WARNING LETTER

DELIVERY METHOD – VIA FEDERAL EXPRESS

February 10, 2022

Mr. Kenneth Grubb
Chief Operating Officer
Colorado Interstate Gas CO
Kinder Morgan, Inc.
1001 Louisiana St., Suite 1000
Houston, Texas 77002

CPF 2-2022-005-WL

Dear Mr. Grubb:

From March 16, 2020 to October 12, 2021, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA) inspected the Colorado Interstate Gas Company (CIG) written procedures, records and facilities in Wyoming, Colorado, Utah, Oklahoma, Kansas, pursuant to Chapter 601 of 49 United States Code (U.S.C.). CIG is a subsidiary of Kinder Morgan, Inc.

As a result of the inspection, it is alleged that CIG committed probable violations of the Pipeline Safety Regulations, Title 49, Code of Federal Regulations (CFR). The items inspected 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 for 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 a pipeline system commence. Appropriate parts of the manual must be kept at locations where operations and maintenance activities are conducted.

CIG failed to meet the regulation because it did not follow for each pipeline, a manual of written procedures for conducting operations and maintenance activities.

CIG performed a hot tap on its Line 200A, located in Pueblo West, Colorado, on September 3, 2019. At the time of PHMSA's inspection, Section 3.5 of CIG Procedure 224, titled "Pre-Installation Checklist," required completion, review, and approval by the project manager using O&M Form OM200-27 – Tap/Stopple® Data Sheet. At the time of PHMSA's inspection, CIG personnel were unable to furnish any record confirming that the required pre-installation check was completed, or that that the project manager reviewed and approved it per the referenced CIG procedure.

2. § 192.491 Corrosion control records.

(a) …

(c) Each operator shall maintain a record of each test, survey, or inspection required by this subpart in sufficient detail to demonstrate the adequacy of corrosion control measures or that a corrosive condition does not exist. These records must be retained for at least 5 years with the following exceptions:

(1) Operators must retain records related to §192.465 (a) and (e) and 192.475(b) for as long as the pipeline remains in service.

CIG failed to meet the regulation because it did not maintain a record of each test, survey, or inspection required by this subpart in sufficient detail to demonstrate the adequacy of corrosion control measures or that a corrosive condition does not exist. Specifically, CIG did not maintain a record of the inspection of the internal surface of its pipeline for evidence of corrosion during a pipe repair/removal project, as required by § 192.475(b).

CIG performed a hot tap on its Line 200A, located in Pueblo West, Colorado, on September 3, 2019. During review of records related to the referenced project, PHMSA personnel requested a copy of CIG's Pipe Examination Report (PER) No. 193706, the final report referenced in the overall project documentation and the official record of CIG's inspection of the internal surface of the exposed pipe. CIG provided PHMSA with PER No. 163434 with a "create date" of October 14, 2019, and no entry for the "finalized date." Furthermore, this report was generally incomplete as 5 of the 11 pages were blank. CIG informed PHMSA that the apparent discrepancy in form numbers was a result of the original report, PER No. 163434, having exceeded the maximum timeframe for input/finalization. CIG personnel created a new report, PER No. 193706, intended to retroactively capture the referenced hot tap, but it reflected "create" and "finalization" dates of October 1, 2021, and October 8, 2021, respectively – over two years after the pipe examination and subsequent hot tap project.[1] It should be noted that upon review of additional supporting project documentation, it was confirmed that the retroactive data was in fact based on CIG personnel's field notes taken

[1] Kinder Morgan's documentation for these regulations is Form OM200-02, Pipeline Examination Report for pipeline systems. Form OM200-02, is intended to document the coating and pipe condition on routine pipeline exposures, during construction and maintenance activities, integrity assessments and any other activity in which any internal surface of pipe is exposed or if the pipe is excavated and the coating or bare pipe is exposed. If any corrosion is identified that has not been previously evaluated and remediated, a corrosion technician or similarly qualified person would evaluate the pipe and complete Form OM200-02. Pipeline replacement or remediation is also documented on Form OM200-02.

at the time of the actual hot tap – CIG personnel collected the required information, but failed to enter it in a timely manner, leading to the expiration of the original PER (No. 163434).

Under 49 U.S.C. § 60122 and 49 CFR § 190.223, CIG is subject to a civil penalty not to exceed $225,134 per violation per day the violation persists, up to a maximum of $2,251,334 for a related series of violations. For violation occurring on or after January 11, 2021 and before May 3, 2021, the maximum penalty may not exceed $222,504 per violation per day the violation persists, up to a maximum of $2,225,034 for a related series of violations. For violation occurring on or after July 31, 2019 and before January 11, 2021, the maximum penalty may not exceed $218,647 per violation per day the violation persists, up to a maximum of $2,186,465 for a related series of violations. For violation occurring on or after November 27, 2018 and before July 31, 2019, the maximum penalty may not exceed $213,268 per violation per day, with a maximum penalty not to exceed $2,132,679. For violation occurring on or after November 2, 2015 and before November 27, 2018, the maximum penalty may not exceed $209,002 per violation per day, with a maximum penalty not to exceed $2,090,022.

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 CIG to correct the items identified in this letter. Failure to do so will result in CIG 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 2-2022-005-WL**. 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,

James A. Urisko
Director, Southern Region, Office of Pipeline Safety
Pipeline and Hazardous Materials Safety Administration