements.

Training and communication will be coordinated by the Asset Integrity; however, field offices will not be restricted from obtaining additional relative training for their personnel through the Learning and Performance group. As changes occur to the plan, announcement, either by simple E-mail notification or formal classroom training, will be provided to communicate those changes and serve as notice of any new requirements of the IMP, Integrity Procedures, and RPs, etc.

Training received by DCP Midstream personnel is documented on sign-in sheets that are completed for each specific training session and copies are retained by the HR Organization Capabilities group. Original training records are kept in the applicable Asset's training files. DCP Midstream is currently in the development process of a Learning Management System database that will ultimately track all training records electronically for all personnel.

12.5 Auditing

Several methods of auditing are used to evaluate compliance with applicable federal and state integrity management regulations as well as relevant DCP Required Practices and Integrity Management Procedures. The purpose of these audits is to increase compliance awareness so as to improve overall pipeline integrity compliance at the facilities. In addition, audits provide important data to determine the IMP's effectiveness in evaluating and assessing integrity in High Consequence Areas (HCAs).

Auditing of the IMP
Asset Integrity biennially audits the IMP as outlined in Section 8. At a high level, program implementation and content is audited by reviewing each section of the IMP with respect to current regulations. The IMP is also audited with respect to current operations to ensure operations are consistent with activities designated in the IMP. Minor changes are made to the various sections during the audit and identified in the revision log. Larger gaps or changes are assigned to members of the committee and tracked to completion by the Manager, Pipeline Integrity Programs.

Auditing of Assets on Implementation of the IMP
Asset Integrity also performs periodic internal audits of Asset Operations. These audits evaluate Asset Operation's compliance with Required Practices, implementation of the IMP and Integrity Procedures as well as associated documentation. Findings are summarized in the KMS, assigned to a responsible party and tracked to completion by the KMS system.

Third Party Auditing of the IMP

Third party audits are also performed periodically. These third party audits may be arranged by Asset Integrity whereby an outside vendor is used to perform these internal audits. Alternately, DCP Midstream has an in-house auditing group (under Corporate Auditing) that may periodically audit Asset Integrity and IMP may be included.

These audits are performed on an as-needed basis, such as to verify that new regulations have been appropriately included in the IMP. They are not completed per a set schedule. These audit results are also entered and tracked through the KMS database. Notifications to supervisors on incomplete action items ensure all issues are resolved in a timely manner.

Action items are assigned to responsible parties and tracked to completion by the Manager, Pipeline Integrity Programs. Additional spot audits may be performed by the Asset Integrity group to ensure that the action items have been completed.

REVISION LOG

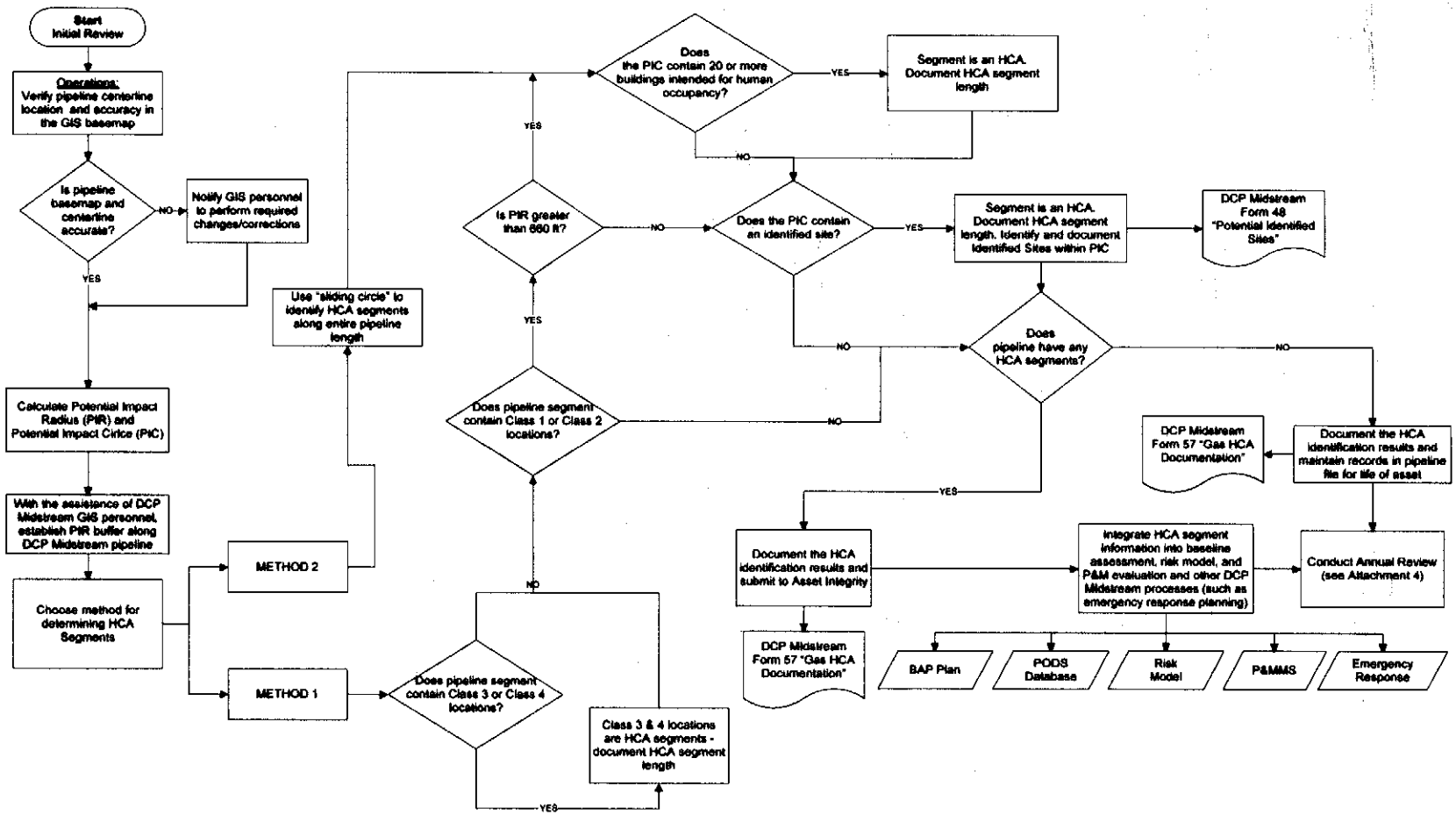
Rev. No.	Date of Revision	Description of Change	Section	Change Authorized by
		IMG-012 Approved in August 2005		Integrity Management Steering Committee
1.0	Nov 2005	Added use of forms and data integration to other processes(BAP, etc) to Attachments; correct erroneous reference to 192.763; cover record retention	Attachments 1-4; HCA Identification-Gas Transmission; Record Retention	Integrity Management Steering Committee
2.0	March 2006	Added use of public officials to help identify "Identified sites"	HCA Definition-Gas Transmission Line;	Integrity Management Steering Committee
2.1	April 2006	Corrected Attachment 4 to include review of both gas transmission and liquid pipelines as stated in title for attachment.	Attachment 4	Integrity Management Steering Committee
3.0	Aug 2006	Added definitions for Potential Impact Circle and Potential Impact Radius	HCA Definition-Gas Transmission Line	Anita Cuevas
3.0	Sept 2006	Corrected flowchart for identifying gas HCAs, added option for eliminating HCAs in annual review process	Attachments 1 & 4	Anita Cuevas
3.1	Feb 2007	Changed company name to DCP Midstream; changed formatting for consistency with other IMP documents	All	Anita Cuevas
3.2	Nov 2008	GIMP Review – Changed Integrity Management Guideline to Integrity Procedure, changed Integrity Management Office to Asset Integrity	All	Asset Integrity
3.3	Jan 2009	Clarified Pipeline Integrity Specialist role. Added reference to Form 59G and 59L	Attachment 4	Anita Cuevas

