

June 17, 2008

To: Peter Hecht, TransCanada Senior HSE Advisor
Darcy Kundert, TransCanada Safety Manager

At the request of Lindsey Chase at ISN, I am writing this letter to communicate to you, from the perspective of a pipeline contractor, my opinion regarding the usefulness of the various functions contained within the realm of ISNetworld. I am the Safety Director of Jomax Construction Co. Inc. and have been associated with ISN since early 2002 prior to the implementation of the Operator Qualification regulation by the US Department of Transportation.

As a new Owner/Operator member of ISNetworld I'm sure you are aware of the history of the company and how it has adapted and expanded over the years to meet the needs of the industry. From its origin as the storage point for the OQ qualifications administered by a single OQ provider, ISNetworld has progressed to the point where it not only serves as the database for several OQ qualification providers, it has also picked up where the NCMS (National Compliance and Management Service) left off and stores the safety-related data and information of the member contractors. They also review, through RAVS, the various safety programs of the member contractors to assure compliance with the requirements of the member Owner/Operators.

Contractors are being called upon by the Owner/Operators to prepare, provide and submit an ever-increasing amount of information and paperwork. The advantages and benefits of the ISNetworld system to a member contractor are directly proportional to the number of the member Owner/Operators for whom the contractor works: the larger the number of Owner/Operators, the greater the benefit to the contractor in terms of time and cost savings.

The SCQ-V is a burden to complete, and once accomplished needs to be updated quarterly. In addition, the gathering and submission process for the other required material and information, such as OSHA forms and EMR letters from the insurance company, is time consuming. The procedure of submitting safety programs for review by RAVS, then having to update existing safety programs or create new ones every time there is a change or addition to an Owner/Operator requirement is a major undertaking requiring a lot of time and expense. However, as a contractor member of ISNetworld, instead of providing basically the same information to each of several Owner/Operators individually, the information can be completed, compiled and submitted *once*, and becomes available to *all* of the participating Owner/Operators.

Another extremely useful function performed by ISNetworld is the submission of OQ reports listing individual qualifications to the selected Owner/Operators. Once a contractor has assigned an individual or group of individuals to an Owner/Operator's job site, ISNetworld automatically and routinely transmits those individuals' OQ qualifications to the appropriate Owner/Operator at the required time intervals. ISNetworld will also

submit additional OQ reports when an Owner/Operator changes or modifies a covered task or the means of qualification for a covered task.

ISNetwork also stores the covered task information of its Owner/Operator members. This information includes a complete listing of the Owner/Operator's covered tasks and specifies all of the acceptable means and methods by which an individual can become qualified to perform those tasks. Once an Owner/Operator has granted a contractor access to its covered task list, the contractor is immediately able to view all of the permutations of the combinations of ways a person can become qualified to perform a given covered task. In the ever-changing world of Operator Qualification where Owner/Operators are beginning to accept qualifications from additional OQ providers and are continually adding, modifying or deleting covered tasks and their related qualification options, having immediate access to complete and up-to-date covered task information is extremely useful to a contractor trying to qualify new employees or to maintain the employee qualifications that are already in place.

In my opinion, probably the best thing ISN has going for it is the quality and the attitude of the people who work there. They are knowledgeable, helpful, friendly, and responsive to input from their customers on both sides of the Operator/Contractor fence. These are the qualities that have allowed them to identify and implement the changes that have kept them in the forefront for the services they provide.

As a contractor I don't always agree with some of the changes that take place within ISNetwork, and as some of the "old timers" there can attest, I'm not bashful about voicing my opinion and doing it at every opportunity. However, after six years of a friendly working relationship, mostly with the same people, I will tell you that as a group, from Joe Eastin on down, these people have a complete understanding of what it is they do. ISN is an effective, efficient, smooth-running operation and the people are a pleasure to work with!

Respectfully,



Rick Wilenzick
Safety Director