



JAN 05 2009

HUNTON & WILLIAMS LLP
BANK OF AMERICA PLAZA
SUITE 4100
600 PEACHTREE STREET, N.E.
ATLANTA, GEORGIA 30308-2216

TEL 404 • 888 • 4000
FAX 404 • 888 • 4190

ROBERT E. HOGFOSS
DIRECT DIAL: 404-888-4042
EMAIL: rhogfoss@hunton.com

FILE NO: 56989.000006

December 31, 2009

By Electronic & Express Mail

Mr. Jeffrey D. Wiese
Associate Administrator
Department of Transportation
Pipeline and Hazardous Materials
Safety Administration
1200 New Jersey Avenue, S.E.
East Building, 2nd Floor (PH)
Washington, D.C. 20590

Re: Request for Hearing
In the Matter of Kinder Morgan NatGas Operator LLC d/b/a REX East
CPF No. 3-2009-1024H

Dear Mr. Wiese:

On behalf of Kinder Morgan NatGas Operator LLC as Operator of Rockies Express Pipeline LLC (hereinafter referred to as REX East or the Company), we respectfully request a hearing on the above referenced Notice of Proposed Corrective Action Order (Proposed CAO). The Proposed CAO was issued by the Pipeline and Hazardous Materials Safety Administration (PHMSA or the Agency) to REX East on December 21, 2009. Attached to this letter is a Request for Hearing and a Statement of Issues (which incorporates by reference a Written Response to the CAO).

REX East appreciates the Agency's cooperation in addressing issues associated with the Company's November 14, 2009, girth weld failure in Ohio, and this filing is made principally to preserve the Company's rights, in the event that all issues cannot be resolved amicably. We are optimistic that the issues can be resolved in a cooperative manner, however, thus we ask that any hearing for this matter be postponed at present. As you may be aware, the Company has already completed extensive investigative and remedial actions, and they have prepared and submitted to the Agency an expanded return to service plan, which is already being implemented.

HUNTON WILLIAMS

Mr. Jeffrey D. Wiese
December 31, 2009
Page 2

The Company also appreciates the fact that the Agency's use of a Proposed CAO in this instance (in lieu of a CAO to be effective immediately) recognized that the line had been voluntarily shut down immediately after the November 14, 2009 incident, and that there were no injuries or environmental damage associated with the incident. Given the extent of investigative and corrective actions already undertaken, however, we believe that it is now clear that no hazardous condition exists. The particular facts and circumstances of this incident demonstrate that no finding of hazardous facility should be made.

In light of the above, and as described in the attached pleadings, REX East respectfully requests that PHMSA now withdraw the Proposed CAO, and continue to maintain oversight to implementation of the expanded return to service plan mutually agreed to by both the Agency and the Company. PHMSA is of course free to issue another Proposed CAO or CAO in the event of future problems with this line, but the parties appear to be in agreement that the return to service plan already in progress is thorough and robust. If you do not believe that it is appropriate to withdraw the Proposed CAO at this juncture, this Request for Hearing asks simply that the Proposed CAO be modified to track more closely with the revised return to service plan agreed to by the parties.

If you have any questions about this Request for Hearing, or about this matter generally, please do not hesitate to contact either me (at 404.888.4042) or Catherine Little (at 404.888.4047).

Sincerely,



Robert E. Hogfoss

Enclosures

cc: Larry White, Esq. (PHMSA)
Ivan Huntoon (PHMSA)
Steven J. Kean (REX East)
Dwayne Burton (REX East)
Sheila Tweed, Esq. (REX East)
Catherine D. Little, Esq. (Hunton & Williams)

**Before the
U.S. Department of Transportation
Pipeline and Hazardous Materials Safety Administration
Office of Pipeline Safety**

In the Matter of)	
Kinder Morgan NatGas Operator LLC)	
d/b/a REX East)	CPF No. 3-2009-1024H
Respondent)	<u>REQUEST FOR HEARING</u>

