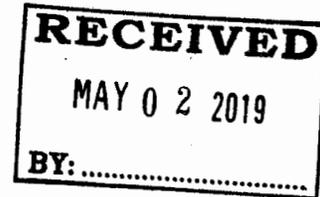




**El Paso Natural Gas
Company, L.L.C.**
a Kinder Morgan company



April 24, 2019

Via E-Mail and FedEx

Chris Hoidal
Acting Director, Western Region
Pipeline and Hazardous Materials Safety Administration
1200 W. Dakota Avenue, Suite 110
Lakewood, CO 80228

Re: El Paso Natural Gas Company, LLC – JAL South Complex – Texas / CPF 5-2019-1005W

Inspection Dates: April 17 - 24, April 24 - 28, and August 7 - 11, 2017

Dear Mr. Hoidal:

El Paso Natural Gas Company, LLC (“EPNG”) responds herein to the Pipeline and Hazardous Materials Safety Administration’s (“PHMSA”) Warning Letter (“Letter”), dated January 17, 2019, in the above-referenced matter.

INSPECTION FINDINGS:

1. §192.731 Compressor stations: Inspection and testing of relief devices. (c) Each remote control shutdown device must be inspected and tested at intervals not exceeding 15 months, but at least once each calendar year, to determine that it functions properly.

Kinder Morgan did not conduct an inspection and testing of relief devices per the required interval, in accordance with §192.731(c). Kinder Morgan exceeded the 15 month interval for inspection and testing of relief devices at the Keystone Compressor Station for relief devices identified as assets #63337, #63336, #35022, and #35021, during the calendar year 2014.

Additionally, Kinder Morgan's records (Maximo Work Order System) for inspection and testing of relief devices in calendar year 2015 are not consistent with the inspection dates on the records by the contractor who performed the inspections.

Response: The PHMSA Inspector used a phone application that calculated the days between dates and determined that inspections had exceeded 15 months. The phone application, while convenient, is not a PHMSA specified method of counting days. Moreover, the regulation is written in terms of calendar months and not days. In particular, the regulation states that the time between inspections shall not exceed 15 calendar months. The Maximo work orders demonstrate that the inspections were completed one day prior to the compliance due date. Specifically, the 2013 inspection was completed on June 11, 2013 and the 2014 inspection was completed on September 10, 2014, one day before the 15-month due date of June 12, 2013 and September 11, 2014, respectively. See EPNG-0000001 – EPNG-0000008.

2. §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 (KM) personnel did not adequately inspect their gas detection and alarm system at one 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). KM 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:

Keystone Compressor Station: Plant A, Plant B, and the Control Room.

- Calendar Year 2014:
Control Room- Testing occurred on 5/5/14, 8/19/14, 11/5/14, and 12/24/14.
The operator exceeded the 4.5-month interval on 5/5/14.
- Calendar Year 2015:
Plant A The operator did not perform testing at least 4 times each calendar year. Testing dates occurred on 4/22/15, 9/1/15, and 12/22/15.
Plant B - The operator did not perform testing at least 4 times each calendar year. Testing dates occurred on 4/22/15, 9/1/15, and 12/22/15.

Control Room - The operator did not perform testing at least 4 times each calendar year. Testing occurred on 5/7/15, 9/18/15, and 12/22/15.

- Calendar Year 2016:
Plant A - The operator did not perform testing at least 4 times each calendar year. Testing occurred on 4/21/16, 8/24/16, and 12/12/16.
Plant B - The operator did not perform testing at least 4 times each calendar year. Testing occurred on 4/21/16, 8/24/16, and 12/7/16.
Control Room - The operator did not perform testing at least 4 times each calendar year. Testing occurred on 4/21/16, 8/24/16, and 9/28/16.

Additionally, KM was not properly maintaining the gas detection alarm systems at the compressor stations. Kinder Morgan's procedure requires that the high-level detectors in compressor buildings be set to alarm at a high-level set point of 30-40% of the Lower Explosive Limit (LEL). Records for the Keystone Compressor Station for calendar years 2015, 2016, and through May 2017 indicated that the high-level alarms were set higher than the level established by the procedure. Records reviewed indicated the high-level alarms had been set above 40% of the LEL, sometimes as high as 50% of the LEL.

Response: EPNG has updated its work management system to create work orders for gas detection and alarm system inspection four times each calendar year not to exceed 4.5 months, and re-set the high level alarms in accordance with the O&M manual.

3. **§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 2014, 2015, and 2016.

Response: Regulation 49 CFR § 192.605 does not specify a type of documentation that is necessary and EPNG respectfully asserts that Maximo work order 15-526808 and work order 16-413522 (EPNG-0000009 – EPNG-0000010) are adequate to document compliance with the regulation. For purposes of future compliance, EPNG will be creating a form to document

that all activities in O&M Procedure 218 for continuous surveillance were included in the annual review. EPNG has also created a Maximo work ticket for this annual review and update. Upon completion, the form will be uploaded into Maximo when the work ticket is closed.

4. §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.

While confirming road and railroad crossings through Kinder Morgan's GeoMap program, all roadway crossings were not identified, therefore, not patrolled twice per calendar year, NTE 7.5 months.

24" Line Segment- Kinder Morgan did not patrol all road crossings in calendar year 2014 (only patrolled on 11/17/2014), calendar year 2015 (only patrolled on 8/27/2015), calendar year 2016 (only patrolled on 9/21/2016), and the first interval of calendar year 2017 had not been patrolled at time of inspection, more than 7.5 months. The identified missed road crossings, but not inclusive of, were at CR103, SR/CR18, CR683, and SR/CR404.

