PLAINS
PIPELINE, L.P.

333 Clay Street, Suite 1600
Houston, TX 77002

RESPONSE TO NOTICE OF AMENDMENT

CERTIFIED MAIL- RETURN RECEIPT REQUESTED

March 13, 2013

Mr. David Barrett
Director, Central Region
Pipeline and Hazardous Materials Safety Administration
901 Locust Street, Suite 462
Kansas City, MO 64106-2641

CPF 3-2013-5008M

Dear Mr. Barrett:

This letter is in response to a NOTICE OF AMENDMENT (NOA) received by Plains Pipeline L.P. on February 28th 2013. The NOA was the result of an inspection conducted by a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA) pursuant to Chapter 601 of 49 United States Code. The PHMSA representative inspected Plains Pipeline, L.P. (Plains) Operations and Maintenance procedures as part of the inspection of the Trenton gathering System in Belfield, North Dakota.

Subject to the inspection, PHMSA has suggested amendments within Plains Operations and Maintenance policies and procedures, as described below:

1. §195.11 What is a regulated rural gathering line and what requirements apply?

b) Safety requirements. Each operator must prepare, follow, and maintain written procedures to carry out the requirements of this section. Except for the requirements
in paragraphs (b)(2), (b)(3), (b)(9) and (b)(lO) of this section, the safety requirements

apply to all materials of construction.

Plain's O&M manual did not have adequate procedures for the identification and operation and maintenance for the jurisdictional gathering lines. Plains indicated that they have identified all the regulated low stress gathering lines and treat them as they do their other regulated lines. However, nothing in the manual indicated that all low stress lines will be maintained as jurisdictional facilities, nor was there any indication that all low stress jurisdictional lines were identified.

2. §195.12 What requirements apply to low-stress pipelines in rural areas?

(c) Applicable requirements and deadlines for compliance. An operator must comply
with the following compliance dates depending on the category of pipeline determined
by the criteria in paragraph (b):
(1) An operator of a Category 1 pipeline must:

(iv) Comply with all other safety requirements of this Part, except Subpart H, before
July 3, 2009. Comply with the requirements of Subpart H before July 3, 2011.

Plain's O&M manual did not have procedures for identifying low stress lines. Plains insisted that they identified all the low stress facilities and do not treat them any different than a regulated line. Therefore, they do not have to have a separate procedure for regulated low stress lines.

Plains O &M manual reflects the above mentioned procedures as amended. Please see Plains O&M manual section 104, **Normal Operating Procedures** – "Regulated Rural Gathering and Low-Stress Pipelines" below:

Introduction

Rule making by the Pipeline and Hazardous Materials Safety Administration (PHMSA) effective July 3, 2008 brought certain rural low stress and gathering pipelines under the 49 CFR 195 regulations. The pipelines or pipeline segments subject to regulation under this rulemaking had to be identified by April 3, 2009. The regulated low stress pipeline segments identified have to meet all 49 CFR 195 regulation requirements.

Regulated Rural Gathering Lines §195.11

The rural gathering and low stress pipelines brought under regulation include those meeting the following criteria:

1. Nominal diameter from $6^{5/8}$ inches to $8^{5/8}$ inches;
2. Located in or within ¼ mile of an unusually sensitive area as defined in §195.6 ; and,
3. Operates at a maximum pressure established under §195.496 corresponding to:
   - A stress level greater than 20 percent of SMYS of the line pipe; or
   - If the stress level is unknown or the pipeline is not constructed with steel pipe, a pressure of more than 125 psi.

The regulated rural gathering lines have to meet the regulation safety requirements which are given below:

Note: Compliance with the requirements below shall occur before transportation begins, or if the pipeline exists on July 3, 2008, before July 3, 2009, unless otherwise noted. The requirements shall be carried out using the procedures in the Plains Operations and Maintenance Manual.

1. Beginning no later than January 3, 2009, comply with the reporting requirements of subpart B of 49CFR195;
2. Establish the maximum operating pressure(MOP) of the pipeline;
3. Install and maintain line markers;
4. Establish a continuing education, public awareness program;
5. Establish a continuing damage prevention program;
6. For steel pipelines, comply with subpart H of 49CFR195 except corrosion control is not required for pipeline existing on July 3, 2008 before July 3, 2011;
7. For steel pipelines, establish and follow a comprehensive and effective program to continuously identify operating conditions that could contribute to internal corrosion;

8. Comply with the Plains Operator Qualification Plan for DOT Regulated Pipelines:
9. For steel pipeline constructed, replaced, relocated, or otherwise changed after July 3, 2009, design, install, construct, initially inspect, and initially test the pipeline in compliance with 49CFR195, unless the pipeline is converted under §195.5.

If, after July 3, 2008 a new unusually sensitive area(USA) is identified and a segment of pipeline becomes regulated as a result, except for the requirements in items 6 & 7 above, all other requirements listed above must be implemented for the affected pipeline segment within 6 months of identification. Additionally, compliance with items 6 & 7 is also required for steel pipelines.

