



Colorado Interstate
Gas Company, L.L.C.
a Kinder Morgan company

September 27, 2012

Chris Hoidal, Western Region
Pipeline and Hazardous Materials Safety Administration
Office of Pipeline Safety
12300 W. Dakota Ave, Ste 110
Lakewood, CO 80228
Reference: CPF 5-2012-1013M
Response to Notice of Amendment (NOA)

Dear Mr. Hoidal,

Kinder Morgan and Colorado Interstate Gas (CIG) have reviewed and analyzed the Notice of Amendment referenced above, in which PHMSA requests certain amendments to procedures, and provides the following response.

As you know, in May 2012, Kinder Morgan (KM) purchased the El Paso companies, including CIG, and has been working to transition the EP operations into KM Operations and Maintenance (O&M) Manual and other procedures. Kinder Morgan does not agree with all of the points in the NOA, nor do we admit that prior El Paso procedures were inadequate or non-compliant with the regulations. Nevertheless, Kinder Morgan has already begun the process of incorporating the legacy El Paso companies and assets, into the KM O&M Procedures by the end of 2012 so there does not appear to be any reason for the parties to spend time debating outdated procedures that will no longer apply in a matter of months. As you are undoubtedly aware, the KM O&M Manual has been inspected through regular PHMSA Team Audits including the most recent audit in April 2010 and accordingly, we believe that implementation of the KM O&M Manual will assure compliance with the pipeline safety regulations.

For the purposes of clarity, the issues presented by your office will be restated with Kinder Morgan's response immediately following in bold font.

1. §191.5 Immediate notice of certain incidents.

(a) At the earliest practicable moment following discovery, each operator shall give notice in accordance with paragraph (b) of this section of each incident as defined in §191.3.

El Paso's Operations and Maintenance (O&M) Procedural Manual pertaining to the reporting requirements is inadequate because they do not include the requirement to report "significant" incidents. El Paso's procedure Section 103 dated 12/13/2011 did not contain an explanation for what is the requirement to report "significant" incidents, with regards to telephonic reporting of incidents. Currently the procedure does not specify the methods used by El Paso for determining of what "significant" means or the factors for deciding if this type of incident should be reported as required by §191.5.

KM’s Response to ITEM 1:

The KM P0010 – Master Glossary has been updated to include a more specific definition of immediate as follows:

<p><i>Incident (for compliance with 49 CFR 191 and 192)</i></p>	<p><i>An event that meets any of the three following criteria:</i></p> <p><i>(1) involves the release of gas from a pipeline, or of liquefied natural gas, liquefied petroleum gas, refrigerant gas, or gas from an LNG facility, and that results in one or more of the following consequences:</i></p> <p><i>(i) A death;</i></p> <p><i>(ii) personal injury necessitating hospitalization that includes lodging and food as well as treatment;</i></p> <p><i>(iii) Estimated property damage of \$50,000 or more, including loss to the operator and others, or both, but excluding cost of gas lost;</i></p> <p><i>(iv) Unintentional estimated gas loss of 3,000 Mcf or more;</i></p> <p><i>(2) An emergency that results in an emergency shutdown of an LNG facility.</i></p> <p><i>(3) An event that occurs on a gas pipeline facility or LNG facility and is considered significant in the judgment of the operator. Significant events could include, but are not limited to, events that result in the closure of a major highway or a mandatory evacuation of a community. The Vice President of Operations, Vice President of EHS, or designee will determine when an event is considered significant.</i></p>
---	--

All Kinder Morgan Natural Gas Pipelines regulated under 49 CFR 191 (or equivalent state pipeline safety regulations on Intrastate pipelines), including the acquired El Paso Pipeline Group pipelines, are under this procedure.

2. §192.14 Conversion to service subject to this part.

(a) A steel pipeline previously used in service not subject to this part qualifies for use under this part if the operator prepares and follows a written procedure to carry out the following requirements. El Paso’s O&M manual did not include a conversion to service procedure to address the requirement of 192.14(a). During the time of inspection, an undated “conversion to service” plan was provided to my staff and appears that the plan was used to perform a conversion to service of the pipe line segment that was purchased from EnCana in 2009. However, this plan was not included within their O&M manual. Interviews with El Paso personnel revealed that each “conversion to service” project is a unique and specific circumstance; therefore they do not have a “conversion to service” procedure in their O&M manual. The “conversion to service” is an integral part of the operator’s operations and

maintenance activities; therefore a written procedure to carry out the conversion to service task must be included in their O&M manual as required by Part 195.14(a).

KM's Response to ITEM 2:

The KM O&M Procedure Manual has been updated to include the conversion to service procedure. All Kinder Morgan Natural Gas Pipelines regulated under 49 CFR 192 (or equivalent state pipeline safety regulations on Intrastate pipelines), including the acquired El Paso Pipeline Group pipelines, will be maintained and operated under this O&M procedure beginning on October 1, 2012. Refer to *Attachment 1: O&M Procedure 271 – Conversion to Service*.

Note: Kinder Morgan Natural Gas pipelines operate under 49 CFR 191 and 192 and not 49 CFR 195 as referenced in the NOA therefore we assume you intended the reference to be 49 CFR 192.14.

3) §192.605 Procedural manual for operations, maintenance, and emergencies.

(b) Maintenance and normal operations. The manual required by paragraph (a) of this section must include procedures for the following, if applicable, to provide safety during maintenance and operations.

(2) Controlling corrosion in accordance with the operations and maintenance requirements of Subpart I of this part.

El Paso's Section 401 pipeline repair procedure dated 7/27/2011 for pipeline repair of imperfections and damage is inadequate because El Paso did not include the requirements to apply external protective coating after each repair, under its pipeline repair section, as required by Part §192.461.

