

April 18, 2017

Mr. Steve Kean
President and Chief Executive Officer
Kinder Morgan, Inc.
1001 Louisiana Street
Houston, TX 77002

Re: CPF No. 4-2016-1009

Dear Mr. Kean:

Enclosed please find the Final Order issued in the above-referenced case. It makes a finding of violation and finds that Midcontinent Express Pipeline LLC has completed the actions specified in the Notice to comply with the pipeline safety regulations. Midcontinent Express Pipeline LLC is owned by Kinder Morgan, Inc. Therefore, this case is now closed. Service of the Final Order by certified mail is deemed effective upon the date of mailing, or as otherwise provided under 49 C.F.R. § 190.5.

Thank you for your cooperation in this matter.

Sincerely,

Alan K. Mayberry
Associate Administrator
for Pipeline Safety

Enclosure

cc: Mr. R.M. Seeley, Director, Southwest Region, OPS
Mr. Gary Buchler, Vice President Operations and Engineering, Midcontinent Express
Pipeline, 1001 Louisiana Street, Houston, Texas 77002

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

**U.S. DEPARTMENT OF TRANSPORTATION
PIPELINE AND HAZARDOUS MATERIALS SAFETY ADMINISTRATION
OFFICE OF PIPELINE SAFETY
WASHINGTON, D.C. 20590**

)	
In the Matter of)	
)	
Midcontinent Express Pipeline, LLC,)	
a subsidiary of Kinder Morgan, Inc.,)	CPF No. 4-2016-1009
)	
Respondent.)	
)	

FINAL ORDER

During the period from November 03, 2015, to July 11, 2016, pursuant to 49 U.S.C. § 60117, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA), Office of Pipeline Safety (OPS), conducted an on-site pipeline safety inspection of the facilities and records of Midcontinent Express Pipeline, LLC (MEP or Respondent), in Texas, Louisiana, Oklahoma, and Mississippi. MEP is an interstate natural gas pipeline company whose system consists of a 500-mile natural gas pipeline that originates near Bennington, Oklahoma, and terminates at an interconnection with Transcontinental Gas Pipe Line near Butler, Alabama. MEP has five compressor stations along its system totaling approximately 144,000 horsepower.¹ Kinder Morgan owns 50 percent of MEP and Energy Transfer Partners owns 50 percent.

As a result of the inspection, the Director, Southwest Region, OPS (Director), issued to Respondent, by letter dated August 17, 2016, a Notice of Probable Violation and Proposed Compliance Order (Notice). In accordance with 49 C.F.R. § 190.207, the Notice proposed finding that MEP had violated 49 C.F.R. §192.947(d), and proposed ordering Respondent to take certain measures to correct the alleged violation.

MEP responded to the Notice by letter dated September 9, 2016 (Response) and September 29, 2016 (Supplemental Response). The company did not contest the allegations of violation and has completed the compliance actions, as provided in 49 C.F.R. § 190.217. Therefore, this case is now closed.

FINDING OF VIOLATION

In its Supplemental Response, MEP did not contest the allegation in the Notice that it violated 49 C.F.R. Part 192, as follows:

¹ Pipeline Safety Violation Report (Violation Report), (Aug. 17, 2016) (on file with PHMSA), at 1.

Item 1: The Notice alleged that Respondent violated 49 C.F.R. § 192.947, which states, in relevant part:

§ 192.947 What records must an operator keep?

An operator must maintain, for the useful life of the pipeline, records that demonstrate compliance with the requirements of this subpart. At minimum, an operator must maintain the following records for review during an inspection.

(a)...

(d) Documents to support any decision, analysis and process developed and used to implement and evaluate each element of the baseline assessment plan and integrity management program. Documents include those developed and used in support of any identification, calculation, amendment, modification, justification, deviation and determination made, and any action taken to implement and evaluate any of the program elements;

The Notice alleged that Respondent violated 49 C.F.R. § 192.947(d) by failing to maintain records and documents supporting decisions regarding identified potential threats for MEP's written integrity assessment plan. Specifically, the Notice alleged that on two separate occasions, decisions were made that affected the plan without documentation to support the decision.

Respondent did not contest this allegation of violation. The first instance occurred when MEP failed to include incorrect operations and equipment failures as threats in the initial Baseline Assessment plan for the pipeline system. The second instance occurred when MEP amended the plan and included incorrect operations and equipment failures as threats to be assessed in future assessments. Respondent could not provide records to support these decisions. Accordingly, based upon a review of all of the evidence, I find that Respondent violated 49 C.F.R. § 192.947(d) by failing to maintain records and documents supporting decisions regarding identified potential threats for MEP's written integrity assessment plan.

This finding of violation will be considered a prior offense in any subsequent enforcement action taken against Respondent.

COMPLIANCE ORDER

The Notice proposed a compliance order with respect to Item 1 in the Notice for the violation of 49 C.F.R. § 192.947(d). Under 49 U.S.C. § 60118(a), each person who engages in the transportation of gas or who owns or operates a pipeline facility is required to comply with the applicable safety standards established under chapter 601. The Director indicates that Respondent has taken the following actions specified in the proposed compliance order:

1. With respect to the violation of § 192.947(d) (**Item 1**), Respondent has reviewed its procedures to document all decisions pertaining to the written integrity management plan with appropriate MEP personnel and provided PHMSA with confirmation of the completed review.

PHMSA has reviewed the information provided regarding the training of all appropriate MEP employees involved in documentation procedures and processes relating to the written integrity management plan. The training focused on the requirement for documentation to support all plan changes.

Accordingly, I find that compliance has been achieved with respect to this violation. Therefore, the compliance terms proposed in the Notice are not included in this Order.

The terms and conditions of this Final Order are effective upon service in accordance with 49 C.F.R. § 190.5.

April 18, 2017

Alan K. Mayberry
Associate Administrator
for Pipeline Safety

Date Issued