Kinder Morgan NatGas Operator LLC as Operator of Rockies Express Pipeline LLC (REX East or the Company), pursuant to 49 C.F.R. Sections 190.211 and 190.233, respectfully requests a hearing on the above-referenced Notice of Proposed Corrective Action Order (Proposed CAO). This CAO was issued to "Kinder Morgan Energy Partners, L.P., d/b/a REX East,"¹ by the Pipeline and Hazardous Materials Safety Administration (PHMSA or the Agency), Office of Pipeline Safety (OPS) on December 21, 2009, and received by REX East in electronic format on December 21, 2009. Pursuant to 49 C.F.R. Section 190.233(c), this request is timely.

As required by 49 C.F.R. Section 190.211(a), this Request for Hearing includes a Statement of Issues (attached), which incorporates by reference a Written Response to the Notice of Proposed CAO (attached). As required by 49 C.F.R. Section 190.211(a), please be advised that the Hunton & Williams law firm, along with Sheila Tweed, Vice President and Deputy General Counsel, Kinder Morgan Gas Pipelines, will represent the Company at any hearing that is scheduled for this matter.

REX is filing this Request for Hearing in order to preserve its rights and raise certain issues for further discussion with PHMSA. The Company believes these issues are capable of resolution without the formality of a hearing, and we therefore respectfully request that PHMSA stay the scheduling of any Hearing in order to first allow the parties an opportunity to confer. As described in the attached materials, REX East voluntarily shut down the pipeline immediately after discovery of a failed girth weld on November 14, 2009, and then conducted extensive metallurgical examinations and investigation

¹ The proper responding entity is Kinder Morgan NatGas Operator LLC, who is the Operator of Rockies Express Pipeline LLC, as opposed to Kinder Morgan Energy Partners LP, as identified in the Notice of Proposed CAO as issued by PHMSA on December 21, 2009.

before the Proposed CAO was issued. The Company initiated many of the elements required by the Proposed CAO even before it was issued, and the Company has committed to undertake more investigative and corrective activities pursuant to its Revised Return to Service Plan (Revised RSP) than may otherwise be required by the Proposed CAO.

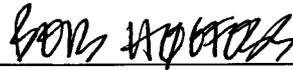
In light of the fact that this line was voluntarily shut down immediately after the incident, with no injuries or environmental damage associated with the incident, REX East objects to the "hazardous" allegation in the Proposed CAO. No hazard could possibly exist after the line was shut down, more than a month before the Proposed CAO was issued. Since a finding of hazardous condition is a prerequisite for issuance of a CAO, REX East respectfully suggests that a Proposed CAO is unnecessary and inappropriate in this instance. Moreover, since the Proposed CAO was issued on December 21, 2009, REX East has offered to undertake additional investigative and corrective actions, as documented in the Revised RSP that has already been substantially agreed to by the parties.

For the reasons noted above, and described in more detail in the attached materials, REX East requests that PHMSA stay any scheduling of a hearing for this matter, pending further discussion between the parties. If such discussions between the parties do not resolve both PHMSA's and REX East's concerns as stated in the Proposed CAO and this Request for Hearing, then we understand that the parties will proceed to a Hearing.

REX East shares PHMSA's desire to ensure public safety and enhance pipeline system integrity, and the Company is committed to working with PHMSA toward those goals. For the reasons stated in this Request for Hearing, however, REX East respectfully requests that (1) PHMSA stay scheduling of a Hearing date until the parties have had an opportunity to meet; and (2) PHMSA withdraw the Proposed CAO; or, alternatively (3) that the Proposed CAO be revised to be consistent with the Revised RSP.