SCOPE	This guideline covers the appropriate steps to identify High Consequence Areas (HCAs) along our gas transmission, liquid pipelines, and liquid facilities. This includes the identification of HCAs resulting from newly acquired assets, additions to existing assets and the annual review of our assets.
INTRODUCTION	HCA identification definitions from both the gas transmission regulation (49 CFR 192) and the liquid regulations (49 CFR 195) are referenced in this Guideline. It should be noted that the definitions for HCAs for these two services (gas and liquid) are significantly different and, therefore, the process for identification is significantly different.
HCA DEFINITION - GAS TRANSMISSION LINES	As defined in **49 CFR §192.903**, a High Consequence Area means an area established either of the following methods: (1) Method 1, an HCA is an area defined as— (i) A Class 3 location under § 192.5; or (ii) A Class 4 location under § 192.5; or (iii) Any area in a Class 1 or Class 2 location where the potential impact radius is greater than 660 feet (200 meters), and the area within a potential impact circle contains 20 or more buildings intended for human occupancy; or (iv) Any area in a Class 1 or Class 2 location where the potential impact circle contains an identified site. (2) Method 2, an HCA is an area defined as the area within a potential impact circle containing— (i) 20 or more buildings intended for human occupancy; or (ii) An identified site. As defined in **49 CFR §192.903**, an **Identified Site** means each of the following areas: (1) An outside area or open structure that is occupied by twenty (20) or more persons on at least 50 days in any twelve (12)- month period. (The days need not be consecutive.) Examples include but are not limited to, beaches, playgrounds, recreational facilities, camping grounds, outdoor theaters, stadiums, recreational areas near a body of water, or areas outside a rural building such as a religious facility; or (2) A building that is occupied by twenty or more persons on at least five days a week for ten weeks in any twelve-month period. (The days and weeks need not be consecutive.) Examples include, but are not limited to, religious facilities, office buildings, community centers, general stores, 4-H facilities, or roller skating rinks; or

