

July 18, 2022

Via email

Dustin Hubbard,
Director, Western Region, Office of Pipeline Safety Pipeline
and Hazardous Materials Safety Administration
12300 W. Dakota Avenue, Suite 110
Lakewood, CO 80228

**Subject: PHMSA Notice of Probable Violation (NOPV) and Proposed Compliance Order (PCO)
Letter – Kinder Morgan Response**

CPF 5-2022-042-NOPV

Dear Director Hubbard:

This letter is in response to your "Notice of Probable Violation," dated May 13, 2022, regarding interstate agent Arizona Corporation Commission's (ACC) October to November 2021 inspection of SFPP LP pipeline systems in Yuma and Phoenix, Arizona, California.

As a result of this inspection, PHMSA alleged that SFPP committed probable violations of the Pipeline Safety Regulations, Title 49, Code of Federal Regulations (CFR). The items inspected and the allegations are:

1. § 195.402 Procedural manual for operations, maintenance, and emergencies.

- (a) **Each operator shall prepare and follow for each pipeline system a manual of written procedures for conducting normal operations and maintenance activities and handling abnormal operations and emergencies. This manual shall be reviewed at intervals not exceeding 15 months, but at least once each calendar year, and appropriate changes made as necessary to insure that the manual is effective. This manual shall be prepared before initial operations of a pipeline system commence, and appropriate parts shall be kept at locations where operations and maintenance activities are conducted.**

SFPP failed to follow a manual of written procedures for conducting normal operations and maintenance activities and handling abnormal operations and emergencies in two instances:

- a) *SFPP failed to follow its L-O&M 1403, Specifications – Flanges, Flange Bolts & Gaskets, Section 3.6.2, which requires that both nuts be completely engaged on the threaded bolt (stud) and that the bolt threads extend a minimum of 1.5 threads past the nut. At the time of the inspection, AZOPS on behalf of PHMSA observed and photographed above-ground flanges at the launcher and receiver facility and pressure relief valve and noted that several studs were shorter than other studs and that the bolt threads did not extend a minimum of 1.5 threads past the nut pursuant to SFPP's written procedures.*

SFPP Response:

SFPP visually inspected the above-ground flanges at the launcher and receiver facility and pressure relief valve and has replaced the bolts where the threads did not extend a

minimum of 1.5 threads past the nut. Therefore, this item is considered complete.

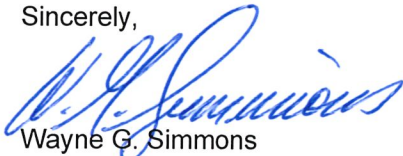
- b) *SFPP failed to follow its L-O&M 003 – Procedure Review, Section 3.1, “The Four Phases of the Annual Review,” which requires that supervisors/managers review the work done by their personnel within their organization to determine the procedures’ effectiveness; i.e., following the procedures produced the desired outcome, and that the review be documented. However, at the time of the inspection, SFPP could not provide records to demonstrate it had completed the effectiveness review pursuant to its written procedures.*

SFPP Response:

As stated in our response to the CPF 5-2021-028-WL, and during our call on June 7th, 2022 with you, it is SFPP’s position that it is in compliance with the regulation 195.402 (c)(13) and followed the requirements listed in procedure L-O&M 003, Procedure Review, however, in the spirit of cooperation, we informed PHMSA via our written response on July 19th, 2021 that changes would be made to our process by Q1, 2022. That process was changed, and the updated procedure submitted to AZCC and PHMSA prior to receipt of the above referenced NOPV and PCO. SFPP, therefore, considers this item complete.

SFPP is committed to operating our pipeline systems safely and in compliance with all applicable regulations and appreciates PHMSA’s and the ACC’s support. Should you have any questions or concerns regarding this response, please call me at 713-420-6330 or Jaime Hernandez at 713-369-9443.

Sincerely,



Wayne G. Simmons
Chief Operating Officer Products Pipeline