

WARNING LETTER

VIA E-MAIL TO MR. WAYNE SIMMONS

December 21, 2022

Mr. Wayne Simmons
Chief Operating Officer-Products Pipeline
Kinder Morgan, Inc.
1001 Louisiana St., Suite 1000
Houston, TX 77002

CPF 5-2022-066-WL

Dear Mr. Simmons:

From May 23, 2022, through September 9, 2022, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA), pursuant, to Chapter 601 of 49 United States Code (U.S.C.), inspected your Calnev Pipeline from Colton, California to Las Vegas, Nevada.¹

As a result of the inspection, it is alleged that you have committed a probable violation of the Pipeline Safety Regulations, Title 49, Code of Federal Regulations (CFR). The item inspected and the probable violation is:

1. § 195.579 What must I do to mitigate internal corrosion?

(a)

(c) *Removing pipe.* Whenever you remove pipe from a pipeline, you must inspect the internal surface of the pipe for evidence of corrosion. If you find internal corrosion requiring corrective action under § 195.585, you must investigate circumferentially and longitudinally beyond the removed pipe (by visual examination, indirect method, or both) to determine whether additional corrosion requiring remedial action exists in the vicinity of the removed pipe.

Calnev Pipeline Co. (Calnev) failed to inspect the internal surface of a pipe removed from its pipeline as required by § 195.579(c). In March 2021, a 2' 3" segment of pipe near Baker, California was

removed and replaced. Calnev did not perform an internal corrosion inspection on the removed pipe to determine if any corrosion existed. During the PHMSA inspection, Calnev could not provide records proving the inspection took place as required by § 195.589(c).

Under 49 U.S.C. § 60122 and 49 CFR § 190.223, you are subject to a civil penalty not to exceed \$239,142 per violation per day the violation persists, up to a maximum of \$2,391,142