NOTE: Amendment 195-96 to 49 CFR 195 that became effective October 1, 2011 established 3 categories of low stress pipeline, including the compliance requirements for each category and specified dates for complying with the requirements. Category 1 low stress pipelines were brought under PHMSA regulation by Amendment 195-92 which became effective July 3, 2008. Category 2 and 3 lines were brought under regulation by Amendment 195-96, which became effective July 2011.

Low-Stress Pipelines §195.12

Category 1 Low Stress Pipelines

1. Nominal diameter of $8^{5/8}$ inches or more;
2. Located in or within ½ mile of an unusually sensitive area(USA) as defined in §195.6; and
3. Operates at a maximum pressure established under §195.496 corresponding to:
   a. A stress level equal to 20 percent or less of SMYS of the line pipe; or
   b. If the stress level is unknown or the pipeline is not constructed with steel pipe, a pressure equal to or less than 125 psi.

Category 1 low stress pipelines identified per the above criteria have to meet all the requirements identified in §195.12(c)(1), including identification of segments and compliance with all safety requirements of Part 195 by April 3, 2009; inclusion in the Integrity Management Program by July 3, 2009 with the baseline assessment for all segments completed by July 3, 2015 and complete as least 50% of the assessments beginning with the highest risk pipe by July 3, 2012; and compliance with all other parts of 49CFR195 by July3, 2009 except corrosion control requirements per Subpart H which shall be completed by July 3, 2011. Additionally, beginning no later than January 3, 2009, comply with all reporting requirements of Subpart B of Part 195 for all the indentified pipeline segments.

Category 2 Low Stress Pipelines

1. Nominal diameter of less than 8 5/8 inches;
2. Located in or within ½ mile of a USA;
3. Operates at a maximum pressure corresponding to a stress level equal to or less than 20 percent the SMYS of the line pipe; or, if the stress level is unknown or the pipe is not constructed of steel, a pressure equal to or less than 125 psi.

   Category 2 low stress pipelines identified per the above criteria have to meet all the requirements identified in §195.12(c)(2), including identification of segments and compliance with all safety requirements of Part 195 by July 1 2012; inclusion in the Integrity Management Program by October 1, 2012 with the baseline assessment for all segments completed by October 1, 2016 and complete as least 50% of the assessments beginning with the highest risk pipe by April 1, 2014; and compliance with all other safety requirements of 49CFR195 by October 1, 2012 except corrosion control requirements per Subpart H which shall be completed by October 1, 2014 Additionally, beginning no later than January 3, 2009, comply with all reporting requirements of Subpart B of Part 195 for all the indentified pipeline segments.

Category 3 Low Stress Pipelines

1. Pipelines of any nominal diameter and not located in or within ¼ mile of an USA;
2. Operates at a maximum pressure corresponding to a stress level equal to or less than 20 percent SMYS of the line pipe; or, if the stress level is unknown or the pipe is not constructed of steel, a pressure equal to or less than 125 psi.

   Category 3 low stress pipelines identified per the above criteria have to meet all the requirements identified in §195.12(c)(3), including identification of segments by July 1 2012; and compliance with all other safety requirements of 49CFR195 by October 1, 2012 except the integrity management requirements in §195.452 and corrosion control requirements per Subpart H. Corrosion control requirements shall be completed by October 1, 2014. Additionally, beginning no later than January 3, 2009, comply with all reporting requirements of Subpart B of Part 195 for all the indentified pipeline segments.

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3) § 195.402 Procedural manual for operations, maintenance, and emergencies.
(a) General. Each operator shall prepare and follow for each pipeline system a manual of written procedures for conducting normal operations and maintenance activities and handling abnormal operations and emergencies. This manual shall be reviewed at intervals not exceeding 15 months, but at least once each calendar year, and appropriate changes made as necessary to insure that the manual is effective. This manual shall be prepared before initial operations of a pipeline system commence, and appropriate parts shall be kept at locations where operations and maintenance activities are conducted.

§195.402(e)- Emergencies. The manual required by paragraph (a) of this section must include procedures for the following to provide safety when an emergency condition occurs;

(10) Actions required to be taken by a controller during an emergency, in accordance with § 195.446.

The Plains Emergency Manual did not include procedures directing the actions taken by a controller during an emergency as required by control room management.

Plains "Emergency Manual" as read by the PHMSA representative during the inspection did not reflect the responsibilities of a controller, the Emergency Manual read by the PHMSA representative is designed to assist field personnel in the event of pipeline emergencies such as floods, fires, release of product the protection of people, property and the environment including security of facilities, containment, clean up and disposal of released product. However, Plains Pipelines controllers and field personnel as a matter of policy are also instructed to follow the policies and procedures as outlined in Plains O&M Manual and the Control Room Management Plan as required by 49 CFR 194, 195 and 199. Plains Pipelines Control Room Management Plan clearly directs controllers to follow those procedures identified in section 600, 500, Appendix C of the O&M manual and section 3 of the Control Room Management Plan. Samples of these sections are reflected below.

Emergency Response Plan

Details of the Company's emergency and oil spill procedures are covered in the "Emergency Response Plan"and "Control Room Management Plan." The "Emergency Response Plan" and "Facility Response Plan"(FRP) are used interchangeably for purposes of response to all emergencies.