KM's Response to ITEM 3:

EPPG complied with the requirements of Part 192.461 within O&M Manual Section 308.5 as noted below:

(1)(c). Each segment of pipe that replaces pipe removed from any buried or submerged pipeline for any reason shall be externally coated according to the Company's coating specifications.

(2)(f). Pipe that has been determined to be suitable for continued service shall be cleaned and re-coated according to the Company's coating specifications.

(2)(g). Section 401, "Pipeline Repair," of this manual shall be complied with when making pipe repairs.

Kinder Morgan complies with the requirements of Part 192.461 within O&M Procedure 203 – Below-Grade or Submerged Pipeline Coatings, dated 2011-08-01, as follows:

2.2 Related Code Requirements

2.2.1 The application requirements and approved coatings referenced in this O&M Procedure are designed to cover the requirements listed in CFR §192.461 (Subpart I). 49 CFR §192.461 requires that each external protective coating, whether conductive or insulating, applied for the purpose of external corrosion control must:

2.2.1.1. Be applied on a properly prepared surface;

- 2.2.1.2. *Have sufficient adhesion to the metal surface to effectively resist underfilm migration of moisture;*
- 2.2.1.3 *Be sufficiently ductile to resist cracking;*
- 2.2.1.4 *Have sufficient strength to resist damage due to handling and soil stress; and,*
- 2.2.1.5 *Have properties compatible with any supplemental cathodic protection.*
- 2.2.2. *Each external protective coating which is an electrically insulating type must also have low moisture absorption and high electrical resistance.*
- 2.2.3 *Each external protective coating must be inspected just prior to lowering the pipe into the ditch and backfilling, and any damage detrimental to effective corrosion control must be repaired.*
- 2.2.4 *Each external protective coating must be protected from damage resulting from adverse ditch conditions or damage from supporting blocks.*
- 2.2.5 *If coated pipe is installed by boring, driving, or other similar method, precautions must be taken to minimize damage to the coating during installation.*

In addition, for clarity the following section will be added to O&M Procedure 213 - Leaks, Pipe and Weld Defects and Equipment Damage as follows:

3.8 Coating Inspection

Any time the pipeline is exposed for inspection or repair it shall be inspected for external coating damage and repaired in conformance with O&M Procedure 203 – Below-Grade or Submerged Pipeline Coatings or Construction Standard C1080 – Below-Grade or Submerged Pipe Coatings for contractor coating application requirements.

All Kinder Morgan Natural Gas Pipelines regulated under 49 CFR 192 (or equivalent state pipeline safety regulations on Intrastate pipelines), including the acquired El Paso Pipeline Group pipelines, will be maintained and operated under O&M Procedure 203 by the end of 2012.

Thank you for your consideration of this information as a resolution to the NOA. Please contact Dwayne Burton at 713-369-9356 or me at 713-369-9232 should you wish to discuss the information provided above.

Sincerely,



for {
Jorge Torres,
Vice President, Engineering
Kinder Morgan Natural Gas Division
(713) 369-9232

cc: M. Dwayne Burton, Vice President, Operations and Engineering
Ken Grubb, Vice President, Operations

Attachment 1: O&M Procedure 271 – Conversion to Service

Table of Contents

1. Applicability	1
2. Scope	1
3. Core Information and Requirements	1
3.1. Review of Records	1
3.2. Inspection	1
3.3. Remedial Measures	1
3.4. Pressure Test	1
4. Training	1
5. Documentation	2
6. References	2

1. Applicability

- Gathering
- Processing
- Transmission/Regulated Onshore Gathering
- Kinder Morgan Treating

2. Scope

This procedure provides the requirements for qualifying a steel pipeline for use in the transportation of natural gas when the given pipeline has not previously been used in Natural Gas Service subject to 49 CFR Part 192.

3. Core Information and Requirements

Prior to converting a pipeline to Natural Gas Service, the project manager shall ensure that the following has been performed:

3.1. Review of Records

Review of the design, construction, operation, and maintenance history of the pipeline to determine if the pipeline is in satisfactory condition for safe operation. Such records include, but are not limited to; original design and construction records; internal inspection records, if available; repair records; routine inspection records required by the applicable code; and, cathodic protection records.

Where sufficient historical records are not available, appropriate tests shall be performed to determine if the pipeline is in satisfactory condition for safe operation.

3.2. Inspection

The pipeline right-of-way, all aboveground segments of the pipeline, and appropriately selected underground segments must be visually inspected for physical defects and operating conditions which reasonably could be expected to impair the strength or tightness of the pipeline.

3.3. Remedial Measures

Correction of all known unsafe defects and conditions in accordance with 49 CFR Part 192 shall be completed prior to start-up.

3.4. Pressure Test

A pressure test in accordance with [O&M Procedure 1600 – Strength and Leak Testing](#) to substantiate the proposed maximum allowable operating pressure.

4. Training

The project manager and those performing task associated with the procedures should review this procedure prior to performance of those task.

Persons performing covered task involving the active pipeline shall meet the Company Operator Qualification requirements for the applicable task(s).

5. Documentation

Records of each investigation, test, repair, replacement, and alteration made pursuant to this procedure must be kept for the life of the pipeline.

Applicable plans (e.g. Operations and Maintenance, Integrity Management Plan, Public Awareness and Damage Prevention, Emergency Plans, and Integrated Contingency Plans) should be updated with pipeline information prior to the converted pipeline being placed into service

6. References

- 49 CFR 192.14
- [O&M Procedure 1600 – Strength and Leak Testing](#)