



July 29, 2010

Ms. Dana L. Register
Pipeline and Hazardous Materials Safety Administration
US Department of Transportation
1200 New Jersey Avenue, SE
East Building, E24, 447
Washington, DC 20590

Re: Withdrawal of Petition for Change to Special Permit Conditions

Dear Ms. Register,

TransCanada Pipelines Limited, operator of the PNGIS Pipeline ("TransCanada", "TCPL-PNGIS", "TCPL", "PNGIS"), would like to rescind a petition submitted to the U.S. Department of Transportation, Pipeline and Hazardous Materials Safety Administration (PHMSA) for a change to a special permit concerning compliance with the requirement of 49 CFR 192.611(a). This section requires confirmation or revision of the maximum allowable operating pressure (MAOP) concerning sections of pipeline encountering changes in class location. TransCanada previously submitted a proposal to replace some of the special permit conditions outlined on the PNGIS special permit granted to TransCanada on December 17, 2007 (Docket No. PHMSA-2006-24058) with alternative standard conditions that are more consistent with current practices. TransCanada would like to withdraw this proposal.

This approach is in accordance with the criteria established by PHMSA, and published in the Federal register on June 29, 2004, as Development of Class Location change Waiver Criteria, in Docket No. RSPA-04-17401 (Notice).

Background

In April 2005, TCPL-PNGIS requested a waiver from compliance with 49 CFR 192.611.

The special permit area is divided into two segments. The first segment is between Station 6910+19 ft in Cumberland County, Maine (*Milepost 130.87*) and Station 6957+85 ft in Cumberland County, Maine (*Milepost 131.78*). The second segment is between Station 6980+10 ft in Cumberland County, Maine (*Milepost 132.20*) and Station 7009+23 ft in Cumberland County, Maine (*Milepost 132.75*). In total, the special permit area is 7,679 ft long.

The special permit inspection area is the segment between Station 5590+19 ft at the Oxford County, Maine (*Milepost 105.87*) and Station 7594+67 ft at the end of line in Cumberland County, Maine (*Milepost 143.84*). The inspection area is 37.97 miles long.

On December 17, 2007, ICPL-PNGIS's request was granted provided adherence to several conditions set forth by PHMSA, in addition to the conditions proposed by ICPL-PNGIS in the special permit.

On June 9, 2010, ICPL-PNGIS requested a change to the following conditions proposed in the special permit petition:

- a. To perform a Direct Current Voltage Gradient (DCVG) survey on both special permit segments and 1000 feet upstream and downstream of the special permit segments.
- b. To perform weekly aerial patrols and quarterly ground road crossing patrols, including leakage surveys, using leak detection equipment in the proposed special permit segments.

Subsequent to this submittal, PHMSA clarified that since these conditions were volunteered by ICPL-PNGIS and not mandated by PHMSA, regulatory authorization is not required if these conditions require alternation. Therefore, TransCanada wishes to withdraw the initial request for the change to special permit conditions for the permit granted December 17, 2007 (Docket No PHMSA-2006-24058). ICPL-PNGIS will inform PHMSA of any modifications to the special permit conditions in the future.

Should you require any additional information or if you have any specific questions, please contact Mr. Trent van Egmond at 403-920-5893 or trent_van_egmond@transcanada.com.

Yours truly,



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