

NOTICE OF AMENDMENT

VIA ELECTRONIC MAIL TO: joshua_etzel@kindermorgan.com

May 21, 2025

Joshua Etzel
VP Operations and Engineering
Kinder Morgan Liquid Terminals, LLC
78 Lafayette Street
Carteret, New Jersey 07008

CPF 1-2025-022-NOA

Dear Mr. Etzel:

From April 1, 2024 to July 22, 2024, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA) pursuant to Chapter 601 of 49 United States Code (U.S.C.) inspected Kinder Morgan Liquid Terminals, LLC's (Kinder Morgan) breakout tank procedures.

As a result of the inspection, PHMSA has identified an apparent inadequacy found within Kinder Morgan's plans or procedures. The item inspected and the inadequacy is described below:

1. § 195.402 Procedural manual for operations, maintenance, and emergencies.

(a) ...

(c) *Maintenance and normal operations.* The manual required by paragraph (a) of this section must include procedures for the following to provide safety during maintenance and normal operations:

(1) ...

(3) Operating, maintaining, and repairing the pipeline system in accordance with each of the requirements of this subpart and subpart H of this part.

Kinder Morgan's procedures for maintenance and normal operations were inadequate to assure safe operation of a pipeline facility in accordance with section 195.402(c)(3). Specifically, Kinder Morgan's procedures, *T-O&M 2241 – Tank to Tank Transfer, dated 07/17/09* and *T-O&M 2242 – Tank Circulation, dated 05/27/09*, (Transfer and Circulation Procedures), failed to include the

correct record retention requirement of two years in accordance with section 195.404(c)(3).

Section 195.404(c)(3) requires operators to maintain a record of each inspection and test required by Part 195 Subpart F for at least 2 years or until the next inspection or test is performed, whichever is longer.

During the inspection, PHMSA reviewed the Transfer and Circulation Procedures. Section 5 of the Transfer and Circulation Procedures stated that the inspections required by the procedures shall be documented and records retained for a minimum of only one year.

Therefore, Kinder Morgan's procedures for maintenance and normal operations were inadequate to assure safe operation of a pipeline facility in accordance with section 195.402(c)(3). PHMSA proposes that Kinder Morgan must revise its procedures to address the deficiency discussed above.

Response to this Notice

Please refer to this document and note the response options. 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).

Following the receipt of this Notice, you have 30 days to submit written comments, revised procedures, or a request for a hearing under section 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 an Order Directing Amendment. If your plans or procedures are found inadequate as alleged in this Notice, you may be ordered to amend your plans or procedures to correct the inadequacies (49 CFR § 190.206). If you are not contesting this Notice, we propose that you submit your amended procedures to my office within 30 days of receipt of this Notice. This period may be extended by written request for good cause. Once the inadequacies identified herein have been addressed in your amended procedures, this enforcement action will be closed.

It is requested (not mandated) that Kinder Morgan Liquid Terminals, LLC maintain documentation of the safety improvement costs associated with fulfilling this Notice of Amendment (preparation/revision of plans, procedures) and submit the total to Robert Burrough, Director, Eastern Region, Pipeline and Hazardous Materials Safety Administration. In correspondence

concerning this matter, please refer to **CPF 1-2025-022-NOA** and, for each document you submit, please provide a copy in electronic format whenever possible.

Sincerely,

Robert Burrough
Director, Eastern Region
Pipeline and Hazardous Materials Safety Administration

Enclosure: Response Options for Pipeline Operators in Enforcement Proceedings