Re: CPF 5-2013-1003W

Dear Mr. Hoidal:

On March 5, 2013, El Paso Natural Gas Company, L.L.C. (EPNG) received correspondence from the Pipeline and Hazardous Materials Safety Administration (PHMSA) indicating that during an annual inspection conducted for PHMSA by a representative of the Arizona Corporate Commission (ACC) between July, 2012, and December, 2012, at EPNG’s field offices located in Flagstaff, Phoenix, Thatcher, Ehrenberg, and Tucson, Arizona; and Gallup New Mexico, certain issues were identified. As a result of the inspection a Warning Letter was issued by PHMSA to which EPNG wishes to respond. For the purposes of clarity EPNG will repeat the probable violation and then in bold text provide EPNG’s response.

1. §192.465(d) External corrosion control: Monitoring.

   (d) Each operator shall take prompt remedial action to correct any deficiencies indicated by the monitoring.

During the records review of item #13C of the Consent Agreement, it was noted that Kinder Morgan did not update their maps and/or records in a timely manner. Specifically, the 2008 installation of Electrolysis Test Station (ETS) on the CalNev 8-inch between Bracken Junction and Las Vegas was not included on Kinder Morgan’s maps and records after more than three (3) years. Therefore, we consider the maps reviewed not to be current.

**EPNG’s Response:**

The Kinder Morgan asset mentioned in Item number 1, the CalNev pipeline, is a liquids pipeline which is not operated by EPNG and was not part of the above referenced inspection. We therefore request PHMSA remove item number 1.

2. §192.743(b) Pressure limiting and regulating stations: Capacity of relief device

   (b) If review and calculations are used to determine if a device has sufficient capacity, the calculated capacity must be compared with the rated or experimentally determined
relieving capacity of the device for the conditions under which it operates. After the initial calculations, subsequent calculations need not be made if the annual review documents that parameters have not changed to cause the rated or experimentally determined relieving capacity to be insufficient.

Documentation provided during this inspection for the 2009 and 2010 inspections of the Somerton City Gate station demonstrated the capacity of the regulators exceeded the relief capacity of the relief valve installed on this station. In addition, the capacity of the relief valve and regulator on records dated 4-21-10 and 5-16-12 were incorrectly entered. Furthermore, the 2009 records for this station failed to include any capacity information.

The relief valve at the Duncan No. 2 station is set at the station's documented MAOP of 75 psi. According to the station inspection report for the 2012 calendar year, the relief valve capacity listed on the report is 60 MCFH, which is greater than the regulator's capacity of 24.6 MCFH. However, according to the relief valve manufacturer's bulletin, the capacity listed in the inspection report only happens at the set point of 75 psi plus 25 psi buildup pressure. Therefore, the capacity only takes place when the relief valve inlet pressure is 100 psi. Based on the above information, without conducting a full flow test there exists the possibility of an over pressure on the downstream pipeline. KMI cannot currently ensure the Duncan #2 station has a relief device with adequate capacity.

**EPNG's Response:**

**Somerton Meter Station:** Operations personnel discovered and corrected the regulators exceeding relief capacity prior to the inspection in 2012. The regulators were adjusted by installing proper sized cages for the application. The technician was instructed on how to properly document regulator and relief valve inspections including capacity information.

**Duncan Meter Station Number 2:** Operations has tested the relief and regulators at the site and the relief valve is adequately sized for the application. It should be noted that at the time of the inspection, the auditor was invited to the site so that a test could be performed and he declined. EPNG then proceeded to conduct the test to ensure the relief valve is adequately sized.

Accordingly, the issues identified in Item #2 have been fully resolved.

3. §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:
   (1) At each crossing of a public road and railroad

There were no line markers on the 2103 line where the pipeline crossed underneath Roadrunner and Bilby Roads in the South Tucson area.

**EPNG's Response:**

Line markers were previously installed at the identified road crossing; however at the time of inspection evidence of vandalism was discovered and the above ground portion
of the markers was no longer present. New signs were installed the day after discovery. Accordingly, the issue in item #3 has been fully resolved.

EPNG appreciates the opportunity to provide this updated information to PHMSA. If PHMSA has any further questions with regard to this matter please contact Reji George at 713-420-5433.

Sincerely,

[Signature]

Gary Buchler
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