

December 1, 2020

Mr. Gregory A. Ochs – Director, Central Region, OPS
Pipeline and Hazardous Materials Safety Administration
901 Locust Street, Suite 480
Kansas City, MO 64106

Subject: Plan of Correction
Pipeline Safety Evaluation
Inspection Package: CPF 3-2020-001-NOPV

Dear Mr. Ochs-

KPC Pipeline, LLC is submitting this letter to your office to update the Pipeline and Hazardous Materials Safety Administration on KPC's progress for resolution of the alleged violations from inspection package CPF 3-2020-001-NOPV.

Item No 1 (Inspection Package: CPF 3-2020-001-NOPV)

Description: KPC Pipeline LLC (KPC) did not accurately complete the 2019 annual report.

Specifically, KPC conducted a repair of a leak on its P70 pipeline at Milepost 209 in April 2019. However, the DOT Form PHMSA 7100.2.1 submitted by KPC shows that no leaks were reported for the 2019 calendar year.

Requirement: § 191.17 Transmission systems; gathering systems; liquefied natural gas facilities; and underground natural gas storage facilities: Annual report
(a) Transmission or Gathering. Each operator of a transmission or a gathering pipeline system must submit an annual report for that system on DOT Form PHMSA 7100.2.1. This report must be submitted each year, not later than March 15, for the preceding calendar year, except that for the 2010 reporting year the report must be submitted by June 15, 2011.

Comment: As required by 49 CFR § 191.17, KPC has submitted a supplemental annual report to document the leak that occurred on the P70 pipeline at Milepost 209 in April 2019 using DOT Form PHMSA 7100.2.1. In addition to the 2019 revision, KPC revised the 2017 and 2018 submissions to include any leaks that occurred during those years that were not previously reported. KPC will continue to accurately complete the Annual Report each year, not later than March 15, for the preceding calendar year. Documentation attached to this letter.

Item No 2 (Inspection Package: CPF 3-2020-001-NOPV)

Description: At the Pawnee compressor station, KPC did not have a second emergency shutdown device (ESD) located near an exit gate and out of the gas area in the station.

KPC's Pawnee Station is a manned compressor station that has multiple ESD stands throughout the station. However, there was not one located near the second exit on the NW side of the fenced yard. With the exception of the ESD stand by the entrance gate on the northeast side, the rest of the ESD stands observed during the PHMSA inspection were located in the gas area (compressor building or above ground piping).

- Requirement:** § 192.167 Compressor stations: Emergency shutdown.
- (a) Except for unattended field compressor stations of 1,000 horsepower (746 kilowatts) or less, each compressor station must have an emergency shutdown system that meets the following:
 - (1)
 - (4) It must be operable from at least two locations, each of which is:
 - (i) Outside the gas area of the station;
 - (ii) Near the exit gates, if the station is fenced, or near emergency exits, if not fenced; and,
 - (iii) Not more than 500 feet (153 meters) from the limits of the station.

Comment: At this time, KPC is in the developing a project plan to ensure a second emergency shutdown device (ESD) will be installed prior to the 180 day requirement defined by PHMSA; and in accordance with § 192.167. The ESD shall be located near the mentioned exit gate and out of the gas area in the station. The project deliverables will be submitted to PHMSA at the time of completion, as required by the CPF 3-2020-001-NOPV , but prior to the 180 day requirement.

Item No 4 (Inspection Package: CPF 3-2020-001-NOPV)

Description: KPC could not produce the records at the time of the inspection validating the MAOP (maximum allowable operating pressure), per the requirements of § 192.619, of multiple pipelines. There were several line segments that did not have pressure test records, and some examples where the MAOP was stated as being higher than what the hydrotest validated.

A set of randomly selected hydrotests for the MAOP establishment were reviewed by PHMSA, and there appeared to be discrepancies. The following examples were noted during the inspection:

P-10: MP 0 to 105. MAOP is listed as 874 psig which was limited by the hydrostatic pressure test. However, the Thrall to Interchange stated that the MAOP is 920 psig, but PHMSA did not see a separate test for this segment.

P-20: MP 1 to 105. PHMSA did not see the MAOP records for the segment from MP 16 to 52. Also, the stated MAOP is 960 psig, but the limit from the hydrotest is 938 psig from MP 69 to 105.

P-30: MP 130 to 196. The test indicates an MAOP of 1000 psig, but the MAOP listing states the MAOP as 1100 and 1078.

P-80: Records for portions of the P-80 line were not available for review.

Requirement: § 192.709 Transmission lines: Record keeping.

Each operator shall maintain the following records for transmission line for the periods specified:

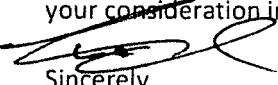
(a)

(c) A record of each patrol, survey, inspection, and test required by subparts L and M of this part must be retained for at least 5 years or until the next patrol, survey, inspection, or test is completed, whichever is longer.

Comment:

KPC is currently addressing the NOPV outlined in Item 4. The company is in the process of undertaking a thorough review of pressure test records to verify the MAOP for each pipeline segment in service. KPC is committed to providing PHMSA with a report that outlines the findings from this analysis within 120 days of receiving the Final Order. If MAOP reconfirmation is not viable with the records available to the company, KPC will submit a plan to PHMSA, inclusive of a proposed schedule for execution, to bring the segments lacking sufficient MAOP documentation into compliance.

KPC Pipeline, LLC is committed to full compliance with the Commission's rules and appreciates your consideration in this matter.



Sincerely,

Mr. Lee Bullock

President

KPC Pipeline, LLC