As required by PHMSA regulations, attached to this Request for a Hearing is a Statement of Issues, which incorporates by reference and attaches a Written Response to the Notice of Proposed CAO that addresses the allegations and determination contained in the Proposed Order. Also pursuant to PHMSA regulations, please be advised that if a hearing is required to resolve this matter, the Company intends to present materials, testimony and other items relevant to the issues. 49 C.F.R. Sections 190.233(c); 190.211(f). Pursuant to 49 C.F.R. Section 190.211(e), REX East also hereby requests a copy of all materials in the PHMSA case files that may be pertinent to the issues raised in the Proposed CAO and the issues raised by this Request for Hearing (including case files or materials relied upon during preparation of this Order, CPF No. 3-2009-1024H, and all other matters referenced in this Order or this Request for Hearing).

Respectfully submitted,



HUNTON & WILLIAMS

Robert E. Hogfoss, Esq.
Bank of America Plaza, Suite 4100
600 Peachtree Street, N.E.
Atlanta, GA 30308
(404) 888-4042

Catherine D. Little, Esq.
Bank of America Plaza, Suite 4100
600 Peachtree Street, N.E.
Atlanta, GA 30308
(404) 888-4047

**Kinder Morgan NatGas Operator LLC
as Operator of Rockies Express Pipeline**

 (with express permission)

Sheila Tweed
Vice President and Deputy General Counsel
Kinder Morgan Gas Pipelines, LP
One Allen Center
Suite 1000
500 Dallas Street
Houston TX 77002

**Before the
U.S. Department of Transportation
Pipeline and Hazardous Materials Safety Administration
Office of Pipeline Safety**

_____)	
In the Matter of)	
Kindler Morgan NatGas Operator LLC)	
d/b/a REX East)	CPF No. 3-2009-1024H
Respondent)	<u>STATEMENT OF ISSUES</u>
_____)	

In connection with its Request for a Hearing and in accordance with the requirements of 49 C.F.R. Section 190.211(a), Kinder Morgan NatGas Operator LLC as Operator of Rockies Express Pipeline LLC (REX East or the Company) hereby provides the Statement of Issues that it intends to raise at any hearing required in this instance. The Statement of Issues incorporates by reference the Response to Notice of Proposed Corrective Action Order (Response).

REX East shares the Pipeline and Hazardous Materials Administration's (PHMSA's or the Agency's) desire to ensure public safety and enhance pipeline system integrity. Although REX East has requested a Hearing on these issues, the Company has also requested that PHMSA stay the Hearing to allow the parties an opportunity to confer and discuss the issues outlined in this Statement of Issues. If the parties are able to reach resolution on some or all of the issues set forth below, REX East intends to withdraw its Request for a Hearing as to those issues.

At this time, REX East intends to raise the following issues at a hearing:

- I. The "hazardous" allegation is not supported by the evidence.
- II. The Company has already undertaken many of the activities specified in the Proposed Order, and committed to even more expansive activities, pursuant to the Revised Return to Service Plan that was approved in substance by PHMSA prior to this filing. In completing these actions and committing to the Revised RSP, the Company has already demonstrated that in the particular facts and circumstances of this incident, there is no hazardous facility, thus no finding of hazardous facility can be made (see 49 C.F.R. Section 190.233(d)(2)).
- III. The Proposed Order is moot.

The preceding issues apply to the Proposed CAO as a whole, including each of the corrective action items. These issues are more fully addressed in the Company's Response.

For all of the reasons identified above in this Statement of Issues, REX East's Request for Hearing and the Response to Notice of Proposed Corrective Action Order, including the fact that REX East has cooperated with PHMSA from the outset of this matter, and that REX East is willing to meet with PHMSA to discuss these issues further, the Company respectfully requests that (1) PHMSA withdraw the Proposed CAO; or, alternatively (2) that the Proposed CAO be revised to be consistent with the Revised RSP.

