



File OF-Surv-Inc-2014-33 01
9 December 2015

Mr. Alex Pourbaix
Chief Operating Officer
TransCanada Pipelines Limited
450 1st Street SW
Calgary, AB T2P 5H1
Facsimile 403 920 2410

Dear Mr. Pourbaix:

**NOVA Gas Transmission Ltd. (NGTL)
Amended Order AO-008-SG-N081-001-2014
TransCanada's 10 August 2015 Filings
Requests to Remove Pressure Restrictions**

On 5 March 2014, the National Energy Board (NEB or Board) issued Safety Order SG-N081-001-2014 in response to a recent trend of pipeline releases on the NGTL system. Among other things, the Order required TransCanada to proactively reduce the maximum operating pressure on the unpiggable pipelines previously identified by the company to have the highest societal risk.

In accordance with Amended Order AO-007-SG-N081-001-2014, on 30 October 2015, TransCanada filed a request to remove the pressure restrictions on the Ferrier North Lateral pipeline based upon the accompanying engineering assessment.

The Board has considered NGTL's request and approves the removal of the pressure restrictions imposed on the aforementioned pipeline under the Amended Order AO-007-SG-N081-001-2014. The Board has issued the attached Amended Order AO-008-SG-N081-001-2014 reflecting these approved changes.

In granting its approval to remove the pressure restriction, the Board understands that in early 2016 TransCanada will validate through excavation and feature assessment, the results of a tethered In-Line Inspection (ILI) conducted on 280 meters of pipe. The Board further

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understands that no validation has yet been conducted on any of the dents reported by way of ILI on the entire length of the pipeline. One such dent was reported as having a maximum deflection of 6.2% and, by TransCanada's own assessment process which is still under development, only narrowly met the acceptance criteria set forth in CSA Z662-15, Clause 10.10.4.2. The Board, therefore, directs that TransCanada excavate, assess and remediate, as may be required, the dent identified as having a 6.2 % maximum deflection located at 14,981.4 meters in early 2016 as well. The results of the dent assessment, and any others TransCanada may elect to undertake for validation purposes, shall be reported to the Board.

The Board reminds TransCanada of its Safety Advisory 2010-01 regarding incidents where ILI tools were not reliable in characterizing dent shape, the presence of gouges, stress concentrators or cracks within dents shallower than 6 % of the pipe outside diameter.

Yours truly,

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Sheri Young
Secretary of the Board



ORDER AO-008-SG-N081-001-2014

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

IN THE MATTER OF promoting the safety and security of operation of the TransCanada Alberta system by TransCanada PipeLines Limited (TransCanada), National Energy Board File OF-Surv-Inc-2014-33 01.

BEFORE the Board on 8 December 2015.

WHEREAS the Board issued Safety Order SG-N081-001-2014 (the Order) on 5 March 2014 requiring specific safety and security measures of TransCanada;

AND WHEREAS the Board issued Order AO-001-SG-N081-2014 on 28 March 2014 extending the deadlines for compliance to Conditions 1 and 2 of the Order;

AND WHEREAS the Board issued Order AO-002-SG-N081-2014 on 14 April 2014 to vary the pressure restrictions specified by the Board due to impacts to shippers and end users;

AND WHEREAS the Board issued Order AO-003-SG-N081-2014 on 15 August 2014 to vary the Schedule A by transferring the Donalda Lateral from Schedule A to Schedule B and permitting TransCanada to directly examine the Unity Lateral;

AND WHEREAS the Board issued Order AO-004-SG-N081-2015 on 4 June 2015 to vary the Schedule A by removing the Suffield South Lateral;

AND WHEREAS the Board issued Order AO-005-SG-N081-2015 on 16 July 2015 to vary Schedule B by removing the Bassano South Lateral;

AND WHEREAS the Board issued Order AO-006-SG-N081-2015 on 28 August 2015 to vary Schedule B by removing the Minnehik Buck Lake Lateral Loop;

AND WHEREAS the Board issued AO-007-SG-N081-2015 on 30 October to vary Schedule A by removing the Unity Lateral, and Schedule B by removing the Robb Lateral, Cutbank River Lateral and Quirk Creel Lateral;

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

1. The Ferrier North Lateral is removed from Schedule C.

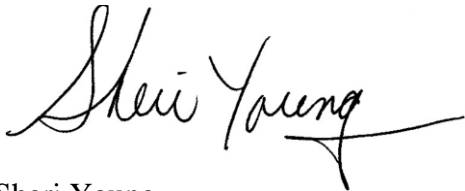
As hereby amended, the consolidated conditions and Schedules of the Order now read as follows:

Subject to the conditions of the Order, the maximum operating pressure of the seventeen (17) unpiggable NGTL pipelines that TransCanada has calculated to have the highest societal risk shall be maintained at or below the pressures listed in Schedules B, C and D.

