



Mr. Rodrick M. Seeley  
Director, Southwest Region  
Pipeline and Hazardous Materials Safety Administration  
8701 S. Gessner Ste 1110  
Houston, TX 77074

June 3, 2009

Re: CPF 4-2009-1012; Notice of Probable Violation and Proposed Compliance Order

Dear Mr. Seeley;

On May 8, 2009 Kinder Morgan received a **Notice of Probable Violation and Proposed Compliance Order** from your office relating to a series of PHMSA inspections that were conducted on Natural Gas Pipeline Co. of America (NGPL) facilities between the dates of March and November of 2008 located in Oklahoma, Texas and Louisiana.

In that letter PHMSA outlines five (5) areas of possible violation to 49 CFR 192 regulations.

Kinder Morgan would like to respond to the alleged violations cited in the Notice of Probable Violation (NOPV) referenced above. In our response the allegation will be repeated and the Kinder Morgan response will follow immediately in bold text.

1. §192.13 What general requirements apply to pipelines regulated under this part?

(c) Each operator shall maintain, modify as appropriate, and follow the plans, procedures, and programs that it is required to establish under this part.

In reviewing welder qualification, it was noted that a company welder had taken the annual Welder Qualification Tests 1 and 2 on 4/10/2007. The Operator's procedures, O&M 401/C1061, Welder Qualification and Testing, Sec 3.2 Company Welder Tests states, "Company welders shall pass annual visual (O&M Procedure 406 – Weld Inspection and Testing) and destructive tests to be qualified for the appropriate procedure. A Company welder will complete the annual test and any subsequent retests no later than April 1. A company welder must pass Tests 1 and 2 to be qualified."

The individual missed the annual interval for qualification by 9 days in 2007.

**Kinder Morgan Response:**

**The welder in question missed the due date for his test due to a medical condition which precluded him from performing any welding activities. When the welder was released medically to return to his position as a District Welder he immediately performed and passed his annual destructive test as required by Kinder Morgan**

**O&M Procedure 401/C1061. The welder did not perform any welds during the time he was not qualified.**

2. §192.481 Atmospheric corrosion control: Monitoring.

(b) during inspections the operator must give particular attention to pipe at soil-to-air interfaces, under thermal insulation, under disbanded coatings, at pipe supports, in splash zones, at deck penetrations and in spans over water.

(c) If atmospheric corrosion is found during an inspection, the operator must provide protection against the corrosion as required by §192.479.

At the following locations, the Sycamore Meter/Tap facility, Energex/TransOK, Bryan County Meter/Tap facility, and Delhi/Panola Meter Facility, the above ground meter station piping had signs of atmospheric corrosion at the pipe supports where metal-to-metal contact is present. The lack of an insulating material between the meter piping and the supports could allow the formation of a corrosion cell and if not corrected may present an unsafe condition. At the Erath/Henry Hub pig trap piping, the filter/separator piping at Compressor Station 346, there were signs of atmospheric corrosion. The atmospheric corrosion at Compressor Station 342 had been noted on follow-up work orders by NGPL personnel in March 2006, April 2007, and April 2008 as 'Poor'.

NGPL has not addressed the corrosion to-date and has not provided prompt remedial action.

**Kinder Morgan Response:**

**Kinder Morgan shall provide a plan of action addressing each of the facilities noted above by July 8, 2009. Action will be taken to isolate metal to metal contact where required and to paint those facilities that require it.**

3. §Transmission lines: Patrolling.

(a) Each operator shall have a patrol program to observe surface conditions on and adjacent to the transmission line right-of-way for indications of leaks construction activity and other factors affecting safety and operation.

It was observed during the inspection numerous areas of the right-of-way (R/W) that were in need of attention. North of Bridgeport, TX at SR 101 and the railroad, there was a distance of approximately 300 feet separating the highway and railroad at the OE pipeline crossing. The railroad paralleled the highway and ran behind the residences and businesses in the area. The R/W between the railroad and the highway was obstructed with a vacant, dilapidated mobile home and a very large trash pile of various sizes of lumber, metal and old drill stem piping of different sizes.

At the start of the Willis Lateral, there was a tree growing in the middle of the R/W. The tree was cleared from the R/W in May.

Other areas needing R/W work due to vegetation overgrowth or the tree canopy are: The US 287/RR crossing of the OE line; the 20 inch line north in the North Lansing Storage Field; the GC

#1 crossing of the Sabine River; the GC #3 north of the Angelina River crossing; the GC #1 and #2 south of TX SR 103 crossing; and the GC #1, #2, and #3 on the south side of the Trinity River.

Since NGPL uses aerial patrolling to satisfy the patrol requirements, the Operator must ensure that the right-of-ways are clear and unobstructed.

**Kinder Morgan Response:**

**Kinder Morgan shall provide a plan of action addressing each of the ROW locations noted above by July 8, 2009. Where possible the ROW will be cleared of debris and obstruction to enable aerial patrolling to continue and where it is not possible to clear the ROW a foot patrol shall be performed.**

4. §192.707 Line markers for mains and transmission lines.
  - (a) Buried pipelines. Except as provided in paragraph (b) of this section, a line marker must be placed and maintained as close as practical over each buried main and transmission line:
    - (2) Wherever necessary to identify the location of the transmission line or main to reduce the possibility of damage or interference.

