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LPG SERVICES, L.P.

June 15, 2012

Douglas Kramer  
Deputy Director  
Office of Americas and Asia  
U.S. Department of State  
Room ENR/EDP/AWH  
Washington, DC 20520

Re: Issuance of New Presidential Permits for International Crossing by Pipelines  
Name Change: St. Clair Pipelines  
(Our File No. L8404)

Dear Mr. Kramer:

Plains LPG Services, L.P. ("Plains LPG"), a Texas limited partnership, hereby submits this application ("Application") for Presidential Permits to operate and maintain six recently acquired border-crossing pipelines formerly owned by Dome Petroleum Corp. ("St. Clair Pipelines"). The St. Clair Pipelines cross from the City of Sarnia in Canada into the United States underneath the St. Clair River, terminating in Marysville, Michigan, at a property commonly known as Tax Parcel No. 74-03-032-2002-000 and underneath the adjacent River Road. The St. Clair Pipelines are authorized to transport liquefied hydrocarbons.

On May 14, 2010, Dome Petroleum Corp. submitted an application requesting issuance of new Presidential Permits for the St. Clair Pipelines in the name of Dome Petroleum Corp. ("Dome Application").<sup>1</sup> As explained in the Dome Application, Dome Petroleum Corp. had acquired the St. Clair Pipelines from Dome Pipeline Corporation following the March 15, 2007, sale of Dome Pipeline Corporation to affiliates of Kinder Morgan Energy Partners LP.

While the Dome Application was pending before the U.S. Department of State and before new Presidential Permits were issued, Plains LPG acquired the St. Clair Pipelines following the indirect acquisition of Dome Petroleum LLC (formerly known as Dome Petroleum Corp.) by

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<sup>1</sup>As indicated in the Dome Application, the May 14, 2010, application was an amended application submitted to replace an original application submitted to the U.S. Department of State on December 7, 2009. The Dome Application is attached hereto.

Plains LPG's affiliate, Plains Midstream Canada ULC ("Plains Midstream"). Specifically, Plains Midstream acquired BP Canada Energy Corporation, which owned Dome Petroleum LLC. Immediately following the acquisition by Plains Midstream, Dome Petroleum LLC became Plains Midstream Superior LLC, a Texas limited liability company, which subsequently merged with Plains LPG. This acquisition and merger resulted in the allocation and transfer of the St. Clair Pipelines to Plains LPG.

Plains LPG respectfully requests that this Application supersede the May 14, 2010, Dome Application and that the U.S. Department of State issue to Plains LPG new Presidential Permits reflecting ownership of the St. Clair Pipelines by Plains LPG Services, L.P. and authorizing Plains LPG to operate and maintain the St. Clair Pipelines consistent with the terms of the currently effective permits. The two sets of existing authorizations for the St. Clair Pipelines are described below.

#### Existing Permit No. 88253/18 — Two Pipelines

Plains LPG understands that the first two of the St. Clair Pipelines were constructed under Permit No. 88253/18, issued to The Imperial Pipe Line Company, Ltd. by the U.S. Secretary of War on June 8, 1918, and approved by President Woodrow Wilson on June 10, 1918. The Imperial Pipe Line Company, Ltd. assigned its rights to Transit and Storage Company on December 28, 1936, and the transfer was acknowledged by the U.S. Department of State on March 19, 1937. Transit and Storage Company was subsequently acquired by Buckeye Pipe Line Company ("Buckeye") in 1953, and Buckeye sold the two pipelines to Dome Pipeline Corporation on June 28, 1971, after receiving a June 1, 1971, letter from the U.S. Department of State acknowledging, and not objecting to, the sale and purchase of the two pipelines.

This Permit No. 88253/18 authorized construction of the pipelines for the purpose of transporting crude oil. The pipelines currently are not transporting liquefied hydrocarbons but are held in reserve to be used in the event of an increase in demand or as backup to the active pipelines discussed further below. The two pipelines have not been abandoned, but are maintained under pressure with an inert gas and protected against corrosion with cathodic protection. As requested in the Dome Application, Plains LPG requests issuance of a Presidential Permit to allow these two pipelines to be used to transport liquefied hydrocarbons consistent with the terms of the original authorization.