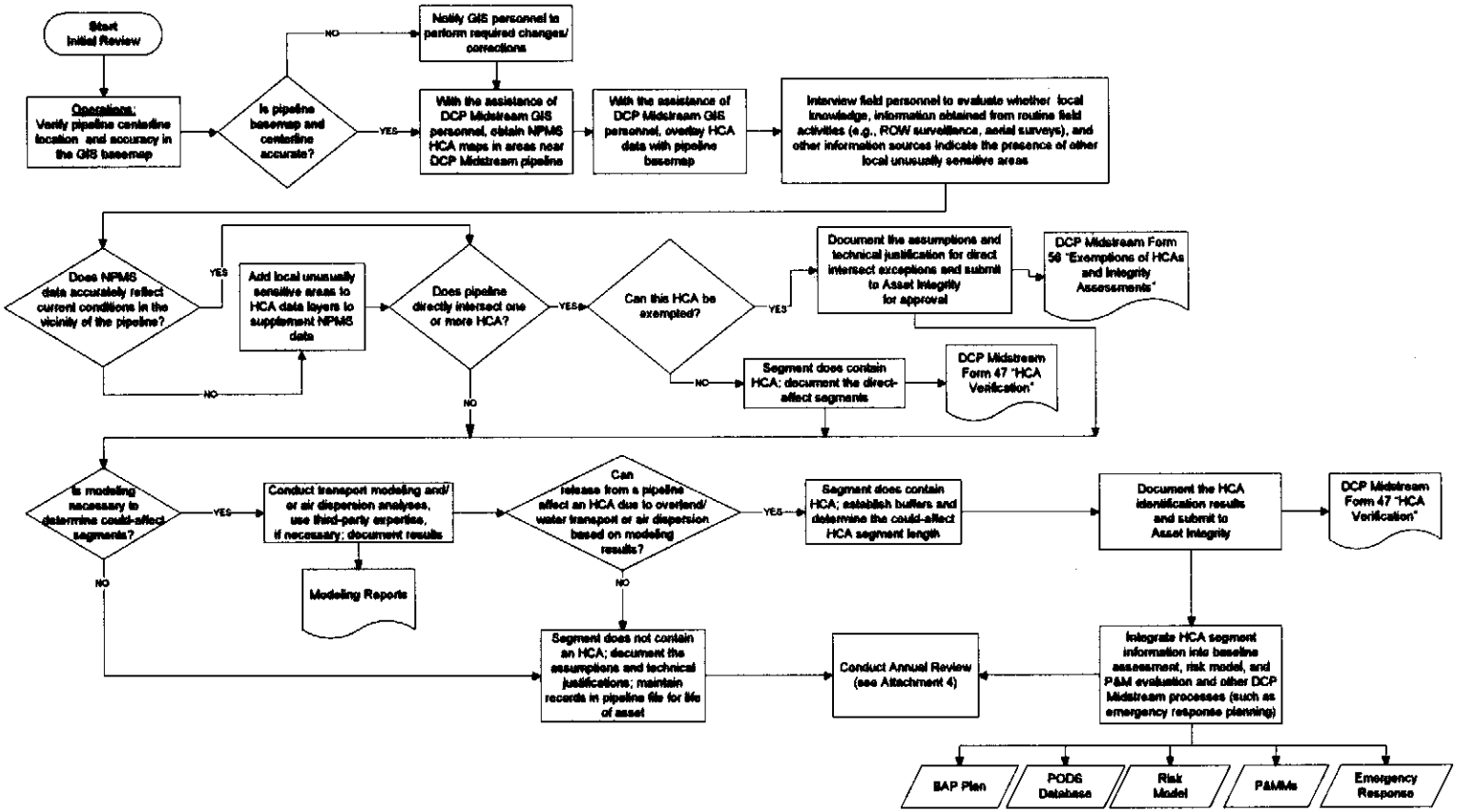
HCA DEFINITION - GAS TRANSMISSION LINES (CONTINUED)	(3) A facility occupied by persons who are confined, are of impaired mobility, or would be difficult to evacuate. Examples include but are not limited to hospitals, prisons, schools, day-care facilities, retirement facilities or assisted-living facilities. As required in **49 CFR §192.905**, Identified sites must be identified using the following sources of information: i. Information from routine operation and maintenance activities and input from public officials with safety or emergency response or planning responsibilities ii. In the absence of public official input, the operator must use one of the following in order to identify an identified site: 1. Visible markings such as signs, or 2. Facility licensing or registration data on file with Federal, State, or local government agencies, or 3. Lists or maps maintained by or available from a Federal, State, or local government agency and available to the general public. As defined in **49 CFR §192.903, Potential Impact Circle** is a circle of radius equal to the potential impact radius As defined in **49 CFR §192.903, Potential Impact Radius** is the radius of a circle within which the potential failure of a pipeline could have significant impact on people or property. PIR is determined by r = 0.69 (√square root of (p*d)), where r is the radius of a circular area in feet surrounding the point of failure, p is the Maximum Allowable Operating Pressure (MAOP) in the pipeline segment in lbs per sq in (psi), and d is the nominal diameter of the pipeline in inches. *NOTE: 0.69 is the factor for natural gas. This number will vary for other gases depending on their heat of combustion. If transporting gas other than natural gas, use section 3.2 ASME/ANSI B31.8S-2001 to calculate the impact radius formula.*
HCA DEFINITION – HAZARDOUS LIQUID LINES	As defined in **49 CFR §195.450**, a High Consequence Area means: (1) A Commercially Navigable Waterway (CNW), which means a waterway where a substantial likelihood of commercial navigation exists; (2) A High Population Area (HPA), which means an urbanized area, as defined and delineated by the Census Bureau, that contains 50,000 or more people and has a population density of at least 1,000 people per square mile; (3) An Other Populated Area (OPA), which means a place, as defined and delineated by the Census Bureau, that contains a concentrated population, such as an incorporated or unincorporated city, town, village, or other designated residential or commercial area;

	(4) An Unusually Sensitive Area (USA), as defined in 49 CFR § 195.6, which means a drinking water or ecological resource area that is unusually sensitive to environmental damage from a hazardous liquid pipeline release.
HCA IDENTIFICATION – GAS TRANSMISSION LINES (INITIAL REVIEW)	SEE ATTACHMENT 1
HCA IDENTIFICATION – HAZARDOUS LIQUID LINES (INITIAL REVIEW)	SEE ATTACHMENT 2
HCA IDENTIFICATION – PIPELINE FACILITIES	SEE ATTACHMENT 3
HCA IDENTIFICATION — ANNUAL REVIEW	SEE ATTACHMENT 4
RECORD RETENTION	Documentation must be maintained for initial gas and liquid HCA identifications, annual HCA Reviews, identified sites reviews, etc. and kept on file with the asset for the life of the pipeline and made available, upon request, for inspection.