Accidents

When an accident occurs, the Plains "Emergency Response and Control Room Management(CRM) Plans" are activated to respond to the accident.

These plans provide a plan of action that gives decision-making criteria in the event of an oil spill. The Facility Response Plans(FRPs) satisfy the requirements of 49 CFR Part 194 and environmental conditions B-17(a) and (b) of the Plains Pipeline Company Grant of Right-of-Way for Federal Lands. Although the information provided in this section is focused on oil spills, the FRPs address response actions for all types of emergencies. Likewise, the Control Room Management Plan provides the roles and responsibilities of the Controller (Section 3.5.3) during an oil spill emergency as well as non-spill emergency events.

If a spill occurs on Federal lands, the appropriate federal and state agencies shall be notified immediately. Telephone numbers and addresses of the various response centers and state and federal agencies are listed in the "Emergency Response Plans". All reports to federal agencies relative to oil spills on Federal Lands shall be coordinated through the Regulatory Compliance Department.

§195.402(e) (1-9), 446

The "Emergency Response and Control Room Management Plans" collectively cover the following topics that pertain to an emergency event:

- Receiving report of an emergency
- Identifying an emergency
- Classification of an emergency
- Immediate response locations
- Notification of an emergency

- Response to impact of ground surface and/or water over or adjacent to the pipeline
- Response to emergencies by field operations
- Operations Control Center emergency response per CRM plan
- Incident Command System Organization
- Emergency plan of action
- Post accident Review
- Emergency records and documentation
- Analyzing failed components

Consideration and Intent

The foremost consideration and objective of the "Emergency Response Plans" is to always take all-necessary actions, including evacuation and road/railroad closure, etc to minimize the public's exposure to injury and potential accidental ignition, to protect the environment and to establish and maintain the pipeline system in a safe condition.

All pipeline personnel both field and Control Center must be prepared to act quickly, effectively and efficiently when any emergency condition arises. It is imperative that all company employees have a thorough understanding of the "Emergency Response Plan".

The Emergency Response Plan is intended to cover all emergency situations in a general manner and is not meant to supersede the use of common sense or taking any actions considered reasonable and prudent to mitigate a problem although not specifically addressed in the plans. When an employee is in doubt as to whether a potential emergency situation exists they shall, without hesitation, immediately contact their supervisor.

Shutdown Policy

Plains policy is to immediately carry out the procedures of the "Emergency Response Plan" if a situation appears to be potentially hazardous to the public, the environment, property, or the safe operation of the pipeline system. Plains expects its employees to always respond to situations in ways that will result in the highest degree of safety. If in doubt, the pipeline shall be shutdown rather than to continue to operate and risk endangering life, property, or the integrity of the pipeline system.

Records

The following forms can be used to record pertinent information associated with an emergency:

Form 103 – Abnormal Operating Report
FRP Form – PAALP Incident Investigation Reporting Form

FRP Form – NRC Online Pipeline Report
Control Room Management Plan Incident Investigation Documentation

Introduction
§195.402(d)

This section of the manual provides operating procedures for safe pipeline operations in the event an operating design limit is exceeded or an operating condition or event occurs that may not necessarily result in an operating design limit being exceeded but could cause a hazard to persons, property or the environment if not corrected.

The limits for design maximum operating pressures (design MOP's) and maximum steady state normal operating pressures are given in Chapter 200. Pressure excursions that deviate from the values in this table, as discussed below and other conditions or events that define an abnormal operation include:

General Response
§195.402 (d)(2 to 4)

It is the responsibility of operating personnel to:

a. Correct and/or report variations and, in the process, verify the validity of equipment reporting such abnormal conditions.
b. Notify the appropriate Supervisor Operations to investigate and correct abnormal conditions, which the Pipeline Controller was unable to clear or correct.
c. Log occurrence of any abnormal operation.
d. After abnormal operation has ended, checks are to be made at sufficient critical locations to insure a return to safe and proper operation.

Unintended Closure of Valves

If a pipeline system valve inadvertently closes because of an equipment malfunction or operator error and the closure causes operating pressure to increase above the design maximum operating pressure, this condition constitutes an abnormal operating condition.

Unintended Shutdowns

An unintended shutdown is considered an abnormal operation if the shutdown results from an overpressure condition in which the design MOP was exceeded.

Increase in Pressure Outside Normal Operating Limit

Operating above the "Operating MOP" limits of Chapter 200 other than momentary excursions above the limits associated with pressure transients resulting from control room initiated pump, valve, or other operations will constitute an abnormal operation. A condition that results in a station

shutdown by a station discharge high-pressure shutdown device caused by momentary pressure transients is not an abnormal operation.

Decrease in Pressure Outside Normal Operating Limit

Operating below the lower limits of the "Incoming Pressure Control" ranges given in Chapter 200 other than momentary excursions below these limits associated with pressure transients resulting from routine operations will constitute an abnormal operation. A station shutdown caused by a station low suction pressure shutdown device is not an abnormal operation.

