



U.S. Department
of Transportation
**Pipeline and Hazardous
Materials Safety
Administration**

1200 New Jersey Avenue, SE
Washington, DC 20590

December 2, 2020

VIA ELECTRONIC MAIL TO: kenneth_grubb@kindermorgan.com

Mr. Kenneth W. Grubb
Chief Operating Officer
Kinder Morgan, Inc.
1001 Louisiana, Suite 1000
Houston, Texas 77002

Re: CPF No. 4-2020-1009

Dear Mr. Grubb:

Enclosed please find the Final Order issued in the above-referenced case. It makes a finding of violation against your subsidiary, Natural Gas Pipeline Company of America, LLC, and assesses a civil penalty of \$31,400. When the civil penalty has been paid, this enforcement action will be closed. Service of the Final Order by electronic mail is effective upon the date of transmission as provided under 49 C.F.R. § 190.5.

Thank you for your cooperation in this matter.

Sincerely,

ALAN KRAMER
MAYBERRY

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KRAMER MAYBERRY
Date: 2020.11.30 16:25:54
-05'00'

Alan K. Mayberry
Associate Administrator
for Pipeline Safety

Enclosures (Final Order and NOPV)

cc: Ms. Mary McDaniel, Director, Southwest Region, Office of Pipeline Safety, PHMSA
Mr. Jaime Hernandez, Director, Engineering, Compliance/Codes and Standards, Kinder
Morgan, Inc., jaime_hernandez@kindermorgan.com
Ms. Jessica Toll, Esq., Assistant General Counsel, Kinder Morgan, Inc.,
jessica_toll@kindermorgan.com.

CONFIRMATION OF 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)	
)	
Natural Gas Pipeline Company of America, LLC,)	CPF No. 4-2020-1009
a subsidiary of Kinder Morgan, Inc.,)	
)	
Respondent.)	
_____)	

FINAL ORDER

On September 30, 2020, pursuant to 49 C.F.R. § 190.207, the Director, Southwest Region, Office of Pipeline Safety (OPS), issued a Notice of Probable Violation (Notice) to Kinder Morgan, Inc., on behalf of Natural Gas Pipeline Company of America, LLC (Respondent). The Notice proposed finding that Respondent had violated the pipeline safety regulations in 49 C.F.R. Part 192 and proposed a civil penalty of \$31,400. Respondent did not contest the allegations of violation or the proposed civil penalty.

Based upon a review of all of the evidence, pursuant to § 190.213, I find Respondent violated the pipeline safety regulations listed below, as more fully described in the enclosed Notice, which is incorporated by reference:

49 C.F.R. § 192.805 (**Item 1**) — Respondent failed to ensure through evaluation that personnel were qualified in performing welding inspection tasks.

This finding of violation will be considered a prior offense in any subsequent enforcement action taken against Respondent. In accordance with 49 C.F.R. § 190.223, Respondent is assessed a civil penalty amount of **\$31,400**.

Payment of the civil penalty must be made within 20 days of service. Federal regulations (49 C.F.R. § 89.21(b)(3)) require such payment to be made by wire transfer through the Federal Reserve Communications System (Fedwire), to the account of the U.S. Treasury. Detailed instructions are contained in the enclosure. Questions concerning wire transfers should be directed to: Financial Operations Division (AMK-325), Federal Aviation Administration, Mike Monroney Aeronautical Center, 6500 S MacArthur Blvd, Oklahoma City, Oklahoma 79169. The Financial Operations Division telephone number is (405) 954-8845.

Failure to pay the \$31,400 civil penalty will result in accrual of interest at the current annual rate in accordance with 31 U.S.C. § 3717, 31 C.F.R. § 901.9 and 49 C.F.R. § 89.23. Pursuant to

those same authorities, a late penalty charge of six percent (6%) per annum will be charged if payment is not made within 110 days of service. Furthermore, failure to pay the civil penalty may result in referral of the matter to the Attorney General for appropriate action in a district court of the United States.