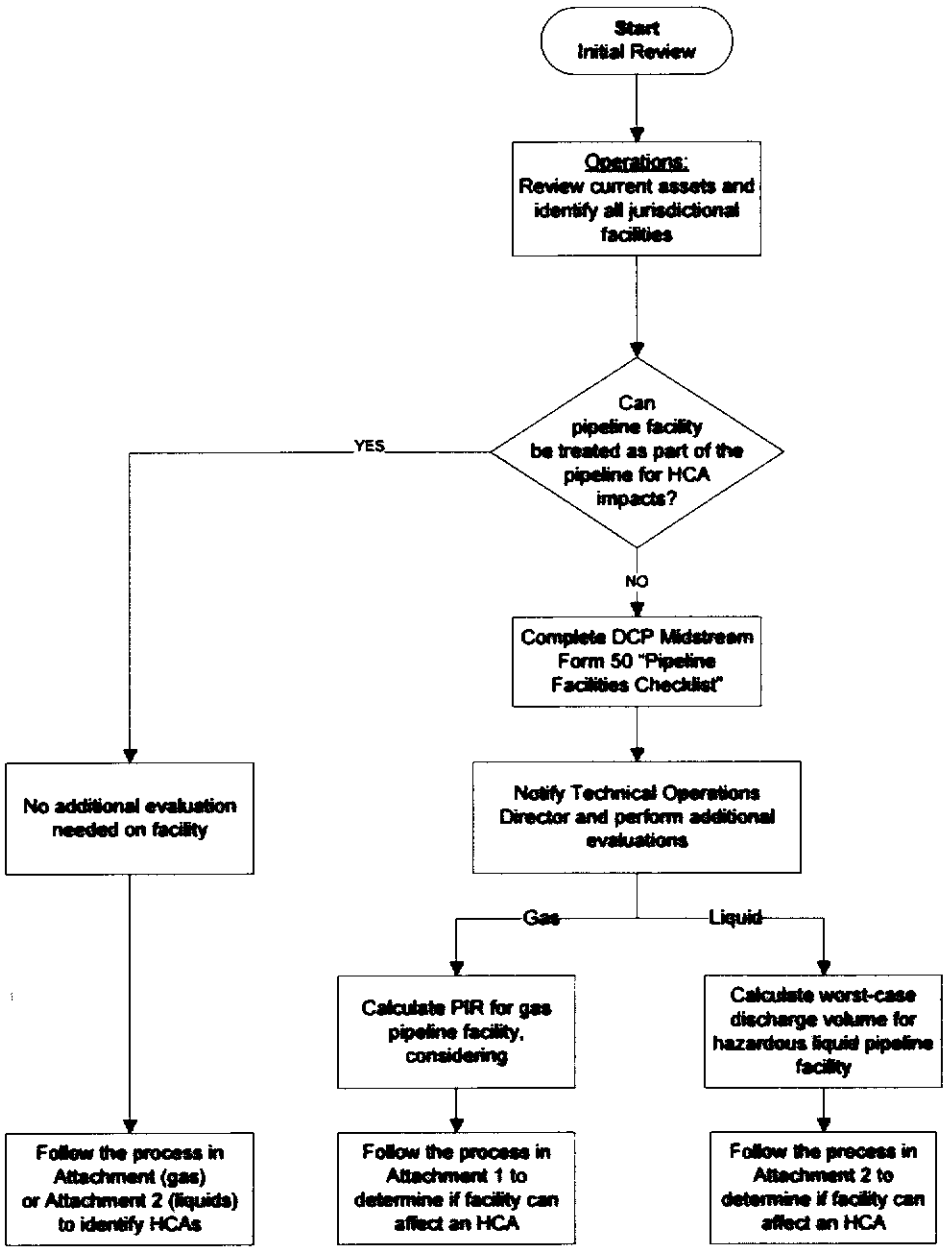
ATTACHMENT 1
HCA Segment Identification for Gas Pipelines
Initial Review of All Assets and New Lines



ATTACHMENT 2
HCA Segment Identification for Liquid Pipelines
Initial Review of All Assets and New Lines



ATTACHMENT 3
HCA Segment Identification for Pipeline Facilities
Initial Review of All Assets and New Facilities



ATTACHMENT 4
Annual Review OF HCA Gas Transmission and Liquid Pipelines

MAPPING REVIEW

Prior to Anniversary Date of previous year's review of the pipeline segment Manager of Pipeline Integrity Programs reviews PODS database with respect to gas transmission and liquid pipelines covered by the DCP Midstream Integrity Management Plan (IMP).

The intent of this review is to ensure the PODS database had captured changes affecting lines covered by the IMP which may have occurred during the past year including, but not limited to new construction and acquisition/disposition of pipelines.

Once this review is completed, the Manager of Pipeline Integrity Programs will document the results of that review and forward the information to both the Director of Pipeline Integrity and the Division GIS Manager.

The Division GIS manager, after PODS review and approval by the Manager of Pipeline Integrity Programs or receipt of information regarding Physical Changes to the segment, will update PODS liquid pipeline information accordingly.

After the PODS data is updated with respect to acquisition/construction/disposition and change of service of covered pipeline assets, the Division GIS Manager will update HCA information for liquid pipelines using the most current NPMS information.

The GIS Manager will then review for liquid pipelines:
1. All historical HCA's (direct or indirect impact) for possible HCA expansion/contraction
2. All segments not previously identified with respect to direct impact HCA's (i.e., where these new segments pass through a defined HCA).

Liquid and Gas Pipelines - HCA Change Identified?

[redacted]

NO → No Further Action Required

Liquid Pipelines - Direct Impact HCA Identified?

NO

[redacted]

Field Supervisor or his/her designee must verify the new or expanded HCA or elimination of HCA by completing Part I of *DCP Midstream Form 47 "HCA Verification"*
Forward the form to the Pipeline Integrity Specialist.

New, Expanded or Eliminated HCA Verified?

[redacted]

NO → No Further Action Required

GIS Manager:
1. Completes Part II "Division GIS Verification" of *DCP Midstream Form 47 "HCA Verification"*
2. Updates PODS with HCA boundary data
3. Forwards completed DCP Midstream Form 47 to Manager, Pipeline Integrity Programs

Manager, Pipeline Integrity Programs
1. Makes required changes and updates to BAP Master List.

