

Hamre, John G.

From: Fahn, Patrick J.
Sent: Tuesday, February 19, 2013 5:13 PM
To: Hamre, John G.
Subject: FW: North Dakota PSC - January 2013 report
Attachments: ND PSC January 2013 monthly report.pdf; North Dakota PSC monthly report for January 2013.pdf; Patrick Fahn.vcf

Please docket in 06-421

Patrick Fahn

Director
Compliance and Competitive Markets

North Dakota Public Service Commission
600 E Boulevard Ave, Dept. 408
Bismarck ND 58505-0480
(701) 328-4077 Work
(701) 328-2410 Fax
pfahn@nd.gov

From: Jennifer Beasley [mailto:jennifer_beasley@transcanada.com]
Sent: Tuesday, February 19, 2013 1:52 PM
To: Fahn, Patrick J.
Cc: Ken Crowl
Subject: North Dakota PSC - January 2013 report

Sent on Behalf of Ken Crowl

Dear Mr. Fahn,

Please find attached the Keystone Corrective Action Order monthly report for January 2013, summarizing our submissions to the U.S. Department of Transportation Pipeline and Hazardous Materials Safety Administration (PHMSA) during that period.

Hard copies of this letter and the report will be sent to your attention via overnight courier for delivery on Wednesday, February 20th.

If you have any questions, please contact Ken Crowl at 832.320.5462.

Thank you,
Jennifer

Jennifer Beasley
Associate - U.S. Regulatory Compliance
TransCanada
(832) 320-5150
jennifer_beasley@transcanada.com

This electronic message and any attached documents are intended for communication from TransCanada and may contain information that is confidential, proprietary, or otherwise protected from disclosure and it must not be disclosed, copied,

772 PU-06-421 Filed: 2/19/2013 Pages: 5
Email - summary of January, 2013 monthly report submitted to PHMSA

**you have received this message in error, please notify the sender immediately and delete the original message.
Thank you.**

This transmission, email and any files transmitted with it, may be: (1) subject to the Attorney-Client Privilege, (2) an attorney work product, or (3) strictly confidential under federal or state law. If you are not the intended recipient of this message, you may not use, disclose, print, copy or disseminate this information. If you have received this transmission in error, notify the sender (only) and delete the message. This message may also be subject to disclosure under the North Dakota Open Records Laws.



TransCanada

In business to deliver

February 19, 2013

Mr. Patrick Fahn
North Dakota Public Service Commission
600 E. Boulevard, Dept 408
Bismarck, ND 58505-0780

Ken Crowl
Manager, U.S. Regulatory Compliance
TransCanada U.S. Pipeline

717 Texas Street
Houston, TX 77002

tel 832.320.5462

fax 832.320.6462

email ken_crowl@transcanada.com

web www.transcanada.com

VIA ELECTRONIC DELIVERY AND COURIER

Dear Mr. Fahn:

Please find attached the January 2013 monthly report summarizing our submissions to the U.S. Pipeline and Hazardous Materials Safety Administration (PHMSA) as required by the Amended Corrective Action Order (CAO) issued June 23, 2011. As requested by Ms. Sacco's May 17th, 2011 e-mail, we are providing documents that do not require FOIA protection.

If you have any questions regarding the enclosed documents, please contact me.

Sincerely,

Ken Crowl
Manager, U.S. Regulatory Compliance
TransCanada U.S. Pipelines
717 Texas Street
Houston, TX 77002

CPF No. 3-2011-5006H – Keystone Pipeline Corrective Action Order
January 2013 Monthly Report

Executive Summary

In accordance with the Corrective Action Order (CAO) issued by PHMSA on June 3, 2011 and amended on June 28, 2011, TC Oil Pipeline Operations, Inc., as agent for TransCanada Keystone Pipeline. LP (Keystone) submits the following information in a report format.

Remediation Work not completed in Q1 2012 has now been completed at all delivery terminals, fixed speed and VFD stations, and validation vibration tests were completed at all facilities. Detailed description of the remediation work and validation testing was provided in the final Vibration Report submitted on September 27, 2012.

As reported in the December 2012 monthly report, opportunities to further improve the long term integrity of several small diameter branch connections was identified and most of the additional scope and validation testing has been completed. The current status of the remaining scope is summarized in the table below.

Issue	Status
Hartford Delivery Terminal	Short term improvements to ensure piping integrity at Hartford delivery terminal were implemented and their effectiveness is being evaluated to determine acceptability.

Introduction

The Keystone oil pipeline system operates from Hardisty, Alberta to delivery terminals in Wood River and Patoka, Illinois and Cushing, Oklahoma. On May 7, 2011, the system experienced a reportable oil release of approximately 400 barrels at the Ludden, ND pump station. On May 29, 2011, a second reportable oil release of approximately 10 barrels occurred at the Severance, KS pump station.

A Corrective Action Order (June 3, 2011) and subsequent Amended Corrective Action Order (June 28, 2011) were issued to Keystone. A series of Monthly Reports have been submitted beginning in July of 2011 to document Keystone’s progress regarding the work undertaken to ensure the reliable operation of the Keystone pipeline.

The following Monthly Report is submitted per Item 11 of the CAO.

Vibration Remediation Work

Remediation work has now been completed at all delivery terminals, fixed speed and VFD stations and validation vibration tests were completed at all facilities.

The remedial work has been successful to ensure the safe and reliable operation of the Keystone pipeline. Additional testing carried out during the remediation work identified opportunities to further improve the long term integrity of the pipeline. The additional scope has been narrowed

down to enhanced modifications and validation testing at the Harford Delivery Terminal. Validation testing on the following small diameter branch connections is described below:

1. Hartford Delivery Terminal

The improvement program implemented at Hartford delivery terminal achieved reduction of piping vibration within the terminal. A continuous monitoring system was installed to capture vibration of selected piping locations exposed to the highest levels of vibratory excitation. Analysis of the recorded data showed that, although general piping vibration levels were below the target value of 1 in/s, the results did not meet our standards due to a few rare excursions. In order to improve the long term piping integrity, additional remediation work involving removal and modification of several branch connections will be implemented at Hartford. The same modifications were previously implemented and validated at all fixed speed stations with very positive results. Once the additional scope is implemented at Hartford, validation testing will occur.