Increase in Flow Rate Outside Steady-State Range

A sudden or prolonged increase in flow rate outside the normal, steady state range typical for an established pipeline throughput which is not associated with flow rate transients resulting from routine pipeline operations is an abnormal operating condition. If a sustained increase in flow rate cannot readily be attributed to a deliberate change in pipeline flow rate made by Pipeline Controllers or locally by Pipeline Operators, the increased flow rate shall be considered abnormal.

Decrease in Flow Rate Outside Steady-State Range

A sudden or prolonged decrease in flow rate outside the normal, steady-state range typical for an established pipeline throughput which is not associated with flow rate transients resulting from routine pipeline operations is an abnormal operating condition. If a sustained decrease in flow rate cannot be attributed to a deliberate change in pipeline flow rate made by the Pipeline Controllers or locally by Pipeline Operators, the decreased flow rate shall be considered abnormal.

Loss of Communications

A Supervisory Control and Data Acquisition (SCADA) communications system provides a capability to remotely monitor and control pipeline operations. All stations within the 'Plains' pipeline systems are designed to safely operate automatically and independent of the Pipeline Control Center. Based on this design capability, a partial loss of communication that may include several stations and/or remotely operated mainline valve(s) is not considered an abnormal operation.

Operating with a complete loss of SCADA communication with all stations and remotely controlled mainline valves is considered an abnormal operating condition.

Operation of Any Safety Device or Failure of a Safety Device to Operate

Any condition that results in the pipeline exceeding its design MOP in conjunction with the operation of a safety device constitutes an abnormal operation. Any failure of a safety device to operate that result in pressure exceeding the operating MOP or an equipment failure resulting in a leak,

fire, explosion, or other event that could potentially jeopardize pipeline safety is an abnormal operation.

Component Malfunction, Deviation from Normal Operations or Associated Error

Events resulting from equipment or component failure or malfunction, any deviations from normal operations or associated error which could potentially cause a hazard to persons, property or the environment will be evaluated by the District Manager and the Director, Environmental & Regulatory Compliance, to determine if an event(s) should be considered an abnormal operation.

The operating procedures as outlined in this section shall be followed in responding to, investigating and correcting the cause of an abnormal condition or event.

Records

All abnormal operations shall be documented on Form 103-Abnormal Operations Report, which is found in Appendix B. If the abnormal operation is associated with a spill and/or a safety related condition as described in Section 403 of this O&M Manual, the documentation associated with these events shall be attached to the Abnormal Operations Report. The original form and all original attachments shall be maintained at the Division Office for the life of the system. A copy of the form and all attachments may be maintained at Pipeline Control Center or point of origination.

Responsibility

The Abnormal Operations Report may be initiated by the Pipeline Controller or the Field Operator for those stations not monitored/operated by the Pipeline Controller and routed to the District Manager for completion. The District Manager will be responsible for the distribution of the completed form.

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§195.402(d)(1)(i)

Unintended Valve Closure

Actions	Responsibility
Attempt to return the valve to its correct position. Monitor flow rate and pressure variations.	Controller
Does valve continue to malfunction?	
• No	
Follow procedures for returning to normal operations.	Controller
• Yes	
If necessary, shut down the affected segment of the pipeline.	Controller
Dispatch the Field Technician on call.	Controller
Report to Oil Movement Supervisor.	Controller
Correct the malfunctioning valve.	Supervisor Operations
Follow procedures for returning to normal operations.	Controller

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Description

This procedure establishes the procedures personnel will follow in order to effectively respond to an emergency.

An emergency condition is defined as any event that presents an immediate hazard to people or property or environmentally sensitive areas. Under such conditions, the affected part of the system shall not be operated until the unsafe condition has been corrected. Additional specific procedures are located in the Emergency Response Plan.

Applies to

All regulated DOT pipelines and facilities.

Frequency

Anytime an emergency is suspected.

Safety and Environmental Precautions

Not Applicable

Reference

49 CFR Part 195.402 – "Procedural manual for operations, maintenance, and emergencies"

Company Documents:
- Emergency Response Plan (ERP) contained in Facility Response Plans (FRPs)
- Facility Response Plans
- Control Room Management Plan (CRMP)

Pre-Requisites

In order to complete this task, you must be qualified under the company's Operator Qualification Plan or be supervised by someone who is qualified on Abnormal Operating Conditions (General or Field).

All employees participating in emergency response must have been trained in the appropriate procedures.

Supervisors as applicable, must have a copy of the sections of the FRP and CRMP pertaining to tasks in which they are in charge.

Regulatory Requirement §195.402, 446

(e) Emergencies. The manual required by paragraph (a) of this section must include procedures for the following to provide safety when an emergency condition occurs:

(1) Receiving, identifying, and classifying notices of events which need immediate response by the operator or notice to fire, police, or other appropriate public officials and communicating this information to appropriate operator personnel for corrective action.

