

MAR 07 2007



U.S. Department
of Transportation

**Pipeline and
Hazardous Materials Safety
Administration**

901 Locust Street, Suite 462
Kansas City, MO 64106-2641

WARNING LETTER

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

March 6, 2007

Mr. Ron McClain
Vice President Operations
Kinder Morgan Energy Partners, L.P.
500 Dallas Street, Suite 1000
Houston, TX 77002

CPF 3-2007-5006W

Dear Mr. McClain:

On April 4-8, April 11-15, April 25-29, and May 9-13, 2005, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA) pursuant to Chapter 601 of 49 United States Code inspected your pipeline facilities in Illinois, Iowa, Kansas, Missouri, Indiana, and Nebraska.

As a result of the inspection, it appears that you have committed probable violations of the Pipeline Safety Regulations, Title 49, Code of Federal Regulations. The items inspected and the probable violations are:

1. **§195.404 Maps and Records.**
 - (b) **Each operator shall maintain for at least 3 years daily operating records that indicate-**
 - (1) **The discharge pressure at each pump station;**

Kinder Morgan did not have discharge pressure records for Eldridge Pump Station for the complete 24 hour period on October 31, 2003. Also, there were no discharge pressure records for Walnut Pump Station on October 27, 2003.

2. **§195.420 Valve maintenance.**

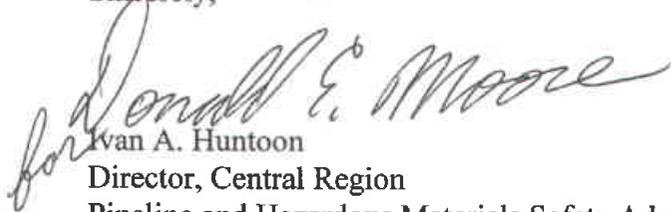
(b) Each operator shall, at intervals not exceeding 7 1/2 months, but at least twice each calendar year, inspect each mainline valve to determine that it is functioning properly.

On the KSM 103 Line within Bushton Pump Station, the KSM 101/103 bypass valve, S/N M335790-9, was installed in July 2004. This valve is operated weekly during normal operations, but the valve did not receive the 2nd 2004 mainline valve inspection, and was not inspected in 2005.

Under 49 United States Code, § 60122, you are subject to a civil penalty not to exceed \$100,000 for each violation for each day the violations persists up to a maximum of \$1,000,000 for any related series of violations. We have reviewed the circumstances and supporting documents involved in this case, and have decided not to conduct additional enforcement action or penalty assessment proceedings at this time. We advise you to correct the items identified in this letter. Failure to do so will result in Kinder Morgan Energy Partners, L.P. being subject to additional enforcement action.

No reply to this letter is required. If you choose to reply, in your correspondence please refer to **CPF 3-2007-5006W**. Be advised that all material you submit in response to this enforcement action is subject to being made publicly available. If you believe that any portion of your responsive material qualifies for confidential treatment under 5 U.S.C. 552(b), along with the complete original document you must provide a second copy of the document with the portions you believe qualify for confidential treatment redacted and an explanation of why you believe the redacted information qualifies for confidential treatment under 5 U.S.C. 552(b).

Sincerely,


Ivan A. Huntoon

Director, Central Region
Pipeline and Hazardous Materials Safety Administration