At numerous locations throughout NGPL there were areas where pipeline markers were missing. Roadway crossings, railroad crossings and fence lines had sufficient markers, but along the pipeline right-of-ways away from these crossings and fence lines, the placement of markers were few and far between. Pipeline markers are missing along the ROW in the vicinity of MP 461 for GC #1 and #2; north along the ROW for GC #1, #2 and #3 near MP 473; south from TX SR 154 along the ROW for the GC pipelines near MP 450; west along the 30 inch Longview Lateral from MP 450; north along the GC #3 line from the Angelina River near MP 369; south from TX SR 103 near MP 363 along GC #1 and #2; south from TX FM 1818 near MP 353 along GC #1 and #2; north from the MC & SA RR near MP 332 along GC #1 and #2; south beyond the fence line near MP 332 along GC #1 and #2; west along the Hagist Lateral from MP 14 at TX CR 351; east along the Hagist Lateral from MP 15 at TX CR 351 beyond the fence line; and south from the Aransas River near MP 77 along the GC #1 and #2.

**Kinder Morgan Response:**

**Kinder Morgan shall survey the noted crossings and provide a plan of action to improve the signage as needed to denote the location of our pipelines. The action plan shall be provided to the by July 8, 2009.**

5. §192.751 Prevention of accidental ignition.

Each operator shall take steps to minimize the danger of accidental ignition of gas in any structure or area where the presence of gas constitutes a hazard of fire or explosion, including the following:

- (c) Post warning signs, where appropriate.

During the inspection process, it was noted at MP 412, Mainline Valves 446 and 2446 need new "No Smoking" signs. The markings on the present signs were totally obscured and unreadable. At MP 4 on the LA #1 line at the Trunkline Meter/Tap Facility, "Caution - No Smoking" signs are

needed as per NGPL's procedures, but none were present. In both cases, NGPL replaced or added the signs by the next day of the inspection.

**Kinder Morgan Response:**

**Kinder Morgan replaced the signs that had deteriorated at the specified locations listed above.**

**Compliance Order**

1. In regard to Item Number 2 of the Notice pertaining to the monitoring of atmospheric corrosion control, NGPL must inspect all above ground facility piping for indications of atmospheric corrosion. If the atmospheric corrosion is graded as "Poor", the areas of corrosion must be remediated to prevent further damage to the pipeline facilities and to ensure the safety of the public and surrounding environment.

**Kinder Morgan Response:**

**Kinder Morgan shall comply with the Compliance Order by identifying any areas of atmospheric corrosion that have been graded "Poor" and remediating those locations within the time frame prescribed within the Compliance Order.**

2. In regard to Item Number 3 of the Notice pertaining to surface conditions on and adjacent to the transmission pipeline ROW and other conditions that may affect the safety and operation of the pipeline, NGPL must survey the ROW and make necessary improvements to ensure that the ROW conditions will not hinder the aerial patrols.

**Kinder Morgan Response:**

**Kinder Morgan shall continue to monitor surface conditions of our ROW by utilizing O&M Procedure 215 Patrolling and Leak Detection. If debris and obstruction are identified it shall be removed where possible to enable aerial patrolling to continue and where it is not possible to clear the ROW a foot patrol shall be performed.**

3. In regard to item Number 4 of the Notice pertaining to the placement of pipeline markers along the ROW, NGPL must survey the pipeline ROW and make necessary additions to ensure that pipeline markers are not only present at fence lined, roadway and railroad crossings, but are wherever necessary to identify the pipeline location within the ROW and to help prevent pipeline damage.

**Kinder Morgan Response:**

**Kinder Morgan shall survey the pipeline ROW to verify that the appropriate number of pipeline markers have been installed to adequately mark it's location. Signs will be added as required.**

4. NGPL should complete these items within 120 days after the receipt of the Final Order.

**Kinder Morgan Response:**

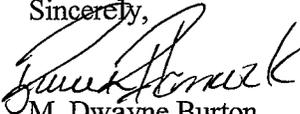
**Kinder Morgan shall complete the requirements of the Compliance Order within the prescribed time frame.**

5. Natural Gas Pipeline Company of America shall maintain documentation of the safety improvement costs associated with fulfilling this Compliance Order and submit the total to R.M. Seeley, Director, Southwest Region, Pipeline and Hazardous Materials Safety Administration. Costs shall be reported in two categories: 1) total cost associated with preparation/revision of plans, procedures, studies and analyses, and 2) total cost associated with replacements, additions and other changes to pipeline infrastructure.

**Kinder Morgan Response:**

**Kinder Morgan shall compile and submit the required cost study in conformance with the Compliance Order.**

Sincerely,



M. Dwayne Burton  
VP Gas Operations  
500 Dallas St.  
Houston, TX 77002

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