Respectfully submitted,



HUNTON & WILLIAMS

Robert E. Hogfoss, Esq.
Bank of America Plaza, Suite 4100
600 Peachtree Street, N.E.
Atlanta, GA 30308
(404) 888-4042

Catherine D. Little, Esq.
Bank of America Plaza, Suite 4100
600 Peachtree Street, N.E.
Atlanta, GA 30308
(404) 888-4047

**Kinder Morgan NatGas Operator LLC
as Operator of Rockies Express Pipeline**



Sheila Tweed
Vice President and Deputy General Counsel
Kinder Morgan Gas Pipelines, LP
One Allen Center
Suite 1000
500 Dallas Street
Houston TX 77002

**Before the
U.S. Department of Transportation
Pipeline and Hazardous Materials Safety Administration
Office of Pipeline Safety**

_____)	
In the Matter of)	
Kindler Morgan NatGas Operator LLC.)	
d/b/a REX East)	CPF No. 3-2009-1024H
Respondent)	RESPONSE TO NOTICE OF
_____)	<u>PROPOSED CORRECTIVE</u>
	<u>ACTION ORDER</u>

The Associate Administrator of the Pipeline and Hazardous Materials Safety Administration (PHMSA), Office of Pipeline Safety (OPS or the Agency), has issued a Notice of Proposed Corrective Action Order (Proposed CAO or Proposed Order), alleging "the existence of a hazardous facility." 49 C.F.R. § 190.233(c)(1). The above referenced Proposed CAO was issued to Kinder Morgan NatGas Operator LLC as Operator of Rockies Express Pipeline LLC (REX East or the Company), with notice and opportunity for a hearing.

REX East respectfully submits that this Proposed CAO is neither necessary nor appropriate in this instance, and that the relief requested could be obtained more efficiently through the continued performance and completion of the elements of the Revised Return to Service Plan (Revised RSP) that was submitted by REX East to PHMSA on December 24, 2009, and approved in substance by PHMSA. The conditions resulting in the failure of a girth weld on November 14, 2009, no longer exist. Moreover, the Company has already implemented many of the corrective actions called for in the Proposed Order, and the Company is already obligated to implement additional actions beyond those set forth in the Proposed Order, in full coordination with, and with the approval of, PHMSA.

REX East understands and agrees with the goals set forth by PHMSA in its regulations, and the Company understands the goals of the corrective action activities requested by this Proposed CAO. No hazardous condition existed at the time that the Proposed CAO was issued, however, and implementation of the Revised RSP further ensures that no hazardous condition will be presented. In light of these facts, REX East respectfully requests that the Agency withdraw the Proposed CAO at this juncture. The Company understands that should issues arise during or after implementation of the Revised RSP, PHMSA retains its ability to issue another Proposed CAO or CAO. Any such

future action would presumably be supported by facts more relevant to a finding or alleged finding of a hazardous condition.

Alternatively, if the Agency does not elect to withdraw the Proposed CAO in light of the corrective actions already completed or in progress, subject to the review and approval of PHMSA under the terms of the Revised RSP, then REX East suggests that the parties agree on revisions to the Proposed CAO, in order for that document to more closely follow actions already taken or planned, as set forth in the Revised RSP.

The Company's reasons for challenging the "hazardous facility" allegation in this instance are briefly summarized below, and the Company's response to the elements of the corrective action required by the Proposed CAO is provided in the accompanying Statement of Issues and a letter to PHMSA incorporated by reference.

I. **The "Hazardous Facility" allegation is unnecessary and unwarranted, and not supported by the evidence.**

The "hazardous" allegation in this Proposed CAO is predicated on the Agency's belief that an urgent need exists for corrective measures. To the contrary, REX East voluntarily shut down this line immediately after the incident on November 14, 2009, more than a month before the Proposed CAO was issued. There were no injuries or environmental harm associated with the incident. Accordingly, the "hazardous" allegation is inappropriate in this instance, and not supported by the evidence.

