PLAINS
PIPELINE, L.P.

June 13, 2016

Mr. Rodrick M. Seeley
Director, Southwest Region
Pipeline and Hazardous Materials Safety Administration
8701 S. Gessner, Suite 630
Houston, Texas 77074

Via Certified Mail and Electronic Mail

Subject: Notice of Amendment CPF 4-2016-5018M
Plains Pipeline, L.P.

Dear Mr. Seeley:

This letter responds to Notice of Amendment CPF 4-2016-5018M (NOA) which Plains Pipeline, L.P. (Plains) received on May 12, 2016. The NOA concerns certain "apparent inadequacies" that the Pipeline and Hazardous Materials Safety Administration (PHMSA) identified based on a 2014 integrated inspection of Plains' procedures and records for pipeline facilities in Illinois, Louisiana, New Mexico, Oklahoma, and Texas. The NOA identified "apparent inadequacies" within three areas, described in Items 1 - 3 of the NOA. As noted below, Plains has addressed and is not intending to contest Items 2 and 3 of the NOA. With respect to Item 1, Plains respectively requests **an additional 30 days** to submit its response to the NOA.

Plains would like to informally discuss and confirm its understanding of the intended scope and meaning of PHMSA's comments under Item 1 of the NOA via teleconference with appropriate regional PHMSA staff. This clarification is needed so that Plains can appropriately respond to this item of the NOA. The extension is also needed so that Plains can have adequate time to coordinate resources and prepare a comprehensive response in light of on-going activities and the travel schedules of certain key staff.

For your immediate reference with respect to Items 2 and 3 of the NOA, Plains has attached updated versions of the following:

- IM procedures, Table 7-1 (incorporates additional job titles of individuals qualified to review and evaluate integrity assessment results);

- IM procedures, section 6.3, page 6-9 (replaces reference to "OPS" with "PHMSA") and section 6.7, (revises wording of second bullet point to clarify scope of condition triggering PHMSA notification).

We trust that these updates are fully responsive to PHMSA's concerns.

We look forward to receiving your confirmation that the requested extension is acceptable. Should you have any questions or desire to discuss this matter, please do not hesitate to contact me. We intend to contact your office shortly to schedule the teleconference referenced above.

Sincerely,

Wm. Dean Gore, Jr.
Vice President, Environmental & Regulatory Compliance

Enclosures

Table 7-1 Key Personnel Requirements (continue)

Title	Responsibilities	Job Tasks Analysis	Education, Training and Experience
Integrity Coordinator	• Develop and oversee inspection schedules for ILI, NDT and hydrostatic tests. This include approving the ILI runs. • Oversee/ approve of anomaly repair selection process and implementation in accordance with 49 CFR § 195.452 (h)(4) • Develop ILI vendor specifications. Approve vendor selections and qualifications. • Participates in preventive and mitigative meetings • Participates and/or supports internal and external audits • Manage the vendor assessment, summary, and closeout reports • Initiate and track Deviation Reports	• Technical writing and verbal communication. • Interpretation and application of industry and regulatory standards for liquid pipeline systems. • Computer database operation.	• BS degree in engineering, physical sciences, physics or mathematics or equivalent experience. • Working knowledge of/ specific training on Integrity Management regulations 49 CFR § 195.452.
Integrity Specialist (Associate, I, II, III, Sr.)	• Perform data review from vendor assessments and generate Summary and Closeout Report per PAA procedure • Communicate with Operation group on repair recommendations • Assists Integrity Engineer in determination of safe operating pressure for immediate repair conditions. • Assists / participates in preventive and mitigative meetings • Support internal and external audits • Assists in Change of Service project request.	• Reading comprehension and analysis of technical specifications and regulatory standards. • Verbal communication and written documentation of field activities. • Interpretation and application of published engineering calculation procedures and regulatory standards for pipeline systems.	• High school degree or GED equivalent • Familiarity with Integrity Management regulations 49 CFR § 195.452.