20" Line Segment Kinder Morgan did not patrol all road crossings in calendar year 2014: No patrol in the first part of 2014 (only patrolled on 12/17/2015), and exceeded interval from calendar year 2015 to calendar year 2016 (patrolled on 12/5/2105, next patrol 7/18/2016). Identified missed road crossings were on Line 1105.

Response: Each location in question was patrolled multiple times (up to 10 times) each year by aerial patrol. Below and attached is documentation demonstrating that the patrols happened at least twice per calendar year, not to exceed 7.5 months. In addition, all of these crossing locations have been added to GeoMap.

The 24” and the 20” segments are patrolled via aerial patrol at the same time.

With regard to the 24” Line Segment, in addition to the November 17, 2014 patrol mentioned above, EPNG patrolled it by air on June 11 and 12, 2014. For calendar year 2015, in addition to the August 27, 2015 patrol mentioned above, EPNG patrolled the line on June 9, 2015. For calendar year 2016, in addition to the September 21, 2016 patrol mentioned above, EPNG conducted an aerial patrol on March 22, 2016. Last, for calendar year 2017, EPNG conducted aerial patrols on February 21, 2017 and August 21, 2017 (EPNG-0000011 through EPNG-0000119).

With regard to the 20” Line Segment, EPNG patrolled it by air multiple times in 2014 including on June 11 and 12, 2014, and on November 13, 2014. For calendar year 2015, in addition to the December 17, 2015 patrol mentioned above, an aerial patrol was completed on June 9, 2015. Last, for calendar year 2016, in addition to the July 18, 2016 patrol mentioned above, an aerial patrol was completed on March 22, 2016 (EPNG-0000011 through EPNG-0000150).

5. **§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:

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

Kinder Morgan did not identify and inspect multiple areas of aboveground pipe, which are exposed to the atmosphere, for evidence of atmospheric corrosion, at the following locations:

- **Benedum Junction (Midkiff, Texas):** In the southern area of the station, below grade pipe exposed to atmosphere was observed in pit type structures. This pipe was not identified on Kinder Morgan's atmospheric corrosion inspection. Field staff were not aware of exposed pipe, and stated they had never looked into the pit prior to the field inspection.

- Keystone Compressor Station: Two pit type structures with below grade piping exposed to the atmosphere were not on Kinder Morgan's atmospheric corrosion inspection list, therefore, not being inspected.

Response: EPNG has taken steps to ensure that for future atmospheric inspections of below-grade pit type structures the inspector either: 1) enters the pit using a confined space permit to conduct a complete visual inspection; or 2) utilizes mirrors or other means (e.g. video technology) to perform a complete visual inspection of the equipment from above.

6. **§192.459 External corrosion control: Examination of buried pipeline when exposed. Whenever an operator has knowledge that any portion of a buried pipeline is exposed, the exposed portion must be examined for evidence of external corrosion if the pipe is bare, or if the coating is deteriorated. If external corrosion requiring remedial action under 192.483 through 192.489 is found, the operator shall investigate circumferentially and longitudinally beyond the exposed portion (by visual examination, indirect method, or both) to determine whether additional corrosion requiring remedial actions exists in the vicinity of the exposed portion.**

Kinder Morgan did not perform examinations of buried pipe when found exposed, in accordance with §192.459. During the field inspection, long term exposed pipe was observed in the sand dunes areas outside of the Keystone Compressor Station. Shifting sands continuously expose areas of buried pipe. However, Kinder Morgan is performing atmospheric corrosion inspections rather than exposed piping examinations. No records were provided during the inspection to demonstrate that Kinder Morgan performed an evaluation of the coating in these areas:

Response: In 2017 the exposed pipe was inspected to determine if coating was deteriorated and a pipeline examination report was completed for the areas listed in the Warning Letter (EPNG-0000151 – EPNG-0000162). In the future EPNG will perform similar inspections for any exposed pipe that is discovered in accordance with its O&M procedures.

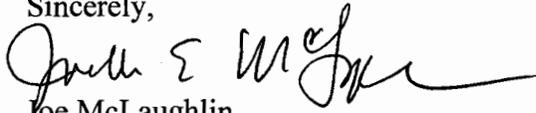
7. **§192.807 Recordkeeping.**
(b) Records supporting an individual's current qualification shall be maintained while the individual is performing the covered task. Records of prior qualifications and records of individuals no longer performing covered tasks shall be retained for a period of five years.

Kinder Morgan did not maintain records of individuals qualified to perform covered tasks, in accordance with §192.807(b). Kinder Morgan did not provide and maintain records for individuals performing covered tasks at the Keystone Compressor Station. Kinder Morgan used contractor personnel to perform annual inspections on over pressure protection relief devices during calendar years 2015 and 2016. Kinder Morgan was unable to provide records that demonstrated the contractor personnel were qualified to perform the covered task.

Response: EPNG understands that when it uses contractors to perform covered tasks it must be able to demonstrate that the contracted individuals are qualified to perform the covered task.

Should you have any questions or require any additional information or supporting documentation, please do not hesitate to contact me at (713) 369-9847, or contact Jaime Hernandez, Director – Engineering at (713) 369-9443.

Sincerely,

A handwritten signature in black ink, appearing to read "Joe McLaughlin", with a long horizontal flourish extending to the right.

Joe McLaughlin
Vice President, Operations

cc: Jaime Hernandez