(2) Prompt and effective response to a notice of each type emergency, including fire or explosion occurring near or directly involving a pipeline facility, accidental release of hazardous liquid or carbon dioxide from a pipeline facility, operational failure causing a hazardous condition, and natural disaster affecting pipeline facilities.
(3) Having personnel, equipment, instruments, tools, and material available as needed at the scene of an emergency.
(4) Taking necessary action, such as emergency shutdown or pressure reduction, to minimize the volume of hazardous liquid or carbon dioxide that is released from any section of a pipeline system in the event of a failure.
(5) Control of released hazardous liquid or carbon dioxide at an accident scene to minimize the hazards, including possible intentional ignition in the cases of flammable highly volatile liquid.
(6) Minimization of public exposure to injury and probability of accidental ignition by assisting with evacuation of residents and assisting with halting traffic on roads and railroads in the affected area, or taking other appropriate action.
(7) Notifying fire, police, and other appropriate public officials of hazardous liquid or carbon dioxide pipeline emergencies and coordinating with them preplanned and actual responses during an emergency, including additional precautions necessary for an emergency involving a pipeline system transporting a highly volatile liquid.
(8) In the case of failure of a pipeline system transporting a highly volatile liquid, use of appropriate instruments to assess the extent and coverage of the vapor cloud and determine the hazardous areas.
(9) Providing for a post accident review of employee activities to determine whether the procedures were effective in each emergency and taking corrective action where deficiencies are found.

Forms

Complete the following forms and report from the Emergency Response Plan, as applicable:

- Site Safety and Health Plan
- Incident Command System (ICS) Forms
- Figure 3.1-3 – Spill Response Form
- Disposal Plan
- Figure 8.3-1 – Debriefing Form
- Section 8.3.1 – Final Spill Cleanup Report

Related

P-195.50 – "Reporting Accidents and Safety-Related Conditions"

Procedures	P-195.402 (a) – "Procedure Review" P-195.402(c)(5)/(e)(9) – "Analyzing Pipeline Accidents" P-195.422 – "Pipeline Repair" P-195.402(c)(7) PU – "Purging of Pipeline" P-195.402(c)(7) SD – "Shutdown of Pipeline" P-195.402(c)(7) SU – "Start-up of Pipeline" P-195.402(c)(13) – "Review of Work Done By Operator" P-195.426 – "Pigging Pipeline" "Gulf Coast Division Hurricane Procedures" Pipeline Control Center CRMP Procedure for Incident Investigation
Responsibility	**District Manager and Control Center Supervisor shall:** Ensure all employees fully comply with this procedure
Abnormal Operating Conditions (AOC)	Not Applicable

PROCEDURE STEPS

This procedure provides the operator with general guidelines for handling pipeline emergencies. It refers to the pipeline specific procedures for shutting down, starting-up, and purging each specific pipeline.

This procedure provides specific steps for handling the following types of emergencies:

- Fire or explosion occurring near or directly involving a pipeline facility
- Accidental Release of Hazardous Liquid
- Operational Failure Causing a Hazardous Condition
- Flood
- High Wind

This procedure also includes telephone numbers of the appropriate public agencies that may need to be contacted. Also included are pipeline specific emergency shutdown and pressure reduction guidelines.

When using this procedure it is the responsibility of the operator to remember that these are only general guidelines and he must use his best judgment at all times to protect people first and then the environment. It is also the Operator's responsibility to take into consideration other emergency response guidelines in the company's Emergency Response Plan, OSHA regulations, etc. These should be considered and used to compliment the guidelines of this procedure throughout the emergency response.

After each emergency, the District Manager, Safety Manager, Control Center Supervisor, and the Director of Environmental and Regulatory Compliance will evaluate the emergency response, interview all personnel participating in the response and review these procedures as necessary.

Initial Discovery:

When an employee discovers or is notified of a pipeline leak, break, or emergency situation that requires prompt and effective response, he should obtain the following information on the Situation Report (Spill event) Information Collection Worksheet, Figure 3.1-2 from the **Procedure Steps (Con't):**

FRP, or an equivalent data collection form.

- Name of person finding or reporting the leak or emergency situation
- Telephone number and location where this person can be contacted
- Severity of leak, break or emergency
- Location of leak
- Cause of leak or break
- Description of injuries
- Description of fire
- Distance to nearest structure
- Damage to property or structure
- Directions to the emergency site
- Description of commodity involved (odor, liquid, or vapor, color)
- Time emergency first discovered
- Causes if known
- Local weather conditions
- Actions already taken

After the information about the emergency has been obtained, the employee should contact the Pipeline Controller.

***Initial* Notification and Initial Response:**
All emergencies should be called into the Pipeline Control Center. Each call is to be recorded on Form 601. The Pipeline Control Center will determine shutdowns, isolation of line segments, tests, and restarts as required, and coordinate their implementation.

The First Responder is the Company representative responsible to manage/control the emergency until his/her facilitator or other emergency response personnel arrive on the scene. Immediate appropriate action may be of the utmost importance in mitigating the emergency.

***First* Responders:**
Typically Field Personnel and/or Pipeline Controllers are the first Company representatives to know of an emergency situation or condition affecting the pipeline facilities. As First Responders, Field Personnel are in the most logical position to respond to an emergency (fire, pipeline or equipment failure, natural disaster, civil disturbance, vandalism, etc.) and to prevent and/or reduce personal injury, property damage, and environmental harm.