- If a Safety-Related Condition is determined to exist and a report is required, EH&S will **notify PHMSA (**Reference: Plains O&M Section 403).

Refer to **Procedure for the Assessment of In-Line Inspection (ILI) Results** (PAALP-INT-PRC-NJP-001) for documentation of Immediate Repair Conditions.

As indicated in Figure 6-2, pressure reductions will be taken in accordance with ASME/ ANSI B31.4, Sec. 451.7 or equivalent methodology (e.g., ASME B31.G or modified B31.G). In the case of dents on top of the pipe with indications of metal loss, cracks or stress risers, the operating pressure will be reduced by 20% of the maximum operating pressure observed at the anomaly location within 2 months preceeding the inspection (measured or calculated from nearest upstream pressure gauge).

When immediate response time to Immediate Repair Conditions can not be achieved, Plains will notify PHMSA in accordance with Section 6.7 to determine an appropriate course of action. This same notification procedure will be used if reduction of operating pressure exceeds 365 days without further remedial action.

COMPLETE SHUT DOWN OF THE PIPELINE SEGMENT MAY ALSO BE USED IN LIEU OF PRESSURE REDUCTION OR PHMSA NOTIFICATION. SHUT DOWNS WILL BE RECORDED by an MOC (see Section 14). When this option is used, all immediate repair condition anomalies must be evaluated and/or repaired as necessary prior to resuming pipeline segment operation.

Quality Control Check of Final ILI Report Data

Refer to **Procedure for the Assessment of In-Line Inspection (ILI) Results** (PAALP-INT-PRC-NJP-001) for quality control check of final ILI report data.

Tool Tolerance and Anomaly Classification

All significant corrosion anomalies from the Final Report shall have a tool tolerance of 10% wall thickness added to their reported depth. These anomalies with the tool tolerance added will then be examined using Modified B31G for burst pressures less than the Maximum Operating Pressure (MOP) of the inspected pipeline. Any anomaly that has a burst pressure less than MOP shall be classified as an Immediate Repair condition. Also, these anomalies will be examined for Safe Operating Pressure less than MOP. If an anomaly has a Safe Operating Pressure less than MOP, it shall be classified as a 180-day repair condition.

Refer to **Procedure for the Assessment of In-Line Inspection (ILI) Results** (PAALP-INT-PRC-NJP-001) for tool tolerance, corrosion growth and anomaly classification. The **Corrosion Growth Analysis Report, CGAR**, will be used to add the tool tolerance and calculate corrosion growth for five years into the future. Any anomaly that grows to exceed 80% wall loss will be repaired before the "due date" as determined by CGAR to assure safety until the next inspection date. The **Pipeline Integrity Specialist** will be responsible for analyzing the Final Report anomalies using CGAR.

Classification of Corrosion and

Refer to **Procedure for the Assessment of In-Line Inspection (ILI) Results** (PAALP-INT-PRC-NJP-001) for the process of selecting the anomalies and

6.7 Notifications to PHMSA

General

Required notifications to the PHMSA will be submitted for the following reasons:

- Intent to use technology other than ILI or hydrotesting to perform an assessment
- Inability to meet required evaluation and remediation schedule, and cannot provide safety through temporary reduction in operating pressure
- Re-assessment interval to exceed 68 months

The **Director of Pipeline Integrity** and or his/her designee will submit an online notification or a written notification using the appropriate PHMSA form.

Notification Schedules

The following are the minimum deadlines for notification to PHMSA:

- At least 90 days prior to the scheduled assessment using other technology.
- As soon as the company determines it is unable to meet the required repair schedule.
- At least 270 days before the end of the five-year interval for extensions of re-assessment justified by an engineering basis.
- At least 180 days before the end of the five-year interval for extensions of re-assessment based on unavailability of inspection technology.

Plains will submit their notifications to PHMSA as far in advance as practicable.