2. [Complied – AO-002-SG-N081-001-2014]
3. NGTL shall advise the Board of pipelines, if any, for which natural gas supply diminishment resulting from the pressure reductions, as listed in the Schedules, are anticipated to result in a significant impact to public safety.
4. For each pipeline listed in Schedule A:
 - a. [Complied – AO-007-SG-N081-001-2014]
 - b. [Complied – AO-007-SG-N081-001-2014]
 - c. [Complied – AO-007-SG-N081-001-2014]
 - d. [Complied – AO-002-SG-N081-001-2014]
 - e. [Complied – AO-002-SG-N081-001-2014]
 - f. [Complied – AO-007-SG-N081-001-2014]
5. For each pipeline listed in Schedule B:
 - a. TransCanada shall conduct the appropriate in-line inspection (ILI) for the susceptible hazard(s), subsequent correlation excavations to validate the ILI and as a result of the ILI results any applicable mitigation of the hazard(s) before 1 September 2015.
 - b. If TransCanada is unable to complete the requirements outlined in Condition 4a above, then TransCanada shall conduct a hydrotest as per CSA Z662-11 Clause 8 and Table 8.1 before 1 September 2015.

- c. TransCanada shall provide the Board an Engineering Assessment which is in compliance with CSA Z662 requirements, that demonstrates the line is fit for continued service by 1 September 2015. The Engineering Assessment shall be signed by TransCanada's Accountable Officer.
 - d. In the interim, to provide assurance of the safety of the pipeline, TransCanada shall, only for the portions of the pipeline with the high societal risk, conduct Direct Assessments for the applicable hazard(s) in compliance with the appropriate NACE DA SP for the relevant hazard(s) before 31 December 2014. This condition includes conducting the above ground assessments and correlation excavations outlined in the relevant NACE DA SP.
 - e. TransCanada shall provide the Board a letter, signed by TransCanada's Accountable Officer, by 31 December 2014 confirming that the DA has been completed in compliance with the NACE DA SP for the relevant hazard(s) and that an Engineering Assessment has been completed demonstrating that the pipeline is fit for purpose up to the 1 September 2015 deadline.
 - f. Until Condition 5c is satisfied, TransCanada shall conduct appropriate leak detection on the entire pipeline monthly to verify that there are no leaks.
6. The pressure restrictions shall remain in place until a plan and program to assess the integrity of the subject lines is approved by the Board and implemented by TransCanada.
7. TransCanada shall comply with all of the conditions of this Order unless the Board otherwise directs.

NATIONAL ENERGY BOARD

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Sheri Young
Secretary of the Board

Schedule A

[Complied – AO-007-SG-N081-001-2014]

Schedule B – Pressure Reduction of 5% or 10% below 90 Day High Pressure (as Specified)

Line Number	Facility	Licensed MAOP	90 Day High Pressure ending March 4 2014	Reduced MAOP
1	Wildcat Hills Lateral	6516	5700	5415
2	Sylvan Lake Lateral	6517	5967	5669
3	Nevis Lateral	7068	6155	5847
4	Crossfield Lateral Loop	6517	5478	5204
5	Crossfield Lateral	6516	5478	5204
6	Donalda Lateral	8380	6251	5625

Schedule C – Pressure Reduction of 20% below 90 Day High Pressure

Line Number	Facility	Licensed MAOP	90 Day High Pressure ending March 4 2014	Reduced MAOP
1	Eastern Alberta System Mainline Empress to Princess Loop 3	5695	4634	3707
2	Waterton Lateral	6516	6266	5013
3	Waterton Interchange Lateral	7446	5323	4258
4	Ricinus Lateral	7448	6000	4800
5	East Lateral Loop	6280	4806	3845
6	Alderson Lateral	6737	6220	4976
7	Atmore Lateral	8462	7326	5861
8	September Lake Lateral	8455	7548	6038
9	North Lateral Extension Stage 1 Brooks	8450	5690	4552

Schedule D – No additional Pressure Restriction Required

Line Number	Facility	Licensed MAOP	90 Day High Pressure ending March 4 2014	Reduced MAOP
1	Kaybob South Lateral	6248	nil	Not applicable; line is currently out of service pending repair and submission of EA per Order
2	Carstairs Lateral Sales	6206	690	Not applicable; line is operated at low pressure