Once a new or expanded HCA has been verified, IP-002 should be consulted for an appropriate Integrity Assessment method.

Integrate HCA segment information into baseline assessment, risk model, and P&M evaluation and other DCP Midstream processes (such as emergency response planning)

- BAP Plan
- PODS Database
- Risk Model
- P&MMs
- Emergency Response

ANNUAL REVIEW

Prior to Anniversary Date of previous year's review of the pipeline segment, Pipeline Integrity Specialist will review all transmission pipelines for any changes that result in new HCA segments or changes to HCA segments. These changes fall into two general categories: population encroachment (buildings, roads, parks, etc), and changes in the operating parameters of the line (operating pressure, fluid composition, change of service, flowrates, MAOP changes).
Since most of these changes would have been identified through the MOC process or ROW monitoring, a review of any MOC and DOT ROW maintenance files relating to the pipeline would be one method of this review. Use Form 59G and 59L to go through the annual review process. Where any changes to the pipeline that may affect an HCA identified?

[redacted]

NO → No Further Action Required

Change in HCA Boundary (e.g. Class 3 or HPA expands)

Identify and analyze changes for impacts on pipeline segment

i. Changes in MAOP
ii. Pipeline modifications affecting piping diameter
iii. Changes in commodity transported in pipeline
iv. Corrections in erroneous pipeline center line data
v. Pipeline reroutes
vi. For Gas Transmission only: Change in pipeline class location (e.g. Class 2 to 3) , flowrate, pressure, composition, change of service (Form 57)
vii. For Gas Transmission only: Identification of new construction in the vicinity that results in additional buildings intended for human occupancy or additional identified sites. (Form 57)
viii. For Gas Transmission only: Change in use of existing buildings (e.g. house is converted to a hotel.) (Form 57)

Changes to Pipeline Attributes must be reviewed with respect to Indirect Impact to liquid line HCA's and with respect to Potential Impact Zones for gas transmission HCA's

Field Supervisor will forward changes to pipeline attributes to Manager Pipeline Integrity Programs for further analysis.

Manager Pipeline Integrity Programs will perform the appropriate reviews to determine if change in HCA segment has occurred. For liquid pipelines, this may include Vapor Cloud Explosion, water transport, and water quality affects of a spill or release.

If change results in new HCA or change in HCA segment, Division Technical Operations Manager (or his/her designee) will complete Part I of *DCP Midstream Form 47 "HCA Verification"*.
Forward form to the Pipeline Integrity Specialist.

Pipeline Integrity Form
HCA Verification Form
DCP Midstream Form 47

REGION/SYSTEM/SUBSYSTEM/ LINE NUMBER/LINE NAME:	PERSON (Pipeline Integrity Specialist, Field Supervisor, GIS, etc.) INITIATING VERIFICATION:	DATE:
☐ New HCA SEGMENT (Engineering Stationing):	☐ Change HCA SEGMENT (Engineering Stationing): Existing New	☐ Delete HCA SEGMENT (Engineering Stationing):
HCA SEGMENT DESCRIPTION:		

I. Field Verification:

FIELD SUPERVISOR NAME:	DATE:

Considerations	Questions	Answers
1. Field Confirmation	Has the new HCA or change in HCA been reviewed with the Pipeline Integrity Specialist and the appropriate Field Supervisor?	☐ YES ☐ NO *(If "NO", review with appropriate Field Staff.)*
2. New HCA	Does the area in question qualify as a new HCA?	☐ YES ☐ NO *(If "NO", skip to 3)*
	Is the new potential HCA associated with new pipeline construction, operational changes, or new acquisitions?	☐ YES ☐ NO
	Gas - Is the new potential HCA associated with new population growth, building construction, or newly identified site?	☐ YES ☐ NO
	Liquid - Is the new potential HCA associated with new population, waterways, ecologically sensitive areas, or drinking water areas?	☐ YES ☐ NO
3. Change in existing HCA	Is the HCA change associated with new construction, operational changes, or new acquisitions?	☐ YES ☐ NO
	Gas - Is the change in HCA associated with new population growth, building construction or newly identified site?	☐ YES ☐ NO

	Liquid - Is the HCA change associated with new population, waterways, ecologically sensitive areas, or drinking water areas?	☐YES ☐NO
	Does the change reclassify this segment to eliminate an existing HCA?	☐YES ☐NO
	Does the change affect an existing HCA segment's boundaries?	☐YES ☐NO
	Does the change eliminate an existing HCA?	☐YES ☐NO

Describe the changes required and the justification for the new HCA or the change in HCA:

LIST OF ATTACHMENTS:

FIELD CERTIFICATION: I hereby certify that this information is true and accurate to the best of my knowledge. _____Field Supervisor	DATE:

PIPELINE INTEGRITY SPECIALIST CERTIFICATION: I hereby certify that this information is true and accurate to the best of my knowledge. _____Pipeline Integrity Specialist	DATE:

Forward completed form to the Manager, Pipeline Integrity Programs, Asset Integrity in Denver, CO.

II. Pipeline Integrity Programs Verification:

MANAGER, PIPELINE INTEGRITY PROGRAMS NAME:	DATE:

Considerations	Questions	Answers
1. HCA verification	Does this verification appear to be complete and accurate?	☐YES ☐NO
	Does the area in question qualify as a new HCA?	☐YES ☐NO

	Does the area in question change an existing HCA segment boundary? Does the change eliminate an existing HCA?	☐YES ☐NO ☐YES ☐NO
2. BAP Updates	Date the new HCA or change in HCA was integrated into the BAP.	DATE:
3. PODS Updates	Date the form was sent to GIS for updating PODS	DATE:

Forward completed form to the Region GIS Analyst.