#### Existing Permit No. 73-12-19 — Four Pipelines

The remaining four of the St. Clair Pipelines were constructed under Permit No. 73-12-19 issued to Dome Pipeline Corporation by the U.S. Army Corps of Engineers on October 16, 1973. All four pipelines were constructed prior to the December 31, 1976, deadline set forth in Permit No. 73-12-19. Only two of these pipelines currently actively transport liquefied hydrocarbons

however. The remaining two pipelines are maintained under pressure with an inert gas and protected against corrosion with cathodic protection. While only two of these four pipelines currently are in service, Plains LPG requests issuance of a Presidential Permit to allow all four of the pipelines to be used to transport liquefied hydrocarbons consistent with the terms of the original authorization.

#### Request for New Presidential Permits Issued to Plains LPG

Pursuant to the U.S. Department of State's procedures set forth in Public Notice 5092,<sup>2</sup> issued on May 31, 2005, Plains LPG respectfully requests issuance of two new Presidential Permits covering the six border-crossing pipelines detailed above and further outlined in the Dome Application attached hereto. As set forth in Public Notice 5092, transferee entities are required to submit applications for new permits which contain "information explaining the nature of the entity, its ownership, its place of incorporation or organization, information concerning its acquisition of [the] relevant facility, bridge or border crossing from the prior permit holder and any other relevant information concerning its operation of the facility, bridge or border crossing." Furthermore, if the transferee commits to abiding by the relevant terms and conditions of the previously issued permits and further indicates that the operations of the relevant facility "will remain essentially unchanged from that previously permitted," then Public Notice 5092 states that, pursuant to 22 C.F.R. 161.7(b)(3), the Department of State "does not intend to conduct an environmental review of the application under its regulations implementing the National Environmental Policy Act" unless "information is brought to its attention in connection with the application process that the transfer potentially would have a significant impact on the quality of the human environment."

Pursuant to the requirements of Public Notice 5092, Plains LPG provides the following information:

1. Plains LPG, which recently acquired the St. Clair Pipelines as described in detail above, is a Texas limited partnership with its principal place of business at 333 Clay Street, Suite 1600, Houston, Texas, 77002. Plains LPG is a subsidiary of Plains All American Pipeline, L.P. ("Plains"), a publicly traded master limited partnership organized under the laws of the State of Delaware and headquartered in Houston, Texas. Plains is engaged in the transportation, storage, terminalling and marketing of crude oil, refined products, and liquefied petroleum gas and other natural gas-related petroleum products.

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<sup>2</sup> Procedures for Issuance of a Presidential Permit Where There Has Been a Transfer of the Underlying Facility, Bridge or Border Crossing for Land Transportation, 70 Fed. Reg. 30990 (May 31, 2005) ("Public Notice 5092").

2. Plains LPG has assessed the past and current operation of the St. Clair Pipelines and hereby states that there have been no substantial changes in the operations of the pipelines from those conducted under the original authorizations. Operations of the St. Clair Pipelines by Plains LPG will remain essentially unchanged from the operations previously permitted. While four of the pipelines are currently maintained as reserve pipelines to the two active pipelines, each of the St. Clair Pipelines currently is authorized to be used to transport liquefied hydrocarbons and Plains LPG seeks to continue such authorization.

Plains plans to operate all six pipelines in the same manner as the previous owner: Two pipelines will actively transport liquefied hydrocarbons while four pipelines will be held in reserve to be used in the event of an increase in demand or unavailability of the remaining pipelines. Nevertheless, in order for these pipelines to be able to serve the purpose for which they were originally permitted and to have the requisite authorization to call the pipelines out of reserve if necessary, Plains requests issuance of Presidential Permits authorizing each of the six pipelines to transport liquefied hydrocarbons across the United States-Canada border.

