



U.S. Department
of Transportation

**Pipeline and
Hazardous Materials Safety
Administration**

12300 W. Dakota Ave., Suite 110
Lakewood, CO 80228

WARNING LETTER

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

December 3, 2008

Mr. Ron McClain
Vice President – Operations & Engineering Product Pipelines
Kinder Morgan Energy Partners, L.P.
500 Dallas Street, Suite 100
Houston, TX 77002

CPF 5-2008-5046W

Dear Mr. McClain:

On October 2, 2007, Kinder Morgan Energy Partners, L.P. (KMEP) experienced a release from their six-inch diameter pipeline on Line Section 13 (LS-13) at Galletti Way, Washoe County, Nevada. A representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA), pursuant to Chapter 601 of 49 United States Code, conducted an investigation into the cause of the release.

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

1. **§195.402 Procedural manual for operations, maintenance, and emergencies.**

(e) Emergencies. The manual required by paragraph (a) of this section must include procedures for the following to provide safety when an emergency condition occurs;

(2) Prompt and effective response to a notice of each type emergency, including fire or explosion occurring near or directly involving a pipeline facility, accidental release of hazardous liquid or carbon dioxide from a pipeline facility, operational failure causing a hazardous condition, and natural disaster affecting pipeline facilities.

The KMEP SCADA controller did not correctly follow their emergency procedures to close the motor operated valve (MOV). The controller did not promptly command the valve to close following their October 2, 2007 release on LS-13. While this failure to follow emergency response procedures did not appear to have contributed to the amount of product spilled, this improper action could have resulted in a larger release under different conditions.

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 violation 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 the 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 5-2008-5046W**. 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,



for:

Chris Hoidal

Director, Western Region

Pipeline and Hazardous Materials Safety Administration

cc: PHP-60 Compliance Registry
PHP-500 H. Nguyen (#120035)