



April 21, 2017

04-24-17P02:21 RCVD

Chris Hoidal, Director
Western Region
Pipeline and Hazardous Material Safety Administration
12300 W. Dakota Avenue, Suite 110
Lakewood, CO 80228

RE: CPF 5-2017-1003W – Casing Short

Dear Mr. Hoidal:

Kinder Morgan (KM) is in receipt of your Warning Letter dated February 24, 2017 related to PHMSA's inspection of SFPP, LP's pipeline system in southern California and Arizona. The Warning Letter alleges probable violations of 49 CFR Part 192.467 - External Corrosion Control: Electrical Isolation. KM believes that it is fully compliant with the regulations and that this Warning Letter was mistakenly issued based on incorrect information in PHMSA's records, which was the result of the inspector having transitioned from your office to another agency without updating the Inspection Assistant software.

A review of the KM field notes shows that your inspector originally had a concern at the time of reviewing the annual survey records (2013, 2014, and 2015) that the cased crossing on LS-111 located at MP 95.280 was "shorted" to the pipeline and not electrically isolated. Subsequently, KM sent him a copy of our procedure showing the readings to be within compliance (+50 mv). While on-site during the field review, KM conducted field measurements, also demonstrating compliance. Further, the inspector made no mention of his original concern during the close-out meeting, leading to KM's belief that the concern had been addressed to the satisfaction of the inspector and that KM was in full compliance.

Long after the close-out meeting, and after learning about the possibility that a warning letter might be issued in this matter, KM conducted tests in January and March of this year, once again confirming electrical isolation. Results of each test indicated 118 mv between the casing and carrier and 0.202 ohms internal resistance between the casing and carrier, both of which values exceed KM and NACE standards.

We are attaching appropriate sections of the excerpt of our procedure (originally sent to your inspector on May 2, 2016), the portion of the field notes showing the

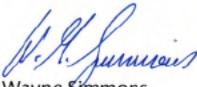
Mr. Chris Hoidal
April 21, 2017
Page two

11
11
11

measurements taken during the field review, the three annual reports, and copies of the subsequent testing for your review. After you have had the opportunity to review these records, KM respectfully requests that you rescind the Warning Letter.

We appreciate the opportunity to provide this additional information. KM is committed to protecting people, to protecting the environment, and to complying fully with the regulations. If you have any questions, do not hesitate to call Buzz Fant at 713 369-9454 or me at 713 420-6330.

Sincerely,



Wayne Simmons
Chief Operating Officer, Products Pipelines

Enclosures (5)

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