

VIA CERTIFIED MAIL [70072680 0002 5721 4720] and FAX TO: (713) 653-6711

August 10, 2010

Mr. Terry McGill
President
Enbridge Energy Partners, Ltd
1100 Louisiana, Suite 3300
Houston, TX 77002

Re: CPF No. 3-2010-5008H; Pipeline and Hazardous Materials Safety Administration (PHMSA) Notice of Disapproval of Restart Plan Submitted by Enbridge Energy, L.P. (Enbridge) on August 9, 2010

Dear Mr. McGill:

In response to the oil pipeline failure and spill that was reported on July 26, 2010 near Marshall, Michigan, and the Corrective Action Order issued by PHMSA on July 28, 2010, on August 9, 2010 Enbridge submitted a restart plan for Line 6B and requested approval to restart the pipeline.

Having reviewed the plan and found that it does not adequately provide for the safe restart of the pipeline, PHMSA disapproves the plan and denies your request to restart the pipeline. The plan submitted on August 9, 2010 does not contain sufficient technical details or adequate steps to permit a conclusion that no immediate threats are present elsewhere on the line that require repair prior to any restart of the pipeline, even at a further reduced pressure.

PHMSA will not approve any restart plan that does not include excavating and exposing additional pipe and repairing or replacing additional pipe as necessary.

Based on the nature of the failure and the preliminary visual examinations PHMSA made of the failed pipe section on August 6-7, 2010, PHMSA will not approve any restart plan that does not include the following:

1. Additional Anomaly Investigations

- a. Determine, investigate and remediate as necessary, at least four additional anomalies in Line 6B subject to similar operating parameters as the anomaly associated with the pipeline failure. Previous ILI run data must be reviewed and integrated in light of the new information gained from this failure. Also, the

review must include focus on coincidental features from each of the individual ILI runs and features coincidental with the failure location. Defect growth rates, calculated failure pressures, proximity to pump station discharge sections, and environmental conditions (wet/dry transitions) must be considered for identifying excavation locations.

- b. Provide ILI vendor reports and details of all reviews to PHMSA by 5:00 pm (EDT) on August 13, 2010.
- c. Provide information on the anomalies reported at Mile Posts (MP) 710.74 and MP 751.22, including the nature of the defects, failure pressure calculations, and the plans for remediation for PHMSA review.

2. Pressure Test

- a. Perform a hydrostatic test of the following sections of 6B: MP 607 to MP 610, and MP 610 – thru the Kalamazoo River - to MP 620.
- b. Submit a hydrostatic test plan to PHMSA for review, including associated pressures, prior to commencement of any hydrostatic test.

3. Provide Additional Clarifications and Requested Changes

- a. Define what is meant by “unexpected conditions” as defined in item 1. Supplemental Monitoring and “abnormal conditions” as noted in Item 4. Supplemental Patrol of the Right-of-Way
- b. Provide detailed procedures related to how start-up of the pipeline will be achieved,
- c. Provide additional detail on the functions of the designated Line Fill coordinator, such as whether or not this will include manual calculations.
- d. Provide a list of all control room and leak detection model improvements (shift change, use of historical trends to determine unusual pressure signature, column separation alarms and response, other procedures, display modifications, communication plan, maintenance, etc) that have been implemented to enhance leak detection capability.
- e. Specify that all communication outages associated with line 6B will be eliminated before commencing start-up activities.
- f. Explain how discharge pressures at Stockbridge and Howell pumping stations reflect the pressure restrictions required in the Corrective Action Order.
- g. Explain how the representative pressures listed in Table 1 determined.
- h. Provide the results of any independent metallurgical analysis of the failure pipe to PHMSA as soon as results are made known, including all drafts of the report.
- i. Describe how the in-line inspection tool and batch pig currently located in the pipeline will be tracked and how this information will be relayed to the control room.
- j. Require that Shift Leads/Control Center Supervisors shall only be involved if they have had previous experience on the Line 6B operator/controller console.

Submit the revised plan to my office by 5:00 pm (EDT) on August 13, 2010 electronically in Microsoft Word format. Include any supplemental actions Enbridge determines are necessary in additions to the actions described above. I will then review the revised plan. I may direct

Enbridge to make corrections or additional modifications to the plan. PHMSA reserves the right to disapprove, comment, or direct modification of any plan provision upon resubmission. Thank you for your cooperation.

Sincerely,

David Barrett
Director, Central Region, PHMSA

Cc: Shaun G. Kavajecz, Manager, Pipeline Safety Compliance, Enbridge Pipelines
(Lakehead) L.L.C., 119 N 25th Street E, Superior, WI 54880