External Notifications and Coordination:
Plains Pipeline Emergency Response Plan specifies external notifications and coordination procedures. All company employees receive training on emergency response actions and procedures.

Fire, police, and other public officials will be notified of hazardous liquid emergencies and

will be advised of the pre-planned resources and responses that will be needed.

Procedure Steps (Con't):

Respond to Event:
The Incident Commander will deploy personnel, equipment, tools, and materials as appropriate to the scene.

The Pipeline Controller shall respond to the eventin accordance with the CRMP (Section 3.5.3). Each pipeline has procedures to facilitate a safe shutdown. The first employee arriving at an emergency location should survey the situation and take actions he deems necessary to control the emergency until additional help can be summoned this may include:

1. Ensure the Caller's safety is not at risk. Notify the supervisor and other appropriate company personnel of the emergency.
2. Evacuate personnel to a safe distance and see that anyone injured in connection with the emergency receives prompt first aid and medical attention.
3. Take the necessary steps to block off the hazardous area to traffic and unauthorized persons, guarding against accidental ignition.
4. Request emergency medical assistance if the situation warrants.
5. Close pipeline block valves to isolate the damaged section.
6. Control released hazardous liquid or carbon dioxide. This may include the intentional ignition of flammable highly volatile liquids.
7. Allow escaping vapor that has ignited to burn, unless this fire is a danger to other facilities or property.
8. Keep Incident Commander informed of all activities as they occur.
9. Maintain an accurate log of events as they occur.

Upon arrival at the location of the emergency, the District Manager or their designated representative will survey the situation and take the necessary actions to control the area, prepare for repairs, make repairs, and return the facilities to service.

Should additional personnel or equipment be required, they will be secured from adjacent areas or other departments. All personnel used in this area will be under the supervision of the Qualified Individual during the course of the operation.

Control Release Vapors:
To control the release of hazardous vapors, closing block valves in the area of the leak must isolate the affected section of the system. After the leak is isolated, the vapors must be allowed to dissipate. If the location of the leak cannot be determined, the system must be shut down.

Minimize Public Exposure:
Safety precautions for the public are equally as important as for company personnel. These concerns are addressed in the Emergency Response Plans.

Public exposure will be minimized by evacuating the areas as appropriate or by halting traffic

on roads or railroads. Steps will be taken to minimize accidental ignition to further protect the public.

Procedure Steps (Con't):

It must be recognized that local conditions, such as line contents, pipe metallurgy, weather, location of the line, nearness of structures, and surrounding topography will have a bearing on the approach to any particular pipeline repair, relocation, or modification.

In general, the following actions and precautions will be required, but not necessarily in the order listed. Circumstances will, in some instances, make additional procedures and precautions prudent.

Restore Service and Resume Operations:
Once the situation is under control and necessary repairs have been made, theDistrict Manager will determine when to restore service and resume operations. The following pre-start-up checks should be performed after the emergency has occurred and repairs have been made:

1. Ensure that a reliable source of instrumentation gas or air can be maintained.
2. Ensure that all instrumentation panels are clear and that all motor actuated valves are operational.
3. Ensure that all electric motors or internal combustion engines are operational.
4. Ensure that the pipeline pumps are operational.
5. Ensure all pipeline valves were returned to their normal operating positions.
6. Ensure that the receiving stations are ready to receive product.

Investigation of Failures:
The Director of Environmental & Regulatory Compliance or his designated representative will conduct an Incident Investigation and prepare a report to efficiently investigate and document the failure. The Control Room Supervisor will likewise conduct an incident investigation in accordance with the CRMP for emergency response actions associated with the Control Room.

Accidental Release of Hazardous Liquid:
The following steps should be followed after pipeline shutdown when an outside emergency, evident by spilled hazardous liquid, or obvious physical damage to pipeline, has been found to exist:

1. Protect people first, then the environment, and then property.
2. Contact appropriate emergency personnel.
3. Eliminate sources of ignition and blockade area.
4. Evacuate immediate area, if appropriate.
5. Shut off hazardous liquid flow if it is safe to do so.
6. Determine the limits of the emergency area.
7. If emergency area is widespread, evacuate all buildings, close appropriate valves to sectionalize emergency area.
8. Identify leak sources.

9. Repair leaks.
10. Complete documentation and telephonic report, as required.

Fire or Explosion on or Near the Pipeline:
The following steps shall be taken after pipeline shutdown when an emergency evidenced by fire or explosion on or near the pipeline has been found to exist:

Procedure Steps (Con't):

1. Notify everyone including emergency personnel (alarms).
2. Protect people first, the environment, and then property
3. Contact appropriate emergency personnel (fire, police).
4. Activate facility Emergency Response Plan.
5. In the event of a fire on or near the pipeline shutting off liquid flow to area should be top priority if safe to do so.
6. Close all valves (remotely or manually) in the effected area that may contribute to the fire/explosion if it is safe to do so.
7. Evacuate area if necessary.
8. Blockade area.
9. Ensure that all personnel are accounted for and make arrangements to attend to injured personnel.
10. Provide assistance to emergency personnel.
11. Identify leak sources.
12. Purge the pipeline.
13. Repair leaks.
14. Inspect the adjacent pipeline facilities for damage and make repairs as needed.
15. Complete documentation and reports as required.

