

WARNING LETTER

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

January 29, 2009

Mr. Dwayne Burton, V.P.
Kinder Morgan
500 Dallas Street, Suite 1000
Houston, TX 77002

CPF 5-2009-0010W

Dear Mr. Burton:

On June 9-12, 2008, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA), pursuant to Chapter 601 of 49 United States Code, inspected records pertaining to the operation and maintenance of your TransColorado pipeline system in Grand Junction, Colorado.

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. §192.731 Compressor stations: Inspection and testing of relief devices.

(c) Each remote control shutdown device must be inspected and tested at intervals not exceeding 15 months, but at least once each calendar year, to determine that it functions properly.

Annual Emergency Shutdown Device (ESD) testing exceeded the maximum 15-month interval allowed by §192.731(c) for Olathe Compressor Station between 3/15/2006 and 9/26/2007.

2. §192.736 Compressor stations: Gas detection.

(c) Each gas detection and alarm system required by this section must be maintained to function properly. The maintenance must include performance tests.

The second quarter flame detection and gas detection tests required by §192.736(c) were missed during 2006 at the Olathe Compressor Station.

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 Kinder Morgan 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 5-2009-0010W**. 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,

Chris Hoidal
Director, Western Region
Pipeline and Hazardous Materials Safety Administration

cc: PHP-60 Compliance Registry