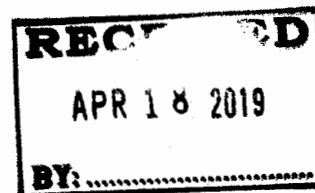




**El Paso Natural Gas
Company, L.L.C.**
a Kinder Morgan company



April 17, 2019

Via E-Mail and FedEx

Chris Hoidal
Acting Director, Western Region
Pipeline and Hazardous Materials Safety Administration
1200 W. Dakota Avenue, Suite 110
Lakewood, CO 80228

**Re: El Paso Natural Gas Company, L.L.C. – El Paso-Pecos River - New Mexico and
Texas / CPF 5-2019-1004W**
Inspection Dates: April 17 - 21, April 24 - 28, July 10 - 14, and July 17 - 21, 2017

Dear Mr. Hoidal:

El Paso Natural Gas Company, LLC ("EPNG") responds herein to the Pipeline and Hazardous Materials Safety Administration's ("PHMSA") Warning Letter ("Letter"), dated January 18, 2019, in the above-referenced matter.

INSPECTION FINDINGS:

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 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 did not review and update their procedural manual for operations, maintenance, and emergencies, in accordance with §192.605(a). Kinder Morgan was unable to provide documentation or records which demonstrated a review of the emergency manual occurring in calendar years 2014 and 2015, for the El Paso-Pecos River Unit, which is part of the Deming Operating Area.

Response: During the audit, EPNG produced Maximo work tickets for the annual Emergency Response Plan (ERP) review. It also retained the signed cover sheet documenting who had participated in the 2016 annual review, but had previously discarded the cover sheets for the 2014 and 2015 annual reviews. While EPNG believes the electronic record in Maximo is sufficient to demonstrate the annual ERP review pursuant to 49 CFR § 192.605(a), going forward the signed cover sheets will be scanned and attached to the Maximo work ticket.

EPNG refers to Maximo 2014 work order 14-1234901 and Maximo 2015 work order 15-607903 (EPNG-0000001 – EPNG-0000006).

2. **§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, it was determined that the Kinder Morgan did not establish and maintain liaisons with public officials. Only records demonstrating liaisons with emergency responders were provided during the inspection.

Response: EPNG interfaced with numerous public officials (“PO”) and emergency responders (“ER”) throughout the counties of Culberson, Dona, Eddy, Hidalgo, Hudspeth, Luna, and Otero from 2014 through 2016, via events, face-to-face, e-mail, and mass mailing of public awareness materials (EPNG-0000007 – EPNG-0000052). Please note that EPNG’s procedures require PO mailings every three years.

3. **§192.731 Compressor stations: Inspection and testing of relief devices.**

(a) Except for rupture discs, each pressure relieving device in a compressor station must be inspected and tested in accordance with §192.739 and §192.743, and must be operated periodically to determine that it opens at the correct set pressure.

Kinder Morgan did not follow its written procedure for pressure relief devices in compressor stations. Pursuant to Kinder Morgan's Operations and Maintenance Manual, Section 3.3.2.2, Procedure #703 Pressure Limiting and Relief Devices Inspections: "All unit relief valves and all pressure-limiting devices shall be set no higher than 107% of mainline MAOP." While reviewing the calendar year 2014 inspection records for the Cornudas Compressor Station (Asset #122622, PM56863), it was discovered that the relief valve was set to 990 pounds per square inch (psi) in 2014, well above the maximum allowable operating pressure (MAOP) of 600 psi. This set pressure was higher than the operator's procedural allowance of 107% of mainline MAOP.

Response: The relief valve in question was for a fuel run at Cornudas Station. The Maximo work ticket documented that the inspection was completed but unfortunately the wrong form for a different relief valve was attached to the ticket. The setting on the pressure relief device was

correct and the 2014 pressure data for the fuel run demonstrates that MAOP was not exceeded (EPNG-0000053 – EPNG-0000054).

4. **§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 personnel did not adequately inspect their gas detection and alarm system at four 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). Kinder Morgan 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 locations:

- Pecos River Compressor Station- Testing of the gas detection system was only performed once in 2014.
- El Paso Compressor Station- Testing of the gas detection system was only performed 3 times in 2015 (6/10/15, 11/30/15, and 12/1/15).
- Hueco Compressor Station- Testing of the gas detection system was only performed 3 times in 2015 (7/11/15, 9/21/15, and 11/18/15).
- Afton Compressor Station- Testing of the gas detection system was only performed 3 times in 2015 (5/20/15, 9/23/15, and 11/9/15).

Response: EPNG has updated its work management system to create work orders for gas detection and alarm system inspection in accordance with the O&M manual, four times each calendar year not to exceed 4.5 months.

5. **§192.709 Transmission lines: Record keeping.**

Each operator shall maintain the following records for transmission lines for the periods specified:

(c) A record of each patrol, survey, inspection, and test required by subparts L and M of this part must be retained for at least 5 years or until the next patrol, survey, inspection, or test is completed, whichever is longer.

Kinder Morgan was unable to provide records that demonstrated compliance for continuing surveillance in calendar year 2014, in accordance with their procedure O&M Manual, Procedure #218-Continuing Surveillance, and §192.613(a).

Response: Unfortunately the O&M Section 218 – Continuing Surveillance – Operations Manager Checklist was inadvertently misfiled and so was not immediately found when the inspector asked for it. However, it was located and provided the following day, and a copy is also attached as EPNG-0000055 – EPNG-0000056. Note this is the same Checklist used for the entire operating area and therefore also applies to Deming East Complex / CPF 5-2019-1002W Warning Letter, Item 4.

6. §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 2015 and 2016.