Operational Failure Causing a Hazardous Condition:
The following steps should be followed when an operational failure causing a hazardous condition, has been found to exist:

1. Determine danger to people first, then property.
2. Contact appropriate emergency personnel.
3. Isolate damaged section of pipeline.
4. Eliminate sources of ignition and blockade area.
5. Evacuate as necessary.
6. Contain hazardous liquid.
7. Refer to the Emergency Response Plan for cleanup procedures.
8. Repair leaks.
9. Complete documentation and report as required.

Flood:
1. Continually survey the pipeline. This may require additional aerial surveillance or having personnel at the site.
2. Ensure that instrumentation and isolation valves will work. Make preparations to shut-in the pipeline (e.g. Ensure adequate upstream storage or alternative transportation is available, etc). Make preparations to purge and depressurize the pipeline, so that these

can be done on short notice as needed.
3. Make a management decision on when to shut in and/or purge the pipeline. If there is a danger of block valves becoming inaccessible, or instrumentation becoming flooded, determine at what water stage the pipeline shall be shut in.

Procedure Steps (Con't):

4. As soon as practical once the floodwaters recede, survey the pipeline to determine any problems that may have occurred. This may include washouts, loss of instrumentation, etc.
5. Pressure test the pipeline before returning to service, if appropriate.
6. Initiate corrective action as appropriate before returning the pipeline to service.

High Wind:

1. Fill tanks with water and/or product before the arrival of high wind, if possible.
2. Make a management decision on when to block in the pipeline and if the line will be purged.
3. As soon as the area is safe, go to all above ground valve stations, tanks, and piping to ensure that there is no visible damage. This damage may be from the wind or from falling debris.

We acknowledge and appreciate the public's right to know concerning emergency response activities, and the media's legitimate interest in these activities. We intend to communicate with the media and the public during and after emergency response activities. These guidelines are intended to ensure that information is communicated accurately, fairly, and in a timely manner. ALL PLAINS EMPLOYEES AND CONTRACTORS SHOULD ABIDE BY THESE GUIDELINES.

On the Scene:

In general, Plains statements concerning an incident will be made from the Public Relations Officer and will not be made from the on-scene location. However, in some emergencies the media will be on-site and will want a briefing and/or to interview employees and response contractors. In these situations, the following guidelines apply:

1. The senior supervisor on site is expected to be the most knowledgeable person concerning the event, and should be the only one to present information to the media. No contractor(s) are authorized to speak to the media on behalf of Plains.
2. Before anyone speaks to the media, the Plains representative should contact the Command Center, the Spill Response Coordinator and the Plains Director of Public Relations for approval of information to be released. If possible, the facts to be presented should be prepared in written form and faxed to the on-scene location.
3. The spokesperson should adhere to the general guidelines described below.

General Guidelines:

Note: Contact the Safety Officer and Security Chief to determine a safe/secure location to address the media. Notify the Safety Officer and the Security Chief if anyone enters a "hot zone" or "restricted area".

1. ALL COMMUNICATIONS WITH THE MEDIA SHOULD COME FROM THE DESIGNATED COMPANY SPOKESPERSON (except as described above). The Senior Plains Representative will designate the spokesperson for the spill event.
2. KEEP A RECORD of the media/public representatives present at the briefing. Ask for their identification and credentials. Record their name, company/organizational affiliation, and their contact numbers.

Procedure Steps (Con't):

3. KNOW WHAT YOU ARE GOING TO SAY BEFORE YOU MEET WITH THE MEDIA. It is best to prepare the information in writing. If necessary, tell the media personnel that you will meet with them in an agreed upon time period to make a statement.
4. COMMUICATE ONLY UNDISPUTED FACTUAL INFORMATION. Typical information to communicate would include:

   a. When the leak was discovered.
   b. Where, if verified, the leak originated (broken line, damaged tank, etc.).
   c. When the leak source was secured.
   d. Actions Plains has taken in response to the leak (shutting in source, aerial surveillance, protecting wildlife, etc.).
   e. How many people are on-site or en-route to respond to the leak.
   f. What equipment is on-site or en-route for leak response.
   g. What agencies are on-site to oversee the response operation.

5. DO NOT SPECULATE. Typical items of speculation that SHOULD NOT be communicated include:

   a. Who was at fault for the leak.
   b. Exactly what caused the leak (overpressure of line/corrosion/material defect/etc.)
   c. How the leak could have been prevented.
   d. The adequacy of the leak prevention or equipment maintenance programs.
   e. Adequacy of the response.
   f. The performance of company, contractors, or agency personnel during the response.
   g. How much the response will cost.
   h. How much damage the leak will cause.
   i. How long the response will take.
   j. The effect of the leak on Plains finances or operations.

6. DO NOT ESTIMATE. Any estimates you make to the media will soon be reported as fact. If you do not know the exact answer, agree to get the correct information and forward it later (i.e., typical ft3/day of production, number of leaks from this location in the past, etc.)

