

NOTICE OF AMENDMENT

VIA ELECTRONIC MAIL TO: williamp_brown@kindermorgan.com

July 1, 2025

Mr. William Brown
President, Chief Executive Officer
Kinder Morgan Liquid Terminals, LLC
1001 Louisiana Street, Suite 100
Houston, Texas 77002

CPF 1-2025-031-NOA

Dear Mr. Brown:

From August 27 through October 17, 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 (KMLT) procedures for maintenance and normal operations as part of an integrated inspection in Wilmington, North Carolina.

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

1. § 195.442 Damage prevention program

(a)

(b) An operator may comply with any of the requirements of paragraph (c) of this section through participation in a public service program, such as a one-call system, but such participation does not relieve the operator of the responsibility for compliance with this section. However, an operator must perform the duties of paragraph (c)(3) of this section through participation in a one-call system, if that one-call system is a qualified one-call system. In areas that are covered by more than one qualified one-call system, an operator need only join one of the qualified one-call systems if there is a central telephone number for excavators to call for excavation activities, or if the one-call

systems in those areas communicate with one another. An operator's pipeline system must be covered by a qualified one-call system where there is one in place. For the purpose of this section, a one-call system is considered a "qualified one-call system" if it meets the requirements of section (b)(1) or (b)(2) or this section.

KMLT's written procedural manual for operations, maintenance, and emergencies was inadequate to ensure safe operation of a pipeline facility in accordance with section 195.402(c)(3).¹ Specifically, KMLT's *Terminals O&M Procedure T-O&M 204, Construction Near Company Facilities* (10/09/24) (O&M Manual) failed to provide sufficient details on its process(es) that will facilitate compliance with the requirements of section 195.442(b).

During the inspection, PHMSA reviewed the portions of KMLT's O&M Manual which address the requirements of any construction activities that may encroach upon KMLT pipeline systems or facilities, in order to protect the public and its employees, and to prevent any damage to said systems or facilities. Section 3.4 of the manual, regarding KMLT's participation in state/provincial one-call programs, stated in part that, where required, KMLT will participate in a qualified state/provincial one-call system. However, the O&M Manual did not specify how KMLT would participate in areas that are covered by more than one qualified one-call system, as required by section 195.442(b). KMLT also failed to stipulate what is considered a "qualified one-call system" pursuant to the requirements of sections 195.442(b)(1) or 195.442(b)(2). According to the *O&M Manual, Attachment 4 – One Call Center Phone Numbers*, the state of California is covered by two (2) one-call systems, USA North 811 and Dig Alert. However, the O&M Manual did not specify whether KMLT participated in one or both systems and if so, what areas each system covered within the state of California. KMLT's described procedure lacked sufficient details to adequately meet the requirements of section 195.442(b).

Therefore, KMLT's written procedural manual for operations, maintenance, and emergencies was inadequate to ensure safe operation of a pipeline facility in accordance with section 195.402(c)(3). PHMSA proposed that KMLT must revise its procedures to address the above inadequacy.

Response to this Notice

This Notice is provided pursuant to 49 U.S.C. § 60108(a) and 49 CFR § 190.206. Enclosed as part of this Notice is a document entitled *Response Options for Pipeline Operators in Enforcement Proceedings*.

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

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.

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 1-2025-031-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*