

April 27, 2012

Mr. Rodrick M. Seeley
Director, Southwest Region
Pipeline and Hazardous Materials Safety Administration
U.S. Department of Transportation
8701 South Gessner, Suite 1110
Houston, TX 77074

**Re: Notice of Amendment on EPNG Regarding Class 3 Determination
CPF 4-2012-1004M**

Dear Mr. Seeley:

El Paso Natural Gas Company ("EPNG") received the above referenced Notice of Amendment ("Notice"), dated March 22, 2012, within the last 30 days. The Notice refers to an alleged inadequacy with EPNG's Procedure 200 for using a 300 foot arc in both directions for determining Class 3 locations under section 192.5 (3 (ii)). This alleged deficiency was found during a Specialized Inspection in Houston, Texas.

EPNG believes its procedures in using the 300 foot arc is consistent with PHMSA's training and guidance on the issue. Specifically, please see attached presentation on how to determine a continuous sliding mile. If, after review of these materials, PHMSA Western Regional offices wishes to proceed with the NOA, then EPNG requests a hearing pursuant to 49 C.F.R. 190.209(a)(3) and 190.209 (b)(4), and 190.211.

Pursuant to 49 C.F.R. 190.211(e), EPNG requests that the material in any case file or other files in the actual or constructive possession of the Pipeline and Hazardous Materials Safety Administration ("PHMSA"), pertinent to the matter raised in the Notice, be provided to EPNG as soon as possible, but no less than 30 days prior to the Hearing. This includes but is not limited to inspector notes, supporting documentation, and guidance materials provided to the inspectors.

EPNG intends to raise the following issues at the Hearing, recognizing that the issue in the Notice regards EPNG's use of 300 feet in establishing the arc length when determining the limits of a Class Location 3 area created by a Code 3, or multiple occupancy, facility:

- (1) Do the modifications proposed by PHMSA in the Notice of Amendment improve and enhance the safe operation of EPNG's pipeline system if enacted as proposed?
- (2) Does PHMSA have appropriate jurisdiction under the regulations to issue this NOA?

- (3) Has PHMSA given proper weight to the relevant available pipeline safety data in issuing the NOA?
- (4) Given that it has been EPNG's written policy to use 300 feet for these instances since the policy was created and implemented on EPNG's system, is the NOA at this time an appropriate action by PHMSA?
- (5) Is the use of 300 feet in these instances consistent with industry practice, and if so is this NOA an inappropriate use of an enforcement action rather than the required use of rulemaking to change the implementation of a regulation.
- (6) Given that the use of 300 feet is consistent with training provided by PHMSA's Training and Qualifications Division to both federal and state pipeline safety inspectors (see Appendix for training materials provided to EPNG on March 29, 2011).

EPNG will be represented by counsel at the Hearing and requests the hearing be conducted in person.

We appreciate your continuing attention to pipeline safety. If you have any questions please do not hesitate to contact me.

Respectfully submitted,

 Dan K Moore for
4-27-12

Michael Catt
Vice President, Western Operations Group

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Bcc: Bennie Barnes
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