From:	David Taylor
Sent:	Monday, June 27, 2011 3:40 PM
То:	Evan Vokes
Cc:	Robert Lazor
Subject:	RE: concrete proof for your meetings as per the NDE 5 Fabrication document.

Evan,

A couple of points I would like to make!!

- 1. You are on vacation! Please shut the computer and your phone off and take your vacation!!! I am stopping the practice of making up for vacation time worked while on vacation. The only exception will be if I pre approve the work.
- 2. Please stop the investigation you seem to be doing on your own. I requested you finish off the engineering assessment and validate it with Robert before you send it to me last week. Since this was not done and appears won't be completed until sometime in late July, it will be too late to be of any use.
- 3. Your second sentence does not help the position you have taken on this issue. "I can't definitely answer the question but **I know we are in violation**" is not supported by facts, therefore it adds no value to the argument. This discussion has been going on for over a month, you need to accept where we are and become aligned with where we are going as a company.
- 4. There have been many meetings with the project department regarding this and there is a path forward which is progressing and will be implemented before you return in July.

I do by the way disagree with your approach on the auditing, but we can discuss when you return from your vacation.

I appreciate your concerns and your commitment.

Thank you

Dave

From: Evan Vokes
Sent: Monday, June 27, 2011 8:30 AM
To: David Taylor
Cc: Robert Lazor
Subject: concrete proof for your meetings as per the NDE 5 Fabrication document.

I never had time to finish this up last week but there was a lot of internet searching for homework but! finally managed to learn basics of how to search the NEB website.

I collected as much as I could on section 54 but I cant definitively answer the question beyond I know we are in violation of anything that we weld under the authority of Z662 ie B31.3

The parts that stand out from the board letters are the rejection of construction contractor NDE audit application and the rejection of the 15% NDE audit procedure so it stands that the audit procedure is suitable for satisfaction of section 53 audit requirements exclusive.

It turns out that the Ekwan purchase that Encana built was one of the few pipelines that had the same section 54 problem. The attachment shows the proposal that Encana made to the board but does not show the acceptance therefore we don't know the percentage. I have searched for this the last two nights to no avail.

The direction the board has pointed us is to hire the NDE for Z662 activities regardless of how uncomfortable it is. This is the correct no risk response.

Having fittings coated is not the best situation but at this point in time it is practicable to sandblast and reshoot with our own contractor to comply with the specification but it is an economic penalty.

If we hire the NDE we have these companies available as professional service providers suitable for fabrication

Acuren TEAM RTD

I still do not agree with the audit approach but if we are going to audit and have it fly with the board, I cant see how we could utilize non CGSB technicians as competence is the question that will be asked. We have more certainty if we hire CGSB to audit 100% till we rectify this question. As part of an audit process I would anticipate that we can only ask for a reevaluation at this point and we should not absorb any risk on questionable welds. The big problem I have with the audit is the continual absence of support for construction contractor NDE hired under Z662.

Who is available for audit?
In my mind, it would be a company out of our database.
Acuren
DM Professionals
TEAM
RTD
NDE Engineering
UT Quality
Eclipse scientific
I worry about using Dave H for this as we have a lot of other work that should be our priority.
I talked briefly to Dave M at James" wedding and he can give details of the Ekwan audit

See you in a couple of weeks