

National Energy  
Board



Office national  
de l'énergie

File OF-Surv-Fins-T241 04  
15 October 2012

Mr. Declan Russell  
TransCanada PipeLines Limited  
450 – 1<sup>st</sup> Street S.W.  
Calgary, AB T2P 5H1  
Facsimile 403-920-2347

Dear Mr. Russell:

**TransCanada PipeLines Limited (TransCanada) on behalf of TransCanada  
Keystone Pipeline GP Limited (Keystone) Request for variance of National Energy  
Board Order SO-T241-002-2012 and Submission of a Corrective Action Plan**

On 17 September 2012, TransCanada, on behalf of Keystone, submitted a corrective action plan to install, at all the Keystone pump stations under the National Energy Board's jurisdiction, an alternate source of power capable of operating the station's emergency shut-down system. TransCanada also applied to vary the Order SO-T241-002-2012 by changing the 17 September 2013 completion date to 31 March 2014. For the reasons mentioned in its submission, TransCanada explained that the work required to fully implement the corrective actions is not achievable by 17 September 2013.

The Board has considered TransCanada's application and has decided to accept TransCanada's corrective action plan and to vary the Order SO-T241-002-2012 by directing TransCanada to ensure that the corrective actions are fully implemented by 31 March 2014. The Board finds that the scope of work and the staged approach for the implementation of the corrective actions justify the extension to the 31 March 2014. Attached is the Amending Order AO-001-SO-T241-002-2012.

If you have any questions concerning this matter, please contact [REDACTED], Engineer, Integrity Management - Oil Team, at [REDACTED].

Yours truly,

A handwritten signature in cursive script that reads "Sheri Young".

Sheri Young  
Secretary of the Board

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**ORDER AO-001-SO-T241-002-2012**

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

**IN THE MATTER OF** an application for a variance pursuant to section 21 of the Act, dated 29 August 2012, by TransCanada PipeLines Limited (TransCanada) on behalf of TransCanada Keystone Pipeline GP Limited (Keystone) filed with the National Energy Board under File OF-Surv-Fins-T241 04.

**BEFORE** the Board on 15 October 2012.

**WHEREAS** the Board issued Order SO-T241-002-2012 dated 16 August 2012 requiring TransCanada to submit a corrective action plan to address a non-compliance with subsection 12(a) of the *Onshore Pipeline Regulations, 1999*;

**WHEREAS** TransCanada filed an application dated 29 August 2012, pursuant to section 21 of the Act, to vary a timing requirement associated with Condition 1 of Order SO-T241-002-2012;

**AND WHEREAS** the Board denied the application on 7 September 2012 but indicated that it would consider the variance once TransCanada had filed its corrective action plan and provided justifications for changing the corrective action plan's completion date;

**AND WHEREAS** on 17 September 2012 TransCanada provided its corrective action plan and the complete justification for extending the corrective action plan completion date from 17 September 2013 to 31 March 2014;

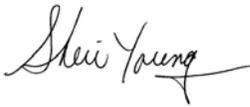
**IT IS ORDERED** pursuant to section 21 of the Act, that Condition 1 of Order SO-T241-002-2012 is revoked and replaced by the following conditions:

1. By 17 September 2012, TransCanada shall submit to the Board a corrective action plan to install, at all of the Keystone pump stations under the Board's jurisdiction, an alternate source of power capable of operating the station's emergency shut-down system. This includes being capable of providing a means to block the liquids out of the stations as per CSA Z662-11 clause 4.14.3.3. The corrective action plan shall provide the locations, timelines and details of the work to be completed.

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2. The corrective action plan submitted by TransCanada on 17 September 2012 shall be fully implemented by 31 March 2014.
3. TransCanada shall provide to the Board detailed updates at the completion of each stage identified in its corrective action plan.

NATIONAL ENERGY BOARD

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Sheri Young  
Secretary of the Board