Response: See response to Item 5 above. Regulation 49 CFR § 192.605 does not specify a type of documentation that is necessary and EPNG respectfully asserts that O&M Section 218 – Continuing Surveillance – Operations Manager Checklist is adequate to document compliance with the regulation. For purposes of future compliance, EPNG will be creating a form to document that all activities in O&M Procedure 218 for continuous surveillance were included in the annual review. EPNG has also created a Maximo work ticket for this annual review and update. Upon completion, the form will be uploaded into Maximo when the work ticket is closed.

7. §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.

Kinder Morgan did not patrol four times each calendar year, at highway and railroad crossings for Class Location 3, during the calendar year 2016 for Line 1600 (Cornudus to Florida Station). The operator only patrolled three times (4/26/16, 7/25/16, and 11/29/16) for segment MP 199+4217 to MP 205+5013.

Patrolling records on Lines 1100, 1103, and 1110, for calendar year 2014 through June of 2017, did not demonstrate that Kinder Morgan patrolled road crossings at two locations, Highway 285 and Highway 652. Calendar year 2014 patrolling records for Class Locations 1 and 2, on Lines 1100 and 1103, did not document dates on either interval. Due to incomplete records, compliance could not be demonstrated.

Response: Each location in question was patrolled multiple times (up to 10 times) each year by aerial patrol. Below and attached is documentation demonstrating that the patrols happened at least twice per calendar year, not to exceed 7.5 months. In addition, all of these crossing locations have been added to GeoMap.

With regard to Line 1600 (Cornudas to Florida Station), the work management system has been updated to produce work tickets on the frequency required by the regulation.

With regard to Lines 1100, 1103, and 1110, these lines were patrolled by air twice in 2014 (January 15, 2014 and August 16, 2014), twice in 2015 (February 22, 2015 and August 21, 2015), twice in 2016 (February 11, 2016 and July 22, 2016), and twice in 2017 (January 19, 2017 and July 25, 2017) (EPNG-0000057 through EPNG-0000224).

8. §192.479 Atmospheric corrosion control: General

(a) Each operator must clean and coat each pipeline or portion of pipeline that is exposed to the atmosphere, except pipelines under paragraph (c) of this section.

Kinder Morgan did not clean and coat pipelines or portions of pipelines that were exposed to the atmosphere at the following locations:

- Line 3191, Valve#1
- Washington Ranch Compressor Station: multiple areas of no coating and/or poor coating, including nuts, bolts, and flanges.

Response: EPNG recoated Line 3191, Valve #1 in August 2017. With regard to Washington Ranch Compressor Station, an OQ-qualified individual has inspected the nuts, bolts and flanges and determined they are in fair condition and will not affect the safe operation of the pipeline before the next scheduled inspection, so no remedial action is required at this time.

9. **§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 personnel failed to identify and inspect multiple areas of aboveground pipe, exposed to the atmosphere, for evidence of atmospheric corrosion, including the following locations:

- Pecos River Compressor Station: Multiple below grade pit type structures were observed at the station. Kinder Morgan field staff were not aware of these pit locations and stated the locations were not on the atmospheric corrosion inspection list.
- Old taps for Lines 2034 and 2058 at the 3 Hills Meter Station. These active lines are not included on the atmospheric corrosion inspection list.

Response: The old taps for Lines 2034 and 2058 at the 3 Hills Meter Station have been added to the atmospheric corrosion inspection checklist. EPNG has also taken steps to ensure that for future atmospheric inspections of below-grade pit type structures the inspector either: 1) enters the pit using a confined space permit to conduct a complete visual inspection; or 2) utilizes

mirrors or other means (e.g. video technology) to perform a complete visual inspection of the equipment from above.

10. **§192.481 Atmospheric corrosion control: Monitoring**

(b) During inspections the operator must give particular attention to pipe at soil-to-air interfaces, under thermal insulation, under disbonded coatings, at pipe supports, in splash zones, at deck penetrations, and in spans over water.

Kinder Morgan did not give particular attention to pipe at soil to air interfaces during inspections, in accordance with § 192.481(b). Multiple areas were found to have disbonded wrap and/or damaged wrap at the interfaces, including the following locations:

- Cornudas Station, Line 1103: cracked wrap with bare steel showing.
- Hueco Station, Line 1100: improper wrap, areas of bare steel.
- Line 3191 at Valve #1: wrap in disrepair.

Response:

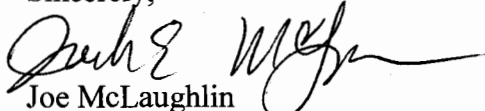
The Cornudas Station, Line 1103 was inspected by OpQual personnel and found to be in fair or good condition on April 17, 2017. Therefore, the PHMSA inspection was the first time that the corrosion issue was identified. Upon discovery, EPNG took appropriate steps to recoat the pipe within the prompt remedial timeframe required by O&M 918. EPNG's 2017 annual Atmospheric Inspection Report is attached (EPNG-0000225).

The Hueco Station, Line 1100 was inspected by OpQual personnel and found to be in good condition on April 19, 2017. Therefore, the PHMSA inspection was the first time that the corrosion issue was identified. Upon discovery, EPNG took appropriate steps to recoat the pipe within the prompt remedial timeframe required by O&M 918. EPNG's 2017 annual Atmospheric Inspection Report is attached (EPNG-0000226).

As noted above in response to Item No. 8, EPNG recoated Line 3191, Valve #1 in August 2017 within the prompt remedial timeframe required by O&M 918.

Should you have any questions or require any additional information or supporting documentation, please do not hesitate to contact me at (713) 369-9847, or contact Jaime Hernandez, Director – Engineering at (713) 369-9443.

Sincerely,


Joe McLaughlin
Vice President, Operations

cc: Jaime Hernandez