

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

December 17, 1997

Mr. R. C. Sandahl
Vice President - Operations
Lakehead Pipe Line Company
Lake Superior Place - Suite 400
Duluth, MN 55802

Re: CPF No. 37514

Dear Mr. Sandahl:

As a result of an inspection conducted on July 24-26, 1996, by a representative of the Minnesota Office of Pipeline Safety, acting as an agent for the Central Region, Office of Pipeline Safety (OPS), a Notice of Amendment was issued to you on February 11, 1997, requiring amendment of certain Part 195 procedures. We have received the amended procedures you submitted by your letters dated March 21, 1997. The amended procedures submitted have been reviewed and are acceptable.

This letter is to inform you that no further action is necessary and that this case is being closed. Thank you for your cooperation in this matter.

I would also like to take this opportunity to note that your comments, contained in your letter of March 21, 1997, in regard to the use of non-regulatory options and the significance of the issues addressed in this CPF have been noted. As you are aware, OPS is striving to transition to other forms of operator safety and compliance verification and a critical part of this will involve the format of communicating concerns and problems identified during the inspection process. As this transition progresses, the communications options are also being revised and will reflect the program direction to which you referred.

OPS appreciates the participation of Lakehead Pipe Line Company in the various initiatives related to our transition.

Sincerely,

Ivan A. Huntoon
Director, Central Region
Office of Pipeline Safety