II. **The Company is already addressing the elements of the Proposed CAO through the Revised RSP,**

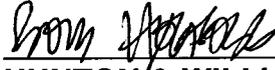
REX East initially submitted a Return to Service Plan (RSP) to PHMSA on December 10, 2009. That Plan described extensive investigative and remedial actions already taken by the Company, and proposed a series of additional actions prior to restart. The Company communicated and cooperated with PHMSA in discussing the RSP, and agreed to further expand the investigative and corrective actions required before or as part of restart. Accordingly, REX East submitted a significantly Revised RSP to PHMSA on December 24, 2009, which PHMSA verbally agreed to in substance. The Company has already begun implementation of the Revised RSP, with PHMSA's approval.

By letter to the Central Region Director dated December 30, 2009, REX East explained in detail how the expanded and Revised RSP require that the original requirements of the Proposed CAO be revised or clarified, in order to address more accurately that work already completed or committed to (copy of letter attached and incorporated herein by reference).

For all of the reasons identified above in this Response, including the fact that REX East has cooperated with PHMSA from the outset of this matter, and that REX East is willing to meet with PHMSA to discuss these issues further, the Company respectfully requests

that (1) PHMSA withdraw the Proposed CAO; or, alternatively (2) that the Proposed CAO be revised to be consistent with the Revised RSP.

Respectfully submitted,



HUNTON & WILLIAMS

Robert E. Hogfoss, Esq.
Bank of America Plaza, Suite 4100
600 Peachtree Street, N.E.
Atlanta, GA 30308
(404) 888-4042

Catherine D. Little, Esq.
Bank of America Plaza, Suite 4100
600 Peachtree Street, N.E.
Atlanta, GA 30308
(404) 888-4047

**Kinder Morgan NatGas Operator LLC
as Operator of Rockies Express Pipeline
LLC**



Sheila Tweed
Vice President and Deputy General Counsel
Kinder Morgan Gas Pipelines, LP
One Allen Center
Suite 1000
500 Dallas Street
Houston TX 77002



December 30, 2009

Via Federal Express

Ivan A. Huntoon
Central Region Director
Office of Pipeline Safety
Pipeline and Hazardous Material Safety Administration
901 Locust Street, Suite 462
Kansas City, Missouri 64106-2641

RE: REX East Pipeline
Return to Service Plan and Withdrawal or Revision of Proposed CAO
CPF No. 3-2009-1024H

Dear Ivan:

We appreciate the Agency's cooperation in reviewing and helping to finalize our Return to Service Plan (RSP) for the Rockies Express Pipeline -- East project (REX East). This letter will confirm the Agency's preliminary verbal approval of the Revised RSP, which was submitted to you electronically on December 24, 2009. We understand that the Agency may have some additional comments on the Revised RSP, but that the parties are in general agreement on the substance of that plan. As we have discussed, we have already begun to implement the Revised RSP, and we will keep PHMSA informed of our progress and results as implementation continues.

The Revised RSP contains a number of elements not requested or addressed in the Proposed CAO as issued by the Agency to REX East on December 21, 2009 (CPF No. 3-2009-1024H). As you know, we believe that a CAO is neither necessary nor appropriate for this incident, since the Company voluntarily shutdown the line immediately after its discovery of a failed girth weld on November 14, 2009, and there were no injuries or harm to the environment associated with the incident. The line has remained shut down since November 14, thus there was and is no 'hazard to life, property or the environment,' which is required in order for a CAO to be issued. Moreover, the Company conducted a Root Cause Analysis immediately after the incident, in full coordination and cooperation with PHMSA, including metallurgical and radiographic examination of the failed weld. We also re-examined all similar welds along this stretch of the system. All of that information has been shared with PHMSA, and we submitted a draft RSP to the Agency several weeks ago that summarized corrective actions completed and planned.