III. GIS Verification:

REGION GIS ANALYST NAME:	DATE:

Considerations	Questions	Answers
1. New HCA	Does the area in question appear to qualify as a potential new HCA?	☐YES ☐NO *(If "NO", contact Pipeline Integrity Specialist for resolution.)*
2. Change in existing HCA	Does the area in question appear to qualify as a change, elimination, or reclassification of an existing HCA?	☐YES ☐NO *(If "NO", contact Pipeline Integrity Specialist for resolution.)*
3. PODS updates	Date change made in PODS and description of change	DATE:
4. Recordkeeping	Date sent completed form to Manager, Pipeline Integrity Programs	DATE:

Forward completed form to Manager, Pipeline Integrity Programs, Asset Integrity in Denver, CO.

IV. Documentation Verification:

MANAGER, PIPELINE INTEGRITY PROGRAMS NAME:	DATE:

Considerations	Questions	Answers
1. HCA verification	Is the new HCA or HCA change in PODS correct?	☐YES ☐NO *(If "NO", contact GIS for resolution.)*
2. BAP Updates	Has the new HCA or HCA change been made in the BAP correctly?	☐YES ☐NO
3. Recordkeeping	Date the completed form was sent to Operations Field Supervisor for field integrity files.	DATE:

Forward original completed form to Operations Field Supervisor.

Form Instructions

The appropriate Pipeline Integrity Specialist, Operations Field Personnel, or GIS Personnel shall initiate one of these forms for each new possible HCA identified or change affecting an existing HCA.

Section I.

The Region Pipeline Integrity Specialist with the Operations Field Supervisor shall complete Section 1 of this form. A description of the new HCA or change in HCA and the justification for the change must be included on the form. All supporting documentation must be attached justifying a new HCA or changes to an existing HCA. Examples of documentation are aerial maps, drawings, Form 45 MAOP documentation, Form 57 Gas HCA Documentation, MOCs, DOT Class location surveys, and Form 48 Potential Identified Sites Questionnaire. Upon completion of Section I, the Region Pipeline Integrity Specialist sends this form to the Manager, Pipeline Integrity Programs for further processing.

Section II.

If the potential HCA or change in existing HCA is confirmed, the Manager, Pipeline Integrity Programs reviews and validates the form, and the new HCA or change in existing HCA is integrated into the Integrity Management Program and Baseline Assessment Plan. The Manager of Pipeline Integrity Programs will then send the form to the Region GIS Analyst to update PODS.

Section III.

The Region GIS Analyst verifies the results and updates PODS with the new HCA or change in existing HCA. The Region GIS Analyst then records the update date and forwards the form to the Manager, Pipeline Integrity Programs for the integrity files.

Section IV.

The Manager of Pipeline Integrity Programs verifies all changes are made correctly in PODS and the BAP and sends the original form to the Operations Field Supervisor for the Field pipeline integrity file

Records Retention: Completed verification forms are kept on file with the assets for the life of the pipeline and made available, upon request, for inspection.

Pipeline Integrity Form
Gas HCA Identification Documentation
DCP Midstream Form 57

SECTION 1 – PIPELINE DESCRIPTION

Date of Evaluation:

Pipeline System Name: Pipeline Subsystem Name: _____

PODS Line Name: _____ Pipeline Common Name: _____

Begin Station:_____ End Station:_____ Length of Segment Evaluated _____

Class Location(s): _____

HCA Identification Method Used: ☐ Method 1
☐ Method 2

SECTION 2 – PIR AND PIC CALCULATIONS

Product in Pipeline is Natural Gas: ☐ Yes
☐ No If no, identify product - _____
(See note in box below regarding 0.69 factor)

Potential Impact Radius (PIR) is calculated as follows: $PIR=0.69*\sqrt{MAOP*D^2}$
Potential Impact Circle (PIC) is calculated as follows: PIC=PIR*2

Note: For lean natural gas (BTU<1100) use the **0.69** factor in PIR calculation.
For rich natural gas (BTU>1100) use the **0.73** factor in PIR calculation.
For products other than natural gas, use Section 3.2 of ASME/ANSI B31.8S to determine PIR factor.

Nominal Pipe Diameter, D (inches): _____

Maximum Allowable Operating Pressure, MAOP (psi): _____

Product /Natural Gas BTU _____

Potential Impact Radius, PIR (feet): _____

Potential Impact Circle, PIC (feet): _____

SECTION 3 – BUILDING COUNT – check one:

If using Method 1, complete this section only if PIR >660 ft
If using Method 2, complete this section for PIC along entire pipeline length

☐ - PIC contains less than 20 buildings intended for human occupancy.

☐ - PIC contains 20 or more buildings intended for human occupancy.

SECTION 4 – IDENTIFIED SITES WITHIN PIC – check one:

If using Method 1, complete this section for Class 1 & 2 locations only
If using Method 2, complete this section for PIC along entire pipeline length:

☐ - PIC does not contain identified sites

☐ - PIC contains identified sites (complete DCP Form 48)

SECTION 5 – HCA IDENTIFICATION RESULTS:

Method 1:

☐ - All Class 3 & 4 locations are HCAs. Evaluated pipeline has HCA segments due to Class 3 or Class 4 locations.

Segment ID	*Begin Station*	*End Station*	*Segment Length*

☐ - Evaluated pipeline has HCA segment(s) due to Identified Site(s) in Class 1 & 2 locations within PIC [1]. (complete DCP Midstream Form 48)

Segment ID	*Begin Station*	*End Station*	*Segment Length*

☐ - If PIR > 660ft, evaluated pipeline has HCA segment(s) due to 20 or more buildings within PIC [1].

