

November 2, 2011

VIA EMAIL

Energy Resources Conservation Board
Field Surveillance and Operations Branch
Emergency Management Group
Suite 1000, 250 – 5 Street SW
Calgary, AB T2P 0R4

Attention: Mr. Brian Temple

**Re: Follow-up on Incident Investigation: Pipeline Failure
Pembina Pipeline Corporation (BA Code 0205)
Incident Location: 11-07-067-09-W5M
License No. 2349, Line 10, Segment ID 6072
FIS Incident No.: 20111497**

On October 19, 2011, Pembina Pipeline Corporation ("Pembina") provided a report and submitted a report in response the Energy Resource Conservation Board (the "ERCB") request for information related to the above-referenced pipeline failure.

As per our conversation on October 28, 2011, Pembina has made some decisions related to the back to service plan for this pipeline.

This letter outlines the changes and the rationale for the changes.

Update to Action Plan

In the October 19, 2011 letter, Pembina provided the information in the following table related to the back to service plan:

Segment	To (coordinates)	From (coordinates)	Note
1	Moosehorn Junction (31-202)	2-23 Crossover (42+487.6)	To be reactivated
2	2-23 Crossover (42+487.6)	3-32 Tie-In (50+648.4)	To be abandoned
3	3-32 Tie-In (50+648.4)	Swan Hills Terminal	Reactivated on August 19, 2011 with ERCB approval.

Pembina has decided to replace Segment 1 of this pipeline with a new 8-inch pipeline. The new pipeline will tie into an existing 10-inch pipeline at the Crossover. The existing 8-inch pipeline will likely be abandoned in place.

**Pembina Pipeline Corporation
2000, 700 9th Ave SW
Calgary, AB T2P 3V4**

During the execution of the back to service action plan presented in the October 19, 2011 report, Pembina became concerned about the scheduling of the ultrasonic crack detection tool run and the timing to deliver the final report. Since this pipeline is important to those companies shipping on the system, Pembina decided to replace the pipeline segment to facilitate an Q1 2012 construction completion. As such, Pembina has already started the appropriate engineering and regulatory notification work to facilitate the construction timeline.

Conclusion

We kindly ask if you will pass this new information onto the investigation team. If you require further information on the change in action plan, please contact me directly at (403) 691-7647.

Sincerely,

Pembina Pipeline Corporation

A handwritten signature in cursive script that reads "Laura Hunt".

~~For~~: Glen Pullishy
Senior Manager, Operations
Conventional Pipelines Business Unit