Given the facts of this particular incident, especially the fact that both the Agency and the Company now agree on a revised and expanded RSP, it appears to us that it would be appropriate for PHMSA to now withdraw the Proposed CAO. PHMSA's regulations anticipate this result, stating that whenever a Respondent "demonstrates to the satisfaction of the Associate Administrator, OPS that, under the particular facts and circumstances involved, [a facility] is not hazardous," then no "finding" of hazardous facility can be made to support a CAO. See 49 C.F.R. Part 190.233(d)(2)). In that event, the Agency "shall rescind or suspend" a CAO or proposed CAO. 49 C.F.R. Part 190.233(g). For all of these reasons, we respectfully request that PHMSA withdraw the Proposed CAO issued to REX East on December 21, 2009. The Proposed CAO has already had its intended effect, as the corrective actions now reflected in the Revised RSP have been prompted, at least in part, by the Proposed CAO.

We see no reason for the parties to be engaged in an administrative dispute on this matter when the substance of the remedy has already been prepared and largely agreed to – we would certainly prefer to work collaboratively with the Agency than be adversarial on these issues. The Agency is always free to issue another Proposed CAO in the event issues arise during the course of implementation of the Revised RSP. Withdrawal of CPF No. 3-2009-1024H at this time simply seems to be the most logical and appropriate action, given the facts and applicable law. We have no objection to PHMSA expressly reserving its right to issue another Proposed CAO or CAO for this matter, if the Agency believes that is necessary.

If the Agency is not persuaded to withdraw the Proposed CAO at this time, then the parties must at a minimum agree on how that document is to be interpreted and given effect now that a Revised RSP has been approved, since the Revised RSP does not follow the express language of the Proposed CAO as issued. The Revised RSP is actually broader in scope and refers to many corrective actions already taken or planned which were not addressed in the Proposed CAO. Given the inconsistencies between these documents, we offer below our suggestions on how the Proposed CAO could and should be revised or interpreted, but we reiterate our request that the Proposed CAO simply be withdrawn at this juncture:

Respondent

The proper entity to refer to as "Respondent" in this instance is *Kinder Morgan NatGas Operator LLC as Operator of Rockies Express Pipeline LLC*.

"Proposed Corrective Action", pp. 4 - 8 of Proposed CAO: CPF No. 3-2009-1024H

- Item 1 is now complete (submittal of RSP); submitted to Central Region Director on December 24, 2009.

- Item 2 (requested elements of a return to service plan) has been superseded by the contents of the Revised RSP submitted pursuant to Item 1, which was given preliminary verbal approval by the Central Region Director on December 23, 2009. The conditions of the Revised RSP, therefore, should be read to be incorporated into the Proposed CAO as a revision to Item 2.
- Item 3 (provide the Director with updates during implementation) is understood, but the remainder of Item 3 is superseded by the Revised RSP as approved by PHMSA (*i.e.*, the Revised RSP calls for use of both low resolution and high resolution caliper in-line inspection (ILI) tools, obviating the potential need for any hydrostatic testing). As with Item 2, the conditions of the Revised RSP should be read to be incorporated into the Proposed CAO as a revision to this Item.
- Items 4 and 5 (written approval prior to resumption of operation of the line, then maintenance of specific MOP) is also addressed by the Revised RSP, as part of that Plan requires a restart of the line in order to run the high resolution ILI tool. The Revised RSP also addresses restart pressures. Again, the conditions of the Revised RSP should be read to be incorporated into the Proposed CAO as a revision to Items 4 and 5.
- Item 6 (preparation of a remedial work plan with corrective measures) is similarly preempted by approval of the Revised RSP, as the Revised RSP considers and addresses investigative and corrective measures already completed (such as Root Cause Analysis, excavation and remediation of all similar girth welds, etc.). The Revised RSP also includes specific criteria to be used in implementing any additional corrective measures. In light of the work already completed and addressed in the Revised RSP, Item 6 of the Proposed CAO is now moot.
- Item 7 (revise the remedial work plan as necessary to incorporate new information; submit revisions to PHMSA for approval). As noted above, the Revised RSP as approved by PHMSA includes remedial work plans. We therefore understand that the intent of this Item 7 is to require the Company to submit any further revisions of the Revised RSP to PHMSA for approval, which is already anticipated in the Revised RSP.
- Item 8 (implement the work plan as approved, including any revisions) is understood to now apply to the Revised RSP.
- Item 9 (submit quarterly reports of data and testing results, and describe progress of repairs and other remedial actions). This Item 9 can be understood to apply to the Revised RSP through completion of implementation. We note, however, that due to the fact that the Company has already completed so much corrective action work, it is possible that implementation will be completed before any quarterly reports are due.