STATION SHUTDOWN:

1. When a planned, prolonged shutdown is to be made, it is generally desirable to:

   a. Relieve the pressure downstream when interface conditions permit.
   b. In batched product or crude systems, maintaining pressure on the line once the system

is shut down helps to minimize producing additional interface.

2. Stations are usually shut down in order, starting at the origin station and progressing downstream to the terminal.

Procedure Steps (Con't):

3. Special consideration must be given to static head pressures, interface conditions, and backpressure situations. Pressures should be dissipated so that surge effects are minimized.
4. Units are stopped at each station after a noticeable pressure drop has been detected at that station, but before the station shuts down on low suction.
5. During a planned shutdown (requiring closing main line valves to prevent drainage or to isolate a section of the line), maintenance (field) personnel should follow the instructions from the Controller coordinating/conducting the shutdown.

EMERGENCY AT A STATION:

1. Pipeline Controller Response Duties:

   a. Shut down and isolate the station from the main line, in case of leak or other emergency.
   b. Contact the District Manager, appropriate maintenance personnel, and the patrol pilot (as necessary) if an outage is suspected.

Responsibility	Instructional Document
Directing field personnel during Manual Operations and outages.	Console-Specific Operating Manual
Complete the Shift Turnover Briefing (F-195.446(b)(5)) and verbally review the sheet and the system operation with the Controller coming on-duty	Console-Specific Operating Manual
Complete appropriate console documentation	Console-Specific Operating Manual
Notify Shift Supervisor if circumstances occur such as illness or fatigue while on the job that require someone else to take control of the pipelines.	CRM Section 3.7.3 and Section 5.

3.5.2. Abnormal Operations

When an abnormal operating condition is detected, the Controller is to follow the procedural steps outlined in the Operations and Maintenance Manual for handling Abnormal Operating Conditions (P-195.402(d)) along with fulfilling the responsibilities listed in this section.

The Controller has the authority to take actions required to directly handle the abnormal condition.

Table 3–3: Controller Abnormal Operating Condition Responsibilities

Responsibility	Instructional Document
Responding to, investigating, and correcting the cause of: (i) Unintended closure of valves or shutdowns; (ii) Increase or decrease in pressure or flow rate outside normal operating limits; (iii) Total Loss of communications on- a pipeline system; (iv) Operation of any safety device; (v) Any other malfunction of a component, deviation from normal operation, or personnel error which could cause a hazard to persons or property.	Console-Specific Operating Manual
Immediately investigate the cause of the abnormal condition, take corrective actions, shut down the system if a leak is suspected or if condition indicates a line blockage.	Section 500, O&M Console-Specific Operating Manual

Responsibility	Instructional Document
Notifying The Shift Supervisor when notice of an abnormal operation is received.	Section 500, O&M Console-Specific Operating Manual
Document AOC occurrences in the Pipeline Log	Section 500, O&M Console-Specific Operating Manual
Follow published guidelines for returning to normal	Section 500, O&M Console-Specific Operating Manual
Ensure pipeline does not exceed MOP	Section 500, O&M Console-Specific Operating Manual

3.5.3. Emergency Operations

When an emergency condition is detected, the Controller is to follow the procedural steps outlined in the Operations and Maintenance Manual for handling Emergencies (P-195.402(e)) along with fulfilling the responsibilities listed in this section.

The Controller does not need to obtain approval to complete any responsibility listed below or actions found in the procedure referenced about when there is a suspected leak or rupture. Once the pipeline has been shut-in, approval must be received to restart the pipeline.

The Controller has operational authority to perform the following actions under emergency conditions:

Table 3–4: Controller Emergency Operation Condition Responsibilities

Operational Authority	Instructional Document
Safely shut down any affected pipeline system and isolate.	Console-Specific Operating Manual
Notify Shift Supervisor and all appropriate personnel.	Console-Specific Operating Manual
Communicate with Field Personnel	Console-Specific Operating Manual
Follow published guidelines for returning to service.	Section 500, O&M Console-Specific Operating Manual

I hope this addresses clarifies the concerns outlined in the NOTICE OF AMENDMENT issued as a result of the PHMSA inspection of Plains Pipelines Trenton Gathering system.

Should you have any questions please contact me at (307) 783-7500 ext. 2 or trmccormick@paalp.com. Thank you.

Sincerely
Plains All American Pipeline, L.P.

Tom McCormick
Director of Environmental and Regulatory Compliance
(307) 783-7500 ext 2
(307) 789-8182 fax
(307) 799-8316 cell

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Thank you, Sincerely
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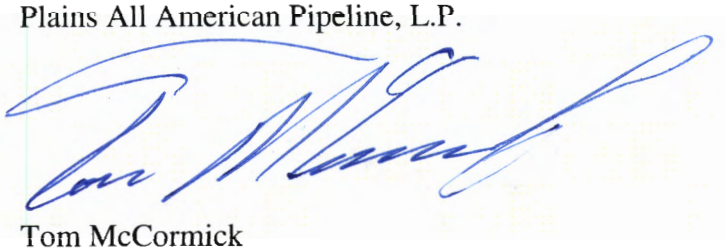

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