Segment ID	*Begin Station*	*End Station*	*Segment Length*

☐ - Evaluated pipeline has no HCA segments.
If Method 1 is used, the following must all be true:
- pipeline is in Class 1 or 2 location;
- PIC does not contain 20 or more buildings intended for human occupancy or PIR ≤ 660 ft;
- PIC does not contain Identified Sites.

Method 2:
Evaluate entire pipeline length using PIC

☐ - Evaluated pipeline has HCA segment(s) due to 20 or more buildings within PIC [1].

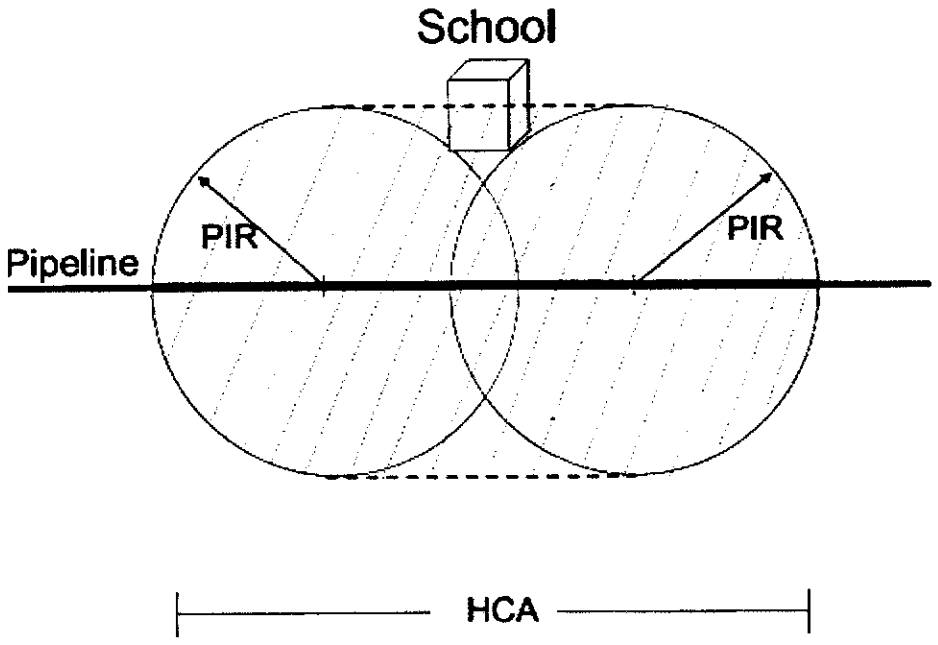
Segment ID	*Begin Station*	*End Station*	*Segment Length*

☐ - Evaluated pipeline has HCA segment(s) due to Identified Site(s) within PIC [1]. (complete DCP Midstream Form 48)

Segment ID	*Begin Station*	*End Station*	*Segment Length*

☐ - Evaluated pipeline has no HCA segments.
If Method 2 is used, the following must all be true:
- PIC does not contain 20 or more buildings intended for human occupancy
- PIC does not contain Identified Sites.

1 *HCA extends from the beginning of the first circle to the end of the last circle (rather than from center-to-center). See figure below.*



HCA Segment Length

Provide the names and titles of individuals involved in the HCA Identification process:

Name	*Title*
____	____
____	____
____	____
____	____
____	____

Send copy of completed form to Manager, Pipeline Integrity Programs in the Asset Integrity Department Office in Denver, CO.

Record Retention: Completed form is kept on file with the asset for the life of the pipeline and made available, upon request, for inspection.

Pipeline Integrity Form
Annual HCA Review – Gas Transmission
DCP Midstream Form 59G

Date: **Asset:** **Location:**

Attendees:

Name	Title

Transmission Pipeline Review List:

System	Subsystem	PODS Line Number	Line Description

Please answer the following questions to determine if there have been changes to a pipeline segment that result in a potential new HCA or change in existing HCA.

1. Have there been any pipeline attribute changes to any of the pipelines? (see attachments)
   ☐ Yes ☐ No
   If yes, please describe

2. Have there been any MAOP changes on any of the gas transmission pipelines?
   ☐ Yes ☐ No
   If yes, please describe

3. Have there been any status changes (Active, Idled, Temporarily Abandoned or Abandoned) to any of the pipelines?
   ☐ Yes ☐ No
   If yes, please describe

4. Have any integrity assessments been exempted as a result of a status change?
   ☐ Yes ☐ No ☐ N/A
   If yes, please describe and attach Form 56 Exemption of HCAs and Integrity Assessments

5. Have any repairs or replacements been made on the gas transmission pipelines?
   ☐ Yes ☐ No
   If yes, please describe

6. Have any new encroachments or identified sites been identified based on a review of the aerial imagery, pipeline patrols, or information from public officials? (see attachments)
   ☐ Yes ☐ No
   If yes, please describe

7. Have there been any changes in building use that may cause an identified site?
   ☐ Yes ☐ No ☐ N/A
   If yes, please describe any changes, and attach Form 48 - Potential Identified Sites Questionnaire

8. Have any temporary identified sites been established?
   ☐ Yes ☐ No
   If yes, please attach Form 48 – Potential Identified Sites Questionnaire

9. Have any new HCAs been identified during this review?
   ☐ Yes ☐ No
   If yes, please attach Form 47 – HCA Verification

10. Have any current HCAs changed or been deleted as a result of this review?
    ☐ Yes ☐ No ☐ N/A
    If yes, please attach Form 47 – HCA Verification

Instructions for DCP Form 59G - Gas Transmission

Date: Enter the date the review was conducted.

Asset: Enter the name of the Asset involved in the review.

Location: Enter the office name\location where the review took place.

Attendees: List all participants in the review process and their respective job titles.

Transmission Pipeline Review List: List all the gas transmission pipelines that are included in the review.