- Item 10 (maintain cost records and include in quarterly reports). Understood, but as noted immediately above, implementation of the Revised RSP may be complete before any quarterly report becomes due.
- Item 11 (allowance for modification of MOP after restart). This requirement is now addressed expressly in the Revised RSP.
- Items 12 - 14 (allowance for extensions of time for good cause; reservation of decision making to Director). Understood.

As illustrated above, the language of the Proposed CAO has already been largely eclipsed by corrective actions previously taken (but not identified in the Proposed CAO), and by the Revised Return to Service Plan that is actually more expansive than what was anticipated by the Proposed CAO. PHMSA regulations require that when the Agency "intends to issue [a CAO]", the written notice of that proposal "shall allege the existence of a hazardous facility." 49 C.F.R. Part 190.233(c)(1). The pipeline at issue has been shut down since the date of the incident, on November 14, 2009, and since that date the Company has undertaken extensive investigative and corrective actions in full coordination with PHMSA. By the time the Proposed CAO was issued on December 21, 2009, the record will show that there was no hazard to life, property or the environment. We believe that the revisions made to the RSP since the Proposed CAO was issued further demonstrate that there is no hazardous facility presented.

The Agency has already taken an enforcement action by issuing the Proposed CAO. Actions taken by the Company since the incident, and obligations agreed to by the Company in the Revised RSP as approved by PHMSA, now argue for withdrawal of the Proposed CAO. If the Agency does not elect to withdraw the Proposed CAO at this time, we request at a minimum that the parties agree on how the Proposed CAO should be interpreted (since it is not consistent with the subsequently approved Revised RSP). We therefore respectfully request that PHMSA either withdraw the Proposed CAO, or respond to us in writing as to our proposed interpretation of the Proposed CAO.

As you know, we have only ten (10) days from receipt of the Proposed CAO to preserve our right to request a hearing on that action. If the Proposed CAO (CPF No. 3-2009-1024H) is not withdrawn, or the parties do not reach a complete agreement on the issues raised in this letter by this Thursday, December 31, 2009 (ten days from issuance of the Proposed CAO), then by necessity we must file a Request for Hearing, in order to preserve our rights. In any such filing, we will simply reiterate the facts and concerns discussed in this letter, and suggest either withdrawal of the Proposed CAO or reformation of the Proposed CAO in accord with the Revised RSP and the suggested interpretations contained in this letter. In any event, our goal

Ivan A. Huntoon
USDOT PHMSA
December 30, 2009
Page 5 of 5

remains consistent with that of the Agency: to ensure safety and system integrity in the return to service of this line.

If you have any questions about this letter, the Revised RSP or the Proposed CAO, please do not hesitate to contact me. Thank you again for your assistance, Ivan.

Sincerely,



Dwayne Burton
Vice President, Engineering and Operations
Rockies Express Pipeline LLC
713.369.9356 Office
281.414.2137 Cell

cc: Alan Mayberry (PHMSA)
Larry White, Esq. (PHMSA)
Steven J. Kean (Kinder Morgan Energy Partners, L.P.)
Mark Kissel (Kinder Morgan Energy Partners, L.P.)
Tom Martin (Kinder Morgan Energy Partners, L.P.)
Robert E. Hogfoss, Esq. (Hunton & Williams)