



Tennessee Gas Pipeline  
Company, L.L.C.  
a Kinder Morgan company

August 31, 2012

Mr. R.M. Seeley Director, Southwest Region  
Pipeline and Hazardous Materials Safety Administration  
Office of Pipeline Safety  
28701 S. Gessner Ste 1110  
Houston, TX 77074

Reference: CPF 4-2012-1005  
NOPV and Proposed Compliance Order (CO) to verify capacities of relief devices

Dear Mr. Seeley,

Kinder Morgan and Tennessee Gas Pipeline Company, L.L.C. (TGP) have reviewed and analyzed the Notice of Proposed Violation (NOPV) referenced above in which PHMSA asserts that TGP has committed probable violations of the Pipeline Safety Regulations in Title 49 of the Code of Federal Regulations and provide the following supplemental response.

Withdraw of Request for Hearing

Previously, TGP requested a hearing on this NOPV. As you know, in May 2012, Kinder Morgan purchased the El Paso companies, including TGP, and has been working to transition the EP operations into KM Operations and Maintenance Manual (O&M) and other procedures. Kinder Morgan and TGP do not agree with all of the points in the NOPV, nor do we admit that there were any violations. Nevertheless, given that these alleged violations occurred under the prior ownership, we would like to resolve them as quickly and amicably as possible. Accordingly, the purpose of this letter is to withdraw the request for hearing on the Notice of Probable Violation outlined by CPF No. 4-2012-1005 and to notify the Pipeline and Hazardous Materials Safety Administration (PHMSA) that TGP will not contest the findings and will pay the penalty assessed in the fore mentioned NOPV.

Response to Proposed Compliance Order

TGP has also reviewed the Proposed Compliance Order (CO) containing requirements related to 49 CFR 192.743 (Pressure limiting and regulating stations: Capacity of relief devices). TGP is not contesting the Proposed CO but is providing additional information and clarifications which we request PHMSA consider when issuing the final CO.

First, the NOPV was issued to El Paso Pipeline Group (EPPG). As discussed above, in May 2012, Kinder Morgan purchased the El Paso companies. EPPG was not a separate company but an acronym El Paso used to refer to its group of companies. With the purchase by Kinder Morgan, EPPG and some other departments and groups mentioned in the Proposed CO no longer exist. Kinder Morgan is on schedule to incorporate the legacy El Paso companies and assets, including TGP, into the KM O&M procedures by the end of 2012. The KM O&M 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 will assure compliance with the pipeline safety regulations. Because EPPG no longer exists and the PHMSA inspection that led to the NOPV was an inspection of TGP, TGP believes it is the appropriate company to enter into

the Compliance Order and to address these issues. Therefore, TGP requests that the final CO be directed to TGP and its facilities.

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

1. In regard to Item Number 7 of the Notice pertaining to the failure to diligently verify capacities of relief devices installed on company pipeline system, EPPG must perform an audit to ensure that pressure regulators and relief devices that protect the EPPG facility from overpressure is in compliance with § 192.743. The audit shall consist of:

A. Develop a plan to calculate the capacities of regulators and relief valves installed on EPPG's facilities.

**TGP's Response:**

**Within 30 days after the Final Order is received, TGP will develop a plan to calculate the capacities of the regulators and relief valves utilizing KM O&M procedures. The plan will consist of qualified personnel following KM new O&M procedure 703 (Pressure Limiting and Relief Devices and Inspections) to be effective October 1, 2012, performing and documenting the calculations as prescribed within the procedure.**

B. Survey of overpressure protection devices that are currently installed on EPPG's natural gas pipeline system. The survey is to evaluate overpressure protection devices installed on EPPG facilities to collect and/or verify data such as inlet and outlet size, the orifice area and coefficient of actual discharge in order to perform sizing calculations. EPPG's D.O.T. Compliance Services Group must ensure that the highest peak throughput provided by the company's Plant service Group is accurate.

**TGP's Response:**

**A survey will be conducted of the OPP devices currently installed on the legacy TGP system and the necessary data collected to perform the calculations as discussed under requirement A. Data required to conduct the calculations and verifications shall be gathered and verified consistent with the KM O&M procedure 703. Kinder Morgan technical support groups will ensure that the highest peak throughput is used for the calculations. We request that the references to EPPG's DOT Compliance Services and Plant Service groups in Item B be removed from the final CO.**

C. Identify deficiencies observed during the review of personnel performance in preparing and following EPPG's procedures in calculating sizing capacities. EPPG must integrate the findings and amend its procedures.

**TGP's Response:**

**Effective, October 1, 2012, Kinder Morgan's O&M Procedure 703 will be used for determining the adequacy of the pressure control devices on TGP. A copy of the existing KM O&M Procedure 703 is attached and while some minor changes may be made as part of the ongoing O&M review, they will not materially change the procedure. KM annually reviews all of our O&M procedures for compliance and adequacy which include procedures related to OPP.**

D. Based upon results of plan, verify that the regulator and relief devices installed on EPPG's facilities have adequate capacities required by 49 CFR § 192.743. If the capacity is found to be insufficient, EPPG must install/modify the equipment to provide the required capacity.

**TGP's Response:**

**TGP will make any corrections in the capacity requirements to the piping system if conditions are discovered that are inconsistent with KM procedures.**

- E. EPPG must complete Item A within 30-days and Items B, C, and D within 365 days following receipt of the Final Order. Submit the results of the Proposed Compliance Order item above the Mr. R.M. Seeley, Regional Director, Southwest Region Office of Pipeline Safety, Pipeline and Hazardous Materials Safety Administration, 8701 South Gessner, Suite 1110, Houston, TX 77074.

**TGP's Response:**

**TGP will comply with the requirement stated in Item A and submit the plan to PHMSA's Mr. Seeley within 30 days from receipt of the final order and will complete Items B, C and D within the required 365 days from receipt of the final order. All results will be submitted to Mr. Seeley 395 days from the receipt of the final order or approximately 30 days after completion of the work.**

Thank you for your consideration of this information and request for clarification of the CO. Please contact me at 713-369-9356 or Jorge Torres at 713-369-9232 should you wish to discuss the CO or the information provided above.

Sincerely,



M. Dwayne Burton  
Vice President Operations and Engineering

cc: Gary Buchler (KM)  
Jorge Torres (KM)  
Ben Fred (PHMSA)