1. Have there been any pipeline attribute changes to any of the pipelines?
Pipeline attribute changes are reviewed for impact to PIR and MAOP. The past year's pipeline attributes should be compared with the current year's pipeline attribute data sheet. Changes should be documented on the pipeline attribute data sheet and forwarded to GIS to be entered into PODS as applicable. Attach the pipeline attribute data sheet to this form.

2. Have there been any MAOP changes on any of the gas transmission pipelines?
Changes in pipeline MAOPs increase or decrease the Potential Impact Radius (PIR). If there has been a MAOP change since the previous review, provide the reason for the change. Forward any changes and supporting documentation to Pipeline Compliance Specialist if the MAOP change is not currently reflected in PODS.

3. Have there been any status changes (Active, Idled, Temporarily Abandoned, or Abandoned) to any of the pipelines?
HCAs must be reviewed and identified on all active, idled, and temporarily abandoned pipelines. Only Abandoned segments can be removed from the transmission review list. All status changes should be forwarded to GIS if not currently reflected in PODS.

4. Have any integrity assessments been exempted as a result of a status change?
Temporarily abandoned pipeline segments with HCAs can defer their baseline integrity assessment. Complete DCP Form 56 - Exemption of HCAs and Integrity Assessments for any temporarily abandoned HCA segment and attach to this form. However, the segment must be assessed before returning it to idle or active service. Only Abandoned segments can be removed from integrity assessment schedules.

5. Have any repairs or replacements been made on the gas transmission pipelines?
Repairs and replacements to any transmission segment should be reviewed for impact to MAOP and thus the calculated PIR. If there has been a repair or replacement of pipe

since the previous review, note the changes on pipeline attribute data sheet. Forward the new pipeline attribute data to GIS to make changes to PODS as applicable.

6. Have any new encroachments or identified sites been identified based on a review of the aerial imagery, pipeline patrols, or information from public officials?

Review current aerial imagery, pipeline patrol reports, etc for new encroachments should be reviewed for possible identified sites and class location changes.

7. Have there been any changes in building use that may cause an identified site?

Each year a review of all buildings within the PIR or class location buffer zones must be reviewed for population density and building usage change. Complete DCP Form 48 – Potential Identified Site Questionnaire to document the review.

8. Have any temporary identified sites been established?

An example of a temporary identified site could be a construction site that has more than 20 people on site for more than 50 days. Any temporary identified sites should be documented on DCP Form 48 - Potential Identified Site Questionnaire, DCP Form 47 - HCA Verification, and DCP Form 57 – Gas HCA Documentation.

9. Have any new HCAs been identified during this review?

Document all new HCAs identified in this review process on DCP Form 47 - HCA Verification

10. Have any existing HCAs changed as a result of this review?

Document any changes to HCAs identified in the review process on DCP Form 47 – HCA Verification

U.S. Department
of Transportation
**Pipeline and
Hazardous Materials Safety
Administration**

901 Locust Street, Suite 462
Kansas City, MO 64106-2641

WARNING LETTER

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

July 27, 2009

Brent Backes
General Vice President and General Counsel
DCP Midstream
370 17th Street, Suite 2500
Denver, Colorado 80202

CPF 3-2009-1011W

Dear Mr. Backes:

On October 16-20, 2006 and October 30-November 1, 2006, representatives of the Pipeline and Hazardous Materials Safety Administration (PHMSA), pursuant to Chapter 601 of 49 United States Code inspected the Duke Energy Field Services (DEFS) integrity management plan and procedures in Denver, Colorado.

As a result of the inspection, it appears that you have committed a probable violation of the Pipeline Safety Regulations, Title 49, Code of Federal Regulations. The items inspected and the probable violation(s) are:

§192.911 What are the elements of an integrity management program?

An operator's initial integrity management program begins with a framework (see §192.907) and evolves into a more detailed and comprehensive integrity management program, as information is gained and incorporated into the program. An operator must make continual improvements to its program. The initial program framework and subsequent program must, at minimum, contain the following elements. (When indicated,

refer to ASME/ANSI B31.8S (ibr, see §192.7) for more detailed information on the listed element.)

1. **§192.911 (a) An identification of all high consequence areas, in accordance with §192.905.**

   Item 1A: §192.905(b)(1) Identified sites. An operator must identify an identified site, for purposes of this subpart, from information the operator has obtained from routine operation and maintenance activities and from public officials with safety or emergency response or planning responsibilities who indicate to the operator that they know of locations that meet the identified site criteria. These public officials could include officials on a local emergency planning commission or relevant Native American tribal officials.
   (2) If a public official with safety or emergency response or planning responsibilities informs an operator that it does not have the information to identify an identified site, the operator must use one of the following sources, as appropriate, to identify these sites.
   (i) Visible marking (e.g., a sign); or
   (ii) The site is licensed or registered by a Federal, State, or local government agency; or
   (iii) The site is on a list (including a list on an internet web site) or map maintained by or available from a Federal, State, or local government agency and available to the general public.

   DEFS did not use input from public officials with safety or emergency response or planning responsibilities during the process to locate "identified sites" as required. Additionally, in the absence of public official input, DEFS did not utilize facility licensing registration data or one of the other alternatives, to assist in the determination of "identified sites."

Under 49 United States Code, § 60122, you are subject to a civil penalty not to exceed $100,000 for each violation for each day the violation persists up to a maximum of $1,000,000 for any related series of violations. We have reviewed the circumstances and supporting documents involved in this case, and have decided not to conduct additional enforcement action or penalty assessment proceedings at this time. We advise you to correct the item(s) identified in this letter. Failure to do so will result in DCP Midstream being subject to additional enforcement action.

No reply to this letter is required. If you choose to reply, in your correspondence please refer to **CPF 3-2009-1011W.** 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).

Sincerely,

Ivan A. Huntoon
Director, Central Region
Pipeline and Hazardous Materials Safety Administration