

## **WARNING LETTER**

### **CERTIFIED MAIL - RETURN RECEIPT REQUESTED**

January 18, 2019

Mr. Tom Martin  
President, Natural Gas Pipelines  
Kinder Morgan  
1001 Louisiana Street, Suite 1000  
Houston, TX 77002-5089

**CPF 5-2019-1004W**

Dear Mr. Martin:

During the weeks of April 17 through 21, April 24 through 28, July 10 through 14, and July 17 through 21, 2017, representatives of the Pipeline and Hazardous Materials Safety Administration (PHMSA) pursuant to Chapter 601 of 49 United States Code (U.S.C.) inspected your El Paso Natural Gas Pipeline, El Paso-Pecos River Facilities, in New Mexico and Texas.

Based on our inspection findings, PHMSA determined that you have committed probable violations of the Pipeline Safety Regulations, Title 49, Code of Federal Regulations (CFR), Part 192. The deficiencies noted and the probable violations are:

1. **§192.605 Procedural manual for operations, maintenance, and emergencies.**
  - (a) **General.** Each operator shall prepare and follow for each pipeline, a manual of written procedures and conducting operations and maintenance activities and for emergency response. For transmission lines, the manual must also include procedures for handling abnormal operations. This manual must be reviewed and updated by the operator at intervals not exceeding 15 months, but at least once each calendar year. This manual must be prepared before operations of pipeline system commence. Appropriate parts of the manual must be kept at locations where operations and maintenance activities are conducted.

Kinder Morgan did not review and update their procedural manual for operations, maintenance, and emergencies, in accordance with §192.605(a). Kinder Morgan was unable to provide documentation or records which demonstrated a review of the emergency manual occurring in calendar years 2014 and 2015, for the El Paso-Pecos River Unit, which is part of the Deming Operating Area.

2. **§192.615 Emergency Plans.**
  - (c) Each operator shall establish and maintain liaison with appropriate fire, police, and other public officials to:
    - (1) Learn the responsibility and resources of each government organization that may respond to a gas pipeline emergency;

While reviewing records for calendar years 2014 through 2016, it was determined that the Kinder Morgan did not establish and maintain liaisons with public officials. Only records demonstrating liaisons with emergency responders were provided during the inspection.

3. **§192.731 Compressor stations: Inspection and testing of relief devices.**
  - (a) Except for rupture discs, each pressure relieving device in a compressor station must be inspected and tested in accordance with §192.739 and §192.743, and must be operated periodically to determine that it opens at the correct set pressure.

Kinder Morgan did not follow its written procedure for pressure relief devices in compressor stations. Pursuant to Kinder Morgan's Operations and Maintenance Manual, Section 3.3.2.2, Procedure #703 Pressure Limiting and Relief Devices Inspections: "All unit relief valves and all pressure-limiting devices shall be set no higher than 107% of mainline MAOP." While reviewing the calendar year 2014 inspection records for the Cornudus Compressor Station (Asset #122622, PM56863), it was discovered that the relief valve was set to 990 pounds per square inch (psi) in 2014, well above the maximum allowable operating pressure (MAOP) of 600 psi. This set pressure was higher than the operator's procedural allowance of 107% of mainline MAOP.

**4. §192.736 Compressor stations: Gas detection.**  
**(c) Each gas detection and alarm system required by this section must be maintained to function properly. The maintenance must include performance tests.**

Kinder Morgan personnel did not adequately inspect their gas detection and alarm system at four of their compressor stations to ensure that they are being maintained to function properly. Kinder Morgan specified an inspecting and testing interval for these systems in their Operations and Maintenance (O&M) manual as required by 192.605(a). Kinder Morgan maintenance records indicate that they have not followed their procedure in accordance with their O&M Manual, specifically the mandated testing activities for their gas detection system.

Kinder Morgan's Procedure 550, *Testing of Gas and Fire Detection Systems*, requires that interval testing of the gas detection system be conducted at least four (4) times each calendar year, not to exceed 4.5 months. Prior to 2014, the gas detection frequency was established to be conducted annually.

A review of the gas detection testing records indicated that Kinder Morgan personnel did not conduct the performance tests at the revised frequency, as established by Procedure 550. Examples of non-compliance were found at the following locations:

- Pecos River Compressor Station-Testing of the gas detection system was only performed once in 2014.
- El Paso Compressor Station-Testing of the gas detection system was only performed 3 times in 2015 (6//10/15, 11/30/15, and 12/1/15).
- Hueco Compressor Station - Testing of the gas detection system was only performed 3 times in 2015 (7/11/15, 9/21/15, and 11/18/15).
- Afton Compressor Station-Testing of the gas detection system was only performed 3 times in 2015 (5/20/15, 9/23/15, and 11/9/15).

**5. §192.709 Transmission lines: Record keeping.**  
**Each operator shall maintain the following records for transmission lines for the periods specified:**  
**(c) A record of each patrol, survey, inspection, and test required by subparts Land M of this part must be retained for at least 5 years or until the next patrol, survey, inspection, or test is completed, whichever is longer.**

Kinder Morgan was unable to provide records that demonstrated compliance for continuing surveillance in calendar year 2014, in accordance with their procedure O&M Manual, Procedure #218 - Continuing Surveillance, and §192.613(a).

