*Alison E. Barry*
*Assistant General Counsel*
***DCP Midstream***
*370 17th Street*
*Suite 2500*
*Denver, CO 80202*
*303-595-3331*
*303-605-2226 fax*
*303-605-1753 direct*

September 7, 2017

**VIA UPS OVERNIGHT**
Frank Causey
Acting Director, SW Region
Pipeline and Hazardous Materials Safety Administration
8701 S. Gessner, Suite 630
Houston, TX 77074



**VIA EMAIL (saurabhkumar.desai@dot.gov**
Saurabhkumar Desai
DOT Inspector
Pipeline and Hazardous Materials Safety Administration
8701 S. Gessner, Suite 630
Houston, TX 77074

**Re: Notice of Amendment CPF 4-2017-5029M**

Dear Messrs. Causey and Desai:

DCP Operating Company, LP (formerly known as DCP Midstream, LP) (DCP), received your Notice of Amendment, dated August 7, 2017, as a result of inspections conducted by PHMSA in May and December of 2016.

The attached document outlines DCP's response, action taken and completion dates for each of the issues identified. Please also find attached the revised procedures described in the response. Please don't hesitate to contact me or Elisabeth Klein at 303-605-1778, if you have any questions or require additional information.

Sincerely,
DCP Midstream

Alison E. Barry

Attachments

For reference purposes, a copy of the PHMSA Notice of Amendment letter (CPF 4-2017-5029M) dated August 7, 2017 is in **Attachment A**. Below is each issue identified by PHMSA, DCP Response, and Action Completed for each of the items in the Notice of Amendment letter.

**Issue Identified**

1. *DCP's written procedure, B-01, Section 5 does not include a process to calculate a reasonable initial estimate of the amount of released product and a written procedure for submitting additional telephonic reports when new information becomes available as required by § 195.52 (c) and (d).*

**Response**

DCP clarified in B-01 Accident Reporting, Section 1.3, how to calculate the volume released. Section 1.9 of this procedure was also updated to reflect that the NRC has to be contacted within 48 hours with any revised estimates and accident updates. It is also outlined in the revised procedure that within 48 hours, if there are no changes, NRC must be called to confirm the initial report.

**Action Completed**

The updated procedure was submitted to the inspector in person, using a portable electronic data storage device (a "jump drive") containing other documents referred to in this response, during the inspection conducted the week of August 29, 2016. A copy of the most recent version of B-01 Accident Reporting is in **Attachment B**.

**Issue Identified**

2. *DCP's procedure IP-005, Repairs, is inadequate and fails to identify permissible repair methods for each type of defect The PHMSA inspector reviewed Pipeline Repair and Lowering - required practice that describes the methods and requirements for the repair of all hydrocarbon pipelines (September 2012) and Table 1: Repair Matrix within this required practice and this procedure is not adequate. DCP provided revised procedure (June 2016). Based on review of this procedure, it appears that it met the requirement. § 195.402 Procedural manual for operations, maintenance, and emergencies.*

**Response**

During the May inspection, DCP communicated to the inspector that the Pipeline Repair and Lowering RP and revised IP-005 Repairs were revised and in review prior to being finalized.

**Action Completed**

DCP provided a copy of the approved Pipeline Repair and Lowering Final RP and the updated IP-005 to the inspector, during the inspection conducted the week of August 29, 2016. A copy of the revised required practice and procedure are in **Attachment C**.

**Issue Identified**

3. *During the inspection, the PHMSA inspector reviewed DCP's pressure testing procedures (Section E) and IP-016 (SCC Susceptibility Analysis). IP- 016, Section 2.4.2, "Spike Hydrostatic Pressure Test". When the PHMSA inspector requested DCP to provide the guidance or instruction on how to perform Spike test, the operator provided Section E, Pressure Testing. Based on review of the pressure testing procedures, DCP failed to include "Spike Test". § 195.402 Procedural manual for operations, maintenance, and emergencies.*

**Response**

Due to the critical nature of spike hydrostatic tests and the lack of guidance from PHMSA on what spike hydrostatic tests entail (i.e. pressure and time), DCP had relied on individual case-by-case development of a spike hydrostatic test plan. DCP revised IP-016 SCC Susceptibility Analysis Procedure, Sections 1.1, 2.4.2, and 2.7, during the inspection to define "Spike Test" and references to Keifner and Baker papers were also added.

**Action Completed**

DCP submitted the revised Integrity Procedure IP-016 SCC Susceptibility Analysis to the inspector, during the inspection conducted the week of August 29, 2016. A copy of the most recent version of this procedure is in **Attachment D**.

**Issue Identified**

4. *During the inspection, the PHMSA inspectors reviewed DCP's H-11: Electrical Isolation and determined the process does not provide adequate direction to personnel to protect the pipeline against damage from fault currents or lightning and take protective measures at insulating devices. 195.402 Procedure manual for operations, maintenance and emergencies.*

**Response**

DCP updated the H-11 Electrical Isolation procedure, and Section 2.2 SOP CORR-2110 and Section 2.0 SOP CORR-2010, to address how to protect the pipeline against damage from fault currents or lightning.

**Action Completed**

H-11 Electrical Isolation was updated during the inspection, and the inspector was provided a copy during the inspection conducted the week of August 29, 2016. Copies of the most recent versions of this procedure and the referenced SOPs are in **Attachment E**.

**Issue Identified**

5. *DCP does not give detailed information on what precautions must be taken to minimize damage to coating used for bores and directional drills. DCP's CORR-2160 procedure is inadequate. §195.202 Compliance with specifications or standards. Each pipeline system must be constructed in accordance with comprehensive written specifications or standards that are consistent with the requirements of this part.*

**Response**

DCP directs personnel to minimize damage to coatings during directional drilling by using appropriate coating materials and application. When installing pipe that requires boring or directional drills, DCP follows the DCP Underground Coatings Required Practice (RP), Section 4.1, which states that "Fusion bonded epoxy (FBE) on a directional drilling project requires an abrasion resistant overlay (ARO) over-coat". DCP requires that the additional ARO coating over the FBE coating must be sufficient to withstand the boring or directional drilling environment. Section 2.2 in Corrosion SOP CORR 2160 (updated in November 2016) references the DCP Underground Coatings RP, which requires that only specific types of FBE be used and outlines FBE application guidelines to further minimize damage to the coating during installation. Additionally, the DCP Pipeline Construction Guidelines, Sections 8.2 and 8.3, references the DCP Underground Coatings RP for stream and road crossings that are directionally or slick bored.

**Action Completed**

A revised SOP CORR-2160 was submitted to the inspector, during the inspection conducted the week of August 29, 2016. A copy of the most recent version of the procedure is in **Attachment F**.