

## WARNING LETTER

### **CERTIFIED MAIL - RETURN RECEIPT REQUESTED**

November 27, 2012

Mr. Joe Fowler  
Vice President, Operations  
KPC Pipeline, LLC  
19970 161<sup>st</sup> Street  
Olathe, KS 66062

**CPF 3-2012-1010W**

Dear Mr. Fowler:

On December 8-10, 2010, representatives of the Pipeline and Hazardous Materials Safety Administration (PHMSA) and the Kansas Corporation Commission (KCC) pursuant to Chapter 601 of 49 United States Code inspected the PostRock KPC Pipeline, LLC (PostRock) gas transmission integrity management program in Olathe, Kansas. On September 28, 2012, MV Pipelines, LLC purchased the entire pipeline system and renamed the company KPC Pipeline, LLC (KPC).

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 items inspected and the probable violations are:

1. **§192.945 What methods must an operator use to measure program effectiveness?**
  - (a) **General. An operator must include in its integrity management program methods to measure whether the program is effective in assessing and evaluating the integrity of each covered pipeline segment and in protecting the high consequence**

**areas. These measures must include the four overall performance measures specified in ASME/ANSI B31.8S (incorporated by reference, see § 192.7 of this part), section 9.4, and the specific measures for each identified threat specified in ASME/ANSI B31.8S, Appendix A. An operator must submit these measures, by electronic or other means, on a semi-annual frequency to OPS in accordance with §192.51.**

PostRock was not measuring the threat-specific metrics semi-annually as required. In addition, the semi-annual report of the four overall performance measures to OPS for the period ending December 31, 2009, contained erroneous information that required correction and the semi-annual report of the four overall performance measures to OPS for the period ending June 30, 2010, was not submitted on a timely basis. KPC should ensure that in the future, the four overall performance measures be accurately reported as a part of its annual report as now required.

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 item(s) identified in this letter. Failure to do so will result in KPC Pipeline, LLC, 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 3-2012-1010W**. 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,

David Barrett  
Director, Central Region  
Pipeline and Hazardous Materials Safety Administration