



U.S. Department
of Transportation

Pipeline and Hazardous Materials
Safety Administration

12300 W. Dakota Ave., Suite 110
Lakewood, CO 80228

WARNING LETTER

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

January 18, 2019

Mr. Tom Martin
President, Natural Gas Pipelines
Kinder Morgan
1001 Louisiana Street, Suite 1000
Houston, TX 77002-5089

CPF 5-2019-1003W

Dear Mr. Martin:

During the weeks of April 17 through 21, April 24 through 28, and July 23 through 28, 2017, representatives of the Pipeline and Hazardous Materials Safety Administration (PHMSA) pursuant to Chapter 601 of 49 United States Code (U.S.C.), inspected your El Paso Gas Pipeline, JAL North Complex facilities in New Mexico and Texas.

Based on our inspection findings, PHMSA determined, that you have committed probable violations of the Pipeline Safety Regulations, Title 49, Code of Federal Regulations (CFR), Part 192. The deficiencies noted and the probable violations are:

1. **§192.615 Emergency Plans.**
(c) Each operator shall establish and maintain liaison with appropriate fire, police, and other public officials to:
(1) Learn the responsibility and resources of each government organization that may respond to a gas pipeline emergency;

While reviewing records for calendar years 2014 through 2016 for the counties of Lea, New Mexico, Yoakum, Texas, and Andrews, Texas, it was determined that Kinder Morgan was unable to provide documentation which established and maintained liaisons with public officials,

in accordance with 192.615(c)(1). Records provided during the inspection only demonstrated that liaisons were established and maintained with emergency responders.

2. §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.

3. §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 location:

Plains Compressor Station –

Calendar Year 2014 - The operator failed to perform inspections at least 4 times each calendar year. Inspection dates occurred on 5/27/14, 9/15/14, and 11/7/14.

Calendar Year 2015 - The operator failed to perform inspections at least 4 times each calendar year. Inspection dates occurred on 5/18/15, 9/11/15, and 12/9/15.

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 Plains Compressor Station indicated that all of the high-level alarms were set higher than the level established by the procedure. Records reviewed indicated the high-level alarms had been set 45% of the LEL.

4. **§192.739 Pressure limiting and regulating stations: Inspection and testing.**
 - (a) **Each pressure limiting station, relief device (except rupture discs), and pressure regulating stations and its equipment must be subjected at intervals not exceeding 15 months, but at least once each calendar year, to inspections and tests to determine that it is –**
 - (3) **Except as provided in paragraph (b) of this section, set to control or relieve at the correct pressure consistent with the pressure limits of 192.201(a).**

Calendar year 2015 records for the over-pressure protection relief device located on Line 1115 at the Odessa Buckhorn Receipt indicated a set pressure of 780 pounds per square inch (psi), well above the allowable maximum allowable operating pressure (MAOP) of 595 psi for Line 1115. The records indicated the pressure was set to relieve above the 110% of MAOP allowable by §192.201(a)(2)(i).

5. **§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 highway and railroad crossings through Kinder Morgan's GeoMap program, all crossings in Class Locations 1 and 2 were not identified, therefore, not patrolled twice per calendar year, not to exceed (NTE) 7.5 months and/or locations exceeded the intervals at the following locations:

- Line 1103 - 9/1/2015 PM 585403 WO 15-527173, patrolling survey failed to include road crossings at Frying Pan Rd (Hwy 3) and Cheyenne Draw Rd (CR 103).
- Line 1103 - 2/23/2016 PM 585403 WO 15-904548, patrolling survey failed to include road crossings at Frying Pan Rd (Hwy 3) and Cheyenne Draw Rd (CR 103)
- Line 1103 - 1/12/2017 PM 585403 WO 16-883593, patrolling survey failed to included road crossings at Cheyenne Draw Rd (CR 103) and Dinwiddie Lane.
- Line 1115 - 2014 highway and railroad crossing identify four (4) crossings that don't appear on the 2015 through July 2017 records. CR 540 does not appear on any patrolling records but was confirmed through Kinder Morgan's Geo Map as a road crossing at Mile Post (MP) 27. Therefore, these road crossings were not being patrolled in 2015 through July 2017.
- Line 1115 - MP 33 to MP 55: 2014 through 2017 records do not identify road crossings at MP 38-39 (NW 9500 Rd) or MP 42 (CR 328), therefore, indicating they were not patrolled.
- Line 1100 – Highway and railroad crossing were only patrolled once in calendar year 2015 (WO#15-527210 on July 14, 2015).
- Line 1115 – Highway and railroad crossings patrolling survey exceeded the 7.5 month intervals from 8/18/2014 to 6/17/2015, 11/20/2015 to 7/20/2016, and 11/29/2016 to 7/17/2017.
- Line 3075 - PM 646772 WO 17-547001 exceeded the 7.5-month interval from 3/8/16 to 10/24/16.
- Line 1102 (168 + 2852 to 202 + 3967) - PM 646765 WO 17-547015 exceeded the 7.5-month interval from 5/23/16 to 3/6/17.
- Line 1119 - PM 646770 WO 17-546996 exceeded the 7.5-month interval from 5/23/16 to 3/6/17.

6. **§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 exposed to the atmosphere, for evidence of atmospheric corrosion, including:

Eunice Compressor Station:

Aboveground pipe was observed to be housed in a below grade pit type structure. The pipe was exposed to the atmosphere within the pit area, located just outside of the Eunice Station. Field staff stated they only perform a visual inspection from above, failing to inspect the bottom half of the pipe that is exposed to the atmosphere.

Kinder Morgan was not performing adequate atmospheric corrosion inspection on each pipeline or portion of pipeline that is exposed to the atmosphere.

7. **§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.

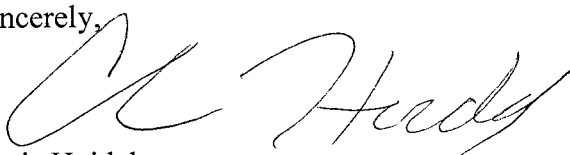
While reviewing patrolling records, records indicated exposed buried pipe was identified during the patrolling. However, the exposed pipe was not inspected to determine if the coating was deteriorating, and no exposed piping report was completed at the following areas:

- Line 1115 - During the April 12, 2016 (5/3/2016 Completion Date) patrolling of this line (WO# 16-117903, PM3060), a section of exposed pipe was identified at coordinates (N 32.491031, W -102.913403).
- Line 1100 - During the July 14, 2015 patrolling of this line (WO# 15-412239, PM2313), seven (7) sections of buried pipe were identified as exposed.

Under 49 U.S.C. § 60122 and 49 CFR § 190.223, you are subject to a civil penalty not to exceed \$209,002 per violation per day the violation persists, up to a maximum of \$2,090,022 for a related series of violations. For violations occurring prior to November 2, 2015, the maximum penalty may not exceed \$200,000 per violation per day, with a maximum penalty not to exceed \$2,000,000 for a related series of violations. 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 you to correct the items identified in this letter. Failure to do so will result in Kinder Morgan 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 5-2019-1003W**. 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,

A handwritten signature in black ink, appearing to read "Chris Hoidal", written over a horizontal line.

Chris Hoidal
Acting Director, Western Region
Pipeline and Hazardous Materials Safety Administration

cc: PHP-60 Compliance Registry
PHP-500 D. Fehling (#155200)