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

ALAN KRAMER
MAYBERRY

Digitally signed by ALAN
KRAMER MAYBERRY
Date: 2020.11.30 16:26:44
-05'00'

December 2, 2020

Alan K. Mayberry
Associate Administrator
for Pipeline Safety

Date Issued



U.S. Department
of Transportation
**Pipeline and Hazardous
Materials Safety
Administration**

8701 S. Gessner Rd, Suite 630
Houston, Texas 77074

**NOTICE OF PROBABLE VIOLATION
and
PROPOSED CIVIL PENALTY**

ELECTRONIC MAIL - RETURN RECEIPT REQUESTED

September 30, 2020

Joseph E. McLaughlin
Vice President of Operations
Kinder Morgan Inc.
1001 Louisiana, Suite 1000
Houston, Texas 77002

CPF 4-2020-1009

Dear Mr. McLaughlin:

From March 4, 2019, through December 2019, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA), Office of Pipeline Safety (OPS), pursuant to Chapter 601 of 49 United States Code (U.S.C.) inspected your Operations and Maintenance procedures and pipeline facilities around Houston, Texas; Jonesboro, Arkansas; Marble Hill, Missouri; and Decatur, Illinois.

As a result of the inspection, it is alleged that you have committed probable violations of the Pipeline Safety Regulations, Title 49, Code of Federal Regulations (CFR). The item inspected and the probable violation is:

1. §192.805 Qualification program.

(b) Ensure through evaluation that individuals performing covered tasks are qualified

Natural Gas Pipeline Company of America (NGPL) failed to ensure that personnel used to carry out the welding inspection task, CT 24.02.01, were qualified to perform the task. CT 24.02.01 is a covered task under NGPL's Operator Qualification Program.

Daily welding records reviewed show that two different welding inspectors were not qualified to perform the task. First, the welding inspections completed on June 2, 2017, and on June 7, 2017, were performed by an individual not qualified to do the welding inspection task, CT 24.02.01. Second, the welding inspections completed on January 9, 2019, also indicated that welding inspections were performed by an individual not qualified to do covered task, CT 24.02.01.

Proposed Civil Penalty

Under 49 U.S.C. § 60122 and 49 CFR § 190.223, you are subject to a civil penalty not to exceed \$218,647 per violation per day the violation persists, up to a maximum of \$2,186,465 for a related series of violations. For violation occurring on or after November 27, 2018 and before July 31, 2019, the maximum penalty may not exceed \$213,268 per violation per day, with a maximum penalty not to exceed \$2,132,679. For violation occurring on or after November 2, 2015, and before November 27, 2018, the maximum penalty may not exceed \$209,002 per violation per day, with a maximum penalty not to exceed \$2,090,022. For violations occurring prior to November 2, 2015, the maximum penalty may not exceed \$200,000 per violation per day, with a maximum penalty not to exceed \$2,000,000 for a related series of violations. We have reviewed the circumstances and supporting documentation involved for the above probable violations and recommend that you be preliminarily assessed a civil penalty of \$31,400 as follows:

<u>Item number</u>	<u>PENALTY</u>
1	\$ 31,400

Response to this Notice

Enclosed as part of this Notice is a document entitled *Response Options for Pipeline Operators in Enforcement Proceedings*. Please refer to this document and note the response options. All material you submit in response to this enforcement action may be 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).

Following the receipt of this Notice, you have 30 days to submit written comments, or request a hearing under 49 CFR § 190.211. If you do not respond within 30 days of receipt of this Notice, this constitutes a waiver of your right to contest the allegations in this Notice and authorizes the

Associate Administrator for Pipeline Safety to find facts as alleged in this Notice without further notice to you and to issue a Final Order. If you are responding to this Notice, we propose that you submit your correspondence to my office within 30 days from receipt of this Notice. This period may be extended by written request for good cause.

In your correspondence on this matter, please refer to **CPF 4-2020-1009** and, for each document you submit, please provide a copy in electronic format whenever possible.

Sincerely,

Mary L. McDaniel, P.E.
Director, Southwest Region
Pipeline and Hazardous Materials Safety Administration

Enclosures: *Response Options for Pipeline Operators in Enforcement Proceedings*