

NOTICE OF AMENDMENT

VIA ELECTRONIC MAIL TO: lbullock@mvpurchasing.com; rkitterman@mvpipelines.com;
and ACowart@mvpipelines.com

March 22, 2022

Mr. Lee Bullock
President
KPC Pipeline, LLC
8301 E 21st Street, Suite 370
Wichita, KS 67206

CPF 3-2022-048-NOA

Dear Mr. Bullock:

On December 6-10, 2021, representatives of the Pipeline and Hazardous Materials Safety Administration (PHMSA) pursuant to Chapter 601 of 49 United States Code inspected KPC Pipeline, LLC's procedures in Wichita, Kansas. The procedures inspected were related to the natural gas integrity rule of 2019.

On the basis of the inspection, PHMSA has identified the apparent inadequacies found within KPC Pipeline, LLC's (KPC) plans or procedures, as described below:

1. §192.605 Procedural manual for operations, maintenance, and emergencies.

(a) ...

(b) Maintenance and normal operations. The manual required by paragraph (a) of this section must include procedures for the following, if applicable, to provide safety during maintenance and operations.

(1) Operating, maintaining, and repairing the pipeline in accordance with each of the requirements of this subpart and Subpart M of this part.

KPC's procedures did not provide adequate guidance for determining traceable, verifiable, and complete (TVC) records as required by §192.607(c). KPC's procedures did not define

what TVC records meant and did not provide any guidance on what records would be considered acceptable. For example, KPC utilizes secondary and tertiary documents to meet TVC requirements, but was not mentioned anywhere within the procedure.

Additionally, KPC's procedures did not provide adequate guidance for defining opportunities to verify material properties when buried pipe is excavated ("opportunistic digs"). While KPC's procedures repeated the code requirements verbatim for examples of an opportunistic dig, the procedure did not identify any criteria that would render an exposure inappropriate for material verification, such as confined space concerns or unstable excavations.

The Company must amend its written procedures to comply with the requirements of § 192.607(c).

2. §192.605 Procedural manual for operations, maintenance, and emergencies.

(a) ...

(b) Maintenance and normal operations. The manual required by paragraph (a) of this section must include procedures for the following, if applicable, to provide safety during maintenance and operations.

(1) Operating, maintaining, and repairing the pipeline in accordance with each of the requirements of this subpart and Subpart M of this part.

KPC's procedures did not adequately provide guidance for verification of material properties and attributes using nondestructive methods as required by §192.607(d). KPC required the use of a third party contractor for nondestructive methods of verification; however, KPC's procedures did not provide guidance for obtaining the contractor's procedures for KPC's review prior to the task being performed. The procedure also did not define or identify who is responsible for this process and what they must do to meet this requirement.

The Company must amend its written procedures to comply with the requirements of § 192.607(d).

3. §192.605 Procedural manual for operations, maintenance, and emergencies.

(a) ...

(b) Maintenance and normal operations. The manual required by paragraph (a) of this section must include procedures for the following, if applicable, to provide safety during maintenance and operations.

(1) Operating, maintaining, and repairing the pipeline in accordance with each of the requirements of this subpart and Subpart M of this part.

KPC's procedures did not adequately provide guidance for TVC records of components as required by §192.607(f). KPC's procedures did not address the company's determination on

where the TVC records for components applied to above-ground facilities, nor did the procedures have any guidance on how to obtain TVC information for those components.

The Company must amend its written procedures to comply with the requirements of § 192.607(f).

4. §192.605 Procedural manual for operations, maintenance, and emergencies.

(a) ...

(b) Maintenance and normal operations. The manual required by paragraph (a) of this section must include procedures for the following, if applicable, to provide safety during maintenance and operations.

(1) Operating, maintaining, and repairing the pipeline in accordance with each of the requirements of this subpart and Subpart M of this part.

KPC's procedures did not provide adequate guidance for class location determination when a class change occurs on their pipeline as required by §192.611. The procedure did not identify who was responsible for monitoring and implementing the class change location procedure, their responsibilities (what they do), the processes they use to do the class location survey, how the data is gathered and updated, and who gets the information to process the change.

The Company must amend its written procedures to comply with the requirements of § 192.611

5. §192.605 Procedural manual for operations, maintenance, and emergencies.

(a) ...

(b) Maintenance and normal operations. The manual required by paragraph (a) of this section must include procedures for the following, if applicable, to provide safety during maintenance and operations.

(1) Operating, maintaining, and repairing the pipeline in accordance with each of the requirements of this subpart and Subpart M of this part.

KPC's procedures did not provide adequate guidance for maximum allowable operating pressure (MAOP) reconfirmation as required by §192.624(a). KPC's procedures included a flow chart in Section 8 of the O&M manual that provided guidance to personnel to determine if their pipe is applicable to §192.624. However, the procedure (flow chart) did not go further to provide guidance on whether the applicable pipe falls under 192.624(a)(1) or 192.624(a)(2). Additionally, the procedure did not specify which reconfirmation method (if applicable) will be used, or that more detailed procedures would be developed prior to the use of that confirmation method.

The Company must amend its written procedures to comply with the requirements of § 192.624(a).

Response to this Notice

This Notice is provided pursuant to 49 U.S.C. § 60108(a) and 49 C.F.R. § 190.206. Enclosed as part of this Notice is a document entitled Response Options for Pipeline Operators in Compliance 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 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 §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 C.F.R. § 190.206). If you are not contesting this Notice, we propose that you submit your amended procedures to my office within 90 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 that KPC Pipeline 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 Mr. Gregory A. Ochs, Director, Central Region, Pipeline and Hazardous Materials Safety Administration. In correspondence concerning this matter, please refer to **CPF 3-2022-048-NOA** and, for each document you submit, please provide a copy in electronic format whenever possible.

Sincerely,

Gregory A. Ochs
Director, Central Region, Office of Pipeline Safety
Pipeline and Hazardous Materials Safety Administration

Enclosure: Response Options for Pipeline Operators in Enforcement Proceedings