

July 1, 2024

Mr. Gregory A. Ochs
Director, Central Region OPS
Pipeline and Hazardous Materials Safety Administration
901 Locust Street, Suite 480
Kansas City, MO
64106

Re: Alliance Pipeline L.P.'s Notice of Probable Violation (CPF 3-2024-042-NOPV)

Dear Mr. Ochs,

Alliance Pipeline L.P. (Alliance) values the partnership it has with the Pipeline and Hazardous Material Safety Administration (PHMSA) in assuring public safety and regulatory compliance. Alliance continues to maintain plans, procedures, and standards that meet or exceed PHMSA regulations while maintaining a safety culture that proactively promotes and recognizes operational compliance as a top priority.

This letter is confirming the receipt of the "Notice of Probable Violations" regarding an alleged probable violation found by PHMSA representatives within the Alliance plans and/or procedures, records and/or forms during the inspection of Alliance's Control Room Management Program from July 26th, 2023, through September 14th, 2023. Alliance appreciates PHMSA's efforts during the audit and the valuable input regarding areas to improve our plans and procedures. We find this process useful to further refining our Pipeline Safety Programs.

Regarding NOPV #1 (§195.446 (c)(5)) stating that "Alliance did not record, on the June 9, 2022, day to night Operations Handover Report, an abnormal operating condition (AOC) that occurred during the day shift and was recorded on the event log, due to a failure to establish procedures incorporating section 5 of API RP 1168, as required by § 195.446(c)(5). Specifically, section 5.3.1 applied, and it explained, "if an AOC or other abnormal condition exists as defined by the individual operator, it shall be communicated to the incoming shift personnel and any actions taken or planned to remedy the condition shall also be conveyed to the incoming shift personnel and documented." Alliance failed to meet the requirements to establish procedures implementing section 5 of API RP 1168 relating to communicating abnormal operations during shift turnover, per the requirements of § 195.446(c)(5)."

- 1) Alliance is not contesting the proposed compliance order and alleged violation.
- 2) Alliance will take the required actions in the proposed compliance order by amending the procedures and forms, to include abnormal operating conditions in the shift change documentation and train controllers in the new process.

- 3) Alliance is submitting this written request for an extension of time to complete the proposed compliance order and alleged violation regarding NOPV #1.
- a. Alliance is requesting a November 1, 2024, time extension to complete the proposed compliance order.
 - b. Effective April 1, 2024, 100% of the equity interest in Alliance Pipeline L.P. is now owned by Pembina U.S. Corporation and Fort Chicago Pipeline II US L.P. ("Pembina"), which acquired the remaining equity interests in Alliance Pipeline L.P. from their partner EIF US Holdings Inc. ("Enbridge").
 - i. To facilitate an orderly transition in operations, Enbridge will be providing operations transition support for a period of up to 12 months.
 - ii. During the transition period, Control Room procedures will continue to follow existing documented practices, supported by Enbridge policies and systems.
 - o Pembina is in the process of transitioning Alliance to Pembina procedures, resource constraints as well as our ongoing transition demands moving Gas Control to Pembina will require the additional time requested (November 1, 2024) to address the proposed compliance order and ensure compliance within Pembina procedures.

If you need further information or clarification regarding this matter, please contact Bob Bachmeier at (701) 394-9722 (office) or (701) 509-1626 (cell).

Sincerely,

Bob Bachmeier
Specialist, Regulatory Pembina US
Pembina Pipeline Corporation
BBachmeier@Pembina.com

CC:

Scott Seibert, Manager, Environment, Operations & Compliance U.S.
Jeff Finch, Sr. Advisor, Regulatory Pembina US
Christian Lucas, Supervisor, Alliance Gas Control
Heather Christie-Burns, Vice President, Transmission Pipelines
Ian Hunt, Director, Gas Operations
John Stevenson, Director, Sustainability, Environment & Regulatory