3. Plains LPG will abide by the relevant terms and conditions of the previously issued permits and, as explained above, Plains LPG's operation of the St. Clair Pipelines will remain essentially unchanged from that previously permitted.
4. To the best of Plains LPG's knowledge, none of the St. Clair Pipelines has any previous history of environmental problems. The two currently operational pipelines, the Kalkaska and LPG pipelines, were last inspected in 2007 and 2009, respectively. These reviews did not reveal any mechanical integrity concerns, and another inspection of the Kalkaska pipeline is scheduled for this year. The remaining four pipelines will be inspected prior to commencing operations on the pipelines, in order to identify and address any environmental or safety concerns. In addition, Plains has an internal review process in which it examines the condition and operating history of its pipelines and gathering assets to determine if any of such assets warrant additional investment or replacement. Plains LPG will follow this review process for the recently acquired St. Clair Pipelines.

Furthermore, as required by the United States Department of Transportation ("DOT"), Plains LPG has in place an integrity management program that includes frequent inspections of pipelines, correction of identified anomalies, and other measures to ensure pipeline safety in "high consequence areas," such as high population areas, areas unusually sensitive to environmental damage, and commercially navigable waterways. Plains LPG is committed to operating and maintaining the St. Clair Pipelines consistent with the requirements of the DOT's Pipeline and Hazardous Materials Safety

Administration, as well as Plains LPG's internal monitoring program and other applicable statutes and regulations.

Having provided the information above in accordance with the procedure set forth in Public Notice 5092, Plains LPG hereby requests that new Presidential Permits be issued reflecting ownership of the St. Clair Pipelines by Plains LPG Services, L.P. and authorizing Plains LPG to operate and maintain the St. Clair Pipelines to transport liquefied hydrocarbons between the United States and Canada. If you have any questions regarding this Application, please feel free to contact me at (713) 646-4143.

Respectfully submitted,

Lawrence Dreyfuss  
Vice President,  
General Counsel and Secretary

Attachment

US 1359338v.7

May 14, 2010, Presidential Permit Application  
(with attachments)

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May 14,2010

Via Scanned Email and Certified Mail

.T. Brian Duggan  
Energy Officer  
Bureau of Economic, Energy, and Business Affairs  
U.S. Department of State  
2201 C Street, NW  
Rm 4843  
Washington, DC 20520

Re: Issuance of New Presidential Permit(s) For International Crossing by Pipelines

Mr. Duggan:

Dome Petroleum Corp., a North Dakota corporation ("Dome Petroleum"), files this Amended Application for a Presidential Permit for the operation and maintenance of six (6) cross-border pipelines they recently acquired from Dome Pipeline Corporation ("Dome Pipeline"). The pipelines cross from the City of Sarnia in Canada to the United States underneath the St. Clair River, terminating on the American shore in the City of Marysville, Michigan at a property commonly known as Tax Parcel No. 74-03-032-2002-000, and also underneath the adjacent River Road. These pipelines carry, or are permitted to carry, liquified hydrocarbons, under pressure. This Amended Application is submitted in replacement for the original application submitted on December 7, 2009.

On March 15, 2007 Dome Pipeline Corporation was sold to Kinder Morgan Energy Partners LP, a master limited partnership with its principal office in Houston, Texas, by Dome Petroleum Corp., the former parent corporation of Dome Pipeline Corporation. The sale was a stock sale, with the provision that some of the assets held by Dome Pipeline Corporation were to be transferred back to its former parent Dome Petroleum Corp. Under the terms of the sale, the ownership of the pipelines which are the subject of this Application, and any related permits, easements, licenses and leases, were included in the assets to be transferred back to Dome Petroleum Corp.

Because of the transfer of ownership of the pipelines, and related real properties, leases, licenses, easements and permits, Dome Petroleum now seeks to have new Permits issued in its name to reflect the transfer of ownership of the pipelines and permission to operate, maintain and repair these pipelines underneath the St. Clair River.

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#### Existing Permit No. 88253/18 - Two Pipelines

Permit No. 88253/18, for the original two pipelines, allowing these pipelines to cross the international border, was originally issued to The Imperial Pipe Line Company by the US Secretary of War on June 8, 1918, subject to the approval of the president. (Attachment A). Approval was given by President Woodrow Wilson on June 10, 1918. (Attachment B). The Imperial Pipeline Company assigned its pipeline permit rights to Transit and Storage Company on December 28, 1936 (See Attachment C, letter of June 30, 1971, paragraph 2). This transfer was acknowledged by the Department of State in a letter dated March 19, 1937. Transit and Storage Company was acquired by Buckeye Pipe Line Company in 1953 (Attachment C).

Buckeye Pipe Line sold these pipelines to Dome Pipeline Corporation on June 28, 1971. (Attachment D). The sale took place after receiving a letter from the US Department of State on June 1, 1971, acknowledging and not objecting to the sale/purchase of the two pipelines. (Attachment E).

The existing permit allows these pipelines to transport liquified hydrocarbons under pressure. However, currently the pipelines are not actively carrying product, but rather are being held in reserve to be used in the event of an increase in demand or as backup to the active pipelines operated under Permit 73-12-19 (see below). The pipelines are not abandoned. They are maintained under pressure with an inert gas, and continue to receive cathodic protection to protect against corrosion. The new permit being sought through this application would allow the pipelines to be used in accordance with the same terms as the original permit, even though temporarily they do not actively transport liquified hydrocarbons.

#### Existing Permit No. 73-12-19 - Four Pipelines

On October 16, 1973 Dome Pipeline Corporation received Permit No. 73-12-19 from the U.S. Army Corps of Engineers authorizing construction and international crossing privileges for four (4) additional pipelines to carry liquified hydrocarbons. (Attachment F). All four (4) pipelines were constructed prior to the December 31, 1976 deadline set forth in Permit 73-12-19. However, only two of these pipelines currently actively transport liquified hydrocarbons under pressure. The remaining two pipelines are being held in reserve to be used in the event of an increase in demand or alternate method of transporting product is required. The pipelines are not abandoned. They are maintained under pressure with an inert gas, and continue to receive cathodic protection to protect against corrosion. A new permit is being sought that would allow all four (4) pipelines to be used in accordance with the same terms as the original permit, even though only two (2) of them are currently in service.

#### Issuance of New Permits to Dome Petroleum

According to the Federal Register notice issued on May 31, 2005, transferee entities are

required to submit applications for new permits which contain "information explaining the nature of the entity, its ownership, its place of incorporation or organization, information concerning its acquisition of relevant facility, bridge or border crossing from the prior permit holder and any other relevant information concerning its operation of the facility, bridge or border crossing." (70 Fed. Reg. 30990). In addition, the notice provides that if the "transferee commits to abiding by the relevant terms and conditions of the previously-issued permit and further indicates that the operations of the relevant facility, bridge or border crossing will remain essentially unchanged from that previously permitted, the Department of State, pursuant to 22 CFR 161 .7(b)(3), does not intend to conduct an environmental review of the application under its regulations implementing the National Environmental Policy Act, 22 CFR part 161, unless information is brought to its attention in connection with the application process that the transfer potentially would have a significant impact on the quality of the human environment."

Pursuant to the requirements set forth in the Federal Register, Dome Petroleum Corp. provides the following information:

- (1) Dome Petroleum Corp. is a North Dakota corporation with its Michigan registered office at 30600 Telegraph Road, Bingham Farms, Michigan 48025, and its principal offices at 240n 4th Avenue S.W.Calgary, Alberta CANADA T2P 2H8. It is engaged in the interstate, intrastate and international transportation of liquified hydrocarbon and petroleum based products by pipeline.
- (2) Dome Petroleum Corp. has assessed past, current and anticipated future operation of the pipelines referenced above and concluded that there have been no substantial changes in the operations of the pipelines from those performed by Dome Pipeline pursuant to Permit Nos. 88253/18 and 73-12-19, issued on June 8, 1918 and. October 16, 1973, respectively. The pipelines previously carried liquified petroleum hydrocarbons under pressure. The anticipated future use of the pipelines will be unchanged from this prior use. Liquified hydrocarbons will be transported of substantially the same character and amount, under substantially the same pressures. Currently, two (2) of the six (6) pipelines are being used in this substantially similar manner. However, four (4) of the pipelines remain active even though they are not currently carrying any hydrocarbon product, and are being maintained under pressure and have cathodic protection to prevent corrosion. In order for the pipelines which are not actively transporting product to serve their intended purpose of back-up to the two product-carrying pipelines, or to provide additional capacity as needed, it is necessary to obtain new permits substantially similar to the original permits authorizing the transport of liquified hydrocarbons under pressure. Because this Application only seeks permits under the same terms as those of the original permits, the impact on the environment by the future operations of the pipelines will remain essentially unchanged, and will not be expanded beyond the scope of the original permits. This will prevent any change in the impact on the environment going

forward. In addition, no construction is planned in connection with the transfer of ownership of the pipelines, nor does Dome Petroleum have current plans for any construction involving the pipeline crossings. Future operations of the pipelines will remain essentially unchanged and are not expected to have any environmental impact. While there are no anticipated changes for the operation of these lines at this time, Dome expects that any future need would be addressed in accordance with all applicable legislation.

- (3) Dome Petroleum Corp. will abide by the terms and conditions of the Permits previously issued or assigned to Dome Pipeline Corporation and its predecessors, and the operations of the pipelines will remain essentially unchanged from that which was authorized by the previously-issued Permits.
- (4) None of the pipelines has any previous history of environmental problems. The inspection and maintenance programs covering these pipeline crossings have prevented any environmental incidents in the past and are intended to prevent any such problems in the future. These pipelines are subject to the rules and regulations of the US Department of Transportation (DOT), Pipeline and Hazardous Materials Safety Administration (PHMSA). We are, to the best of our knowledge as of the date of this letter, in substantive compliance with the DOT PHMSA's hazardous liquid pipeline safety regulations stated in 49 CFR Part 195, as amended. Further, the mechanical integrity of the pipelines is managed in accordance with Dome Petroleum's company integrity management programs for the respective pipelines. These programs involve regular internal inspections of the pipelines in addition to other regularly scheduled activities and the programs specify actions to be taken if any problems are discovered during inspection. These management systems have been reviewed with PHMSA and allowed as acceptable methods of maintaining the integrity of a pipeline system.

The two pipelines with crossings that are currently being utilized are commonly referred to as the 8" LPG, and the 8" Kalkaska pipelines. The last internal inspection of the 8" LPG pipeline occurred in 2009, and the 8" Kalkaska pipeline was last inspected in 2007. Neither inspection identified any mechanical integrity concerns. The analysis of the results of the inspections suggest that the 8" Kalkaska pipeline and its related crossing of the international border is not required to be re-inspected before 2012 (which is the reinspection date required by governmental regulation). The reinspection date for the 8" LPG pipeline will be determined by the (still underway) assessment of the inspection data, but no significant integrity issues were identified as a result of the investigation. Because these inspections were part of an overall integrity program, there are no direct reports available for these prior pipeline inspections. However, the very fact that no reports were generated or corrective actions were required is itself indirect evidence that there are no problems regarding

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these pipeline crossings which might raise environmental concerns. The four pipelines which are not actively transporting product are kept under pressure with inert nitrogen gas, and have electric cathodic protection to prevent corrosion. As a result of being out of service, internal inspection of these pipelines is not required under Dome Petroleum's integrity management program, and these inspections have not been undertaken. Integrity verification would be performed before transportation of any product within these pipelines was commenced, in accordance with Department of Transportation requirements.

Having provided the information above in accordance with the procedure set forth in 70 Fed. Reg. 30990, Dome Petroleum Corp. hereby requests that new Presidential Permits be issued authorizing the six (6) pipelines to traverse underneath the St. Clair River, and authorizing Dome Petroleum to operate, maintain and repair these pipelines.

If you have any questions, please feel free to contact me at the address and telephone number provided above.

Very truly yours,  
SIMON, GALASSO & FRANTZ, PLC

Kenneth G. Frantz

Enclosures