

**PUBLIC SERVICE COMMISSION
TESTING AND SAFETY DIVISION
MEMORANDUM**

TO: Commissioners Cramer, Clark and Kalk
Darrell Nitschke, Executive Secretary
Patrick Fahn, Director, Compliance and Competitive Markets Division

FROM: Alan Moch, Director
Testing and Safety Division

DATE: December 22, 2009

RE: Review of Keystone's IMP Plan and Associated Leak Detection Manual
Case No. PU-06-421

In an email dated November 23rd, Patrick Fahn asked me to continue my review of TransCanada's Pipeline Plans (their O&M/Emergency Plans were reviewed by me and a report memo was issued on November 4th). This report covers my review of TransCanada's IMP Plan (Integrity Management Program) and TransCanada's Leak Detection Manual which is referenced in their IMP Plan.

As before, my instructions were to review the plans and provide an opinion as to whether the contents of these documents meet the minimum requirements under the applicable pipeline safety regulations codified at 49 CFR Parts 191 – 199, and under the requirements of the Commission Order in this case (dated February 21, 2008). IMP Plans are covered under 49 CFR Part 195.452.

I have completed my review. The results of that review are as follows:

Integrity Management Program Plan:

Inspection Protocol 1: no issues identified.

Inspection Protocol 2: no issues identified.

Inspection Protocol 3: no issues identified.

Inspection Protocol 4: no issues identified.

Inspection Protocol 5: no issues identified.

Inspection Protocol 6: no issues identified except in Protocol 6.05 "Leak Detection Capability Evaluation: Operator Actions/Reactions – this area of TransCanada's IMP Plan refers to their Leak Detection Manual. Leak detection is covered under 49 CFR Part 195.402 CPM Leak Detection Procedures – no issues identified.

Inspection Protocol 7: no issues identified.

Inspection Protocol 8: no issues identified.

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Associated Leak Detection Manual

It is my opinion that Keystone's Plans and Procedures as required by 49 CFR Part 195 and the Commission's Order appear to be in compliance.

Technical data within these Plans has not been verified. PHMSA will review TransCanada's Plans, associated technical data, and all records needed to verify TransCanada's Plans and Procedures during its annual audit.

This completes my evaluation as requested by Pat Fahn in Case No. PU-06-421.
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