

National Energy  
Board



Office national  
de l'énergie

OF-Surv-Inc-2013 092  
OF-Surv-Inc-2013 099  
2 August 2013

Mr. Ian Anderson  
President  
Kinder Morgan Canada Inc.  
Suite 2700, 300 – 5 Avenue SW  
Calgary, AB T2P 5J2  
Facsimile 403-514-6622

Dear Mr. Anderson:

**Kinder Morgan Canada Inc.  
Trans Mountain Pipeline ULC (TMPL)  
NPS 24 Mainline - Liquids Leak  
Order SO-T260-005-2013**

On 12 and 26 June 2013, Kinder Morgan Canada Inc. (KMC) identified and reported two separate leaks stemming from crack features on the Trans Mountain Pipeline. These crack features were discovered as a result of inline inspections conducted by KMC in compliance with the National Energy Board (Board) letter issued 16 March 2012 directing KMC to complete baseline assessments on cracking features that may eventually lead to leaks.

The safe and secure operation of pipeline infrastructure is of paramount importance to the Board. Therefore, the Board has issued **Safety Order SO-T260-005-2013** (Safety Order), pursuant to sections 12 and 48 of the *National Energy Board Act*, which outlines the Board's precautionary measures and terms and conditions on which KMC may request a revision or lifting of the Board's pressure restriction.

The attached Safety Order directs KMC to maintain the pressure restriction already in place equivalent to 80% of the highest pressure experienced during the last 90 days of unrestricted operation prior to 13 June 2013 on all portions of the TMPL pipeline. This pressure restriction will remain in effect until all of the commitments outlined in KMC's Integrity Assurance Plan (dated 9 July 2013) have been fulfilled. This includes filing an engineering assessment that demonstrates that the pipeline is fit for service at its Maximum Operating Pressure (MOP). KMC must also meet all conditions contained in the attached Safety Order.

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As detailed in the Safety Order, KMC is required to continue to consult with the Aboriginal communities who have expressed interest in the response to the release regarding the details of the site remediation plans as well as its plan for the protection of Aboriginal heritage and traditional resources.

The Board will not grant approval to increase the operating pressure of the TMPL pipeline until it is satisfied that the pipeline can be operated safely at an increased pressure and in a manner that protects people and the environment.

If you have any questions, please contact Doug Ochitwa at 403-299-2794, or via email at [doug.ochitwa@neb-one.gc.ca](mailto:doug.ochitwa@neb-one.gc.ca).

Yours truly,



Sheri Young  
Secretary of the Board

c.c. Hugh Harden, VP Operations Engineering EHS, Facsimile 403-514-6441



**ORDER SO-T260-005-2013**

**IN THE MATTER OF** the *National Energy Board Act* (Act) and the regulations made thereunder; and

**IN THE MATTER OF** the incidents which occurred on 12 June 2013 and 26 June 2013 on the NPS 24 Trans Mountain Pipeline ULC Pipeline (TMPL pipeline) and filed with the National Energy Board (Board) under File OF-Surv-Inc-2013-092 and OF-Surv-Inc-2013-099 respectively.

**BEFORE** the Board on 1 August 2013.

**WHEREAS** the Board regulates the operation of the NPS 24 TMPL pipeline by way of Certificate of Public Convenience and Necessity OC-2;

**AND WHEREAS** Kinder Morgan Canada (KMC) incurred leaks on its NPS 24 TMPL pipeline on 12 June 2013 and 26 June 2013;

**AND WHEREAS** after the leaks were detected, KMC voluntarily undertook a pressure restriction and implemented ground patrols in addition to existing air patrols;

**AND WHEREAS** the Board has examined the Integrity Assurance Plan dated 9 July 2013 (Plan) from KMC in regards to the above referenced TMPL pipeline leaks;

**AND WHEREAS** the Board requires KMC to re-affirm the fitness for service of the TMPL pipeline for operation at its Maximum Operating Pressure (MOP);

**AND WHEREAS** the Board is conducting an investigation pursuant to section 12 and 48 of the Act to promote the safe continuing operation of the TMPL pipeline;

**AND WHEREAS** the Board is of the view that precautionary measures are necessary for public safety and protection of the environment;

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**NOW THEREFORE**, pursuant to sections 12 and 48 of the Act, the Board hereby orders the following safety measures:

1. KMC shall maintain a pressure restriction on the TMPL pipeline equivalent to 80% of the maximum pressure experienced during the last 90 days of unrestricted operation prior to 13 June 2013 on all portions of the TMPL pipeline. This pressure restriction shall remain in effect until such time as the Board may approve an increase in operating pressure.
2. Within 5 days of the date of this Order, KMC shall provide written confirmation to the Board of its compliance with the pressure restriction on all portions of the TMPL pipeline.
3. Within 5 days of the date of this Order, KMC shall also provide written confirmation to the Board that both the local and the control centre set-points for shutdown and control of the operation and isolation valves have been adjusted to reflect the reduced operating pressure according to CSA Z662-11 Clauses 4.18 and 10.9.5.
4. KMC shall file with the Board 30 days from the date of this Order, a detailed report of its consultations with Aboriginal communities, including:
  - a) concerns raised by Aboriginal communities;
  - b) a summary indicating how it addressed any concerns raised during these consultations; and
  - c) its plan describing monitoring procedures for the protection of Aboriginal heritage and traditional resources during the remediation and continued operation of the pipeline.
5. KMC shall, at least 30 days prior to a planned increase in operating pressure of any portion of the TMPL pipeline, file a written request to the Board seeking approval to lift the pressure restriction set out in Paragraph 1 of this Order. The request shall include, but not be limited to the following:
  - a) an engineering assessment(s) demonstrating the pipeline is fit for service at its MOP; and
  - b) evidence that Paragraphs 2 through 4 of this Order have been met.

NATIONAL ENERGY BOARD



*for* Sheri Young  
Secretary of the Board