6. **§192.605 Procedural manual for operations, maintenance, and emergencies.**  
**(a) General.** Each operator shall prepare and follow for each pipeline, a manual of written procedures and conducting operations and maintenance activities and for emergency response. For transmission lines, the manual must also include procedures for handling abnormal operations. This manual must be reviewed and updated by the operator at intervals not exceeding 15 months, but at least once each calendar year. This manual must be prepared before operations of pipeline system commence. Appropriate parts of the manual must be kept at locations where operations and maintenance activities are conducted.

Kinder Morgan's annual review and update of their procedural manual appears inadequate. The procedural manual is required by 192.605(e) to include procedures that address Continuing Surveillance, as prescribed in 192.613(a). Kinder Morgan records provided during the inspection could not substantiate that all activities in Procedure #218 for Continuing Surveillance were included in the annual review for calendar years 2015 and 2016.

7. **§192.705 Transmission lines: Patrolling.**  
**(a) Each operator shall have a patrol program to observe surface conditions on and adjacent to the transmission right-of-way for indications of leaks, construction activity, and other factors affecting safety and operation.**  
**(b) The frequency of patrols is determined by the size of the line, the operating pressures, the class location, terrain, weather, and other relevant factors, but intervals between patrols may not be longer than prescribed in the following table:**

Class location of line	Maximum interval between patrols	
	At highway and railroad crossings	At all other places
1, 2	7½ months; but at least twice each calendar year	15 months; but at least once each calendar year.
3	4½ months; but at least four times each calendar year	7½ months; but at least twice each calendar year.
4	4½ months; but at least four times each calendar year	4½ months; but at least four times each calendar year.

Kinder Morgan did not patrol four times each calendar year, at highway and railroad crossings for Class Location 3, during the calendar year 2016 for Line 1600 (Comodus to Florida Station). The operator only patrolled three times (4/26/16, 7/25/16, and 11/29/16) for segment MP 199+4217 to MP 205+5013.

Patrolling records on Lines 1100, 1103, and 1110, for calendar year 2014 through June of 2017, did not demonstrate that Kinder Morgan patrolled road crossings at two locations, Highway 285 and Highway 652. Calendar year 2014 patrolling records for Class Locations 1 and 2, on Lines 1100 and 1103, did not document dates on either interval. Due to incomplete records, compliance could not be demonstrated.

**8. §192.479 Atmospheric corrosion control: General**  
**(a) Each operator must clean and coat each pipeline or portion of pipeline that is exposed to the atmosphere, except pipelines under paragraph (c) of this section.**

Kinder Morgan did not clean and coat pipelines or portions of pipelines that were exposed to the atmosphere at the following locations:

- Line 3191, Valve#1
- Washington Ranch Compressor Station: multiple areas of no coating and/or poor coating, including nuts, bolts, and flanges.

**9. §192.481 Atmospheric corrosion control: Monitoring**  
**(a) Each operator must inspect each pipeline or portion of pipeline that is exposed to the atmosphere for evidence of atmospheric corrosion, as follows:**

<b>If the pipeline is located:</b>	<b>Then the frequency of inspection is:</b>
<b>Onshore</b>	<b>At least once every 3 calendar years, but with intervals not exceeding 39 months</b>
<b>Offshore</b>	<b>At least once each calendar year, but with intervals not exceeding 15 months</b>

Kinder Morgan personnel failed to identify and inspect multiple areas of aboveground pipe, exposed to the atmosphere, for evidence of atmospheric corrosion, including the following locations:

- Pecos River Compressor Station: Multiple below grade pit type structures were observed at the station. Kinder Morgan field staff were not aware of these pit locations and stated the locations were not on the atmospheric corrosion inspection list.
- Old taps for Lines 2034 and 2058 at the 3 Hills Meter Station. These active lines are not included on the atmospheric corrosion inspection list.

**10. §192.481 Atmospheric corrosion control: Monitoring**  
**(b) During inspections the operator must give particular attention to pipe at soil-to-air interfaces, under thermal insulation, under disbonded coatings, at pipe supports, in splash zones, at deck penetrations, and in spans over water.**

Kinder Morgan did not give particular attention to pipe at soil to air interfaces during inspections, in accordance with §192.481(b). Multiple areas were found to have disbonded wrap and/or damaged wrap at the interfaces, including the following locations:

- Cornudus Station, Line 1103: cracked wrap with bare steel showing.
- Hueco Station, Line 1100: improper wrap, areas of bare steel.
- Line 3191 at Valve #1: wrap in disrepair.

Under 49 U.S.C. § 60122 and 49 CFR § 190.223, you are subject to a civil penalty not to exceed \$209,002 per violation per day the violation persists, up to a maximum of \$2,090,022 for a related series of violations. 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 documents involved in this case, and have decided not to conduct additional enforcement action or penalty assessment proceedings at this time. We advise you to correct the items identified in this letter. Failure to do will result in Kinder Morgan being subject to additional enforcement action.

No reply to this letter is required. If you choose to reply, in your correspondence please refer to **CPF 5-2019-1004W**. Be advised that all material you submit in response to this enforcement action is subject to being 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).

Sincerely

Chris Hoidal  
Acting Director, Western Region  
Pipeline and Hazardous Materials Safety Administration

cc: PHP-60 Compliance Registry  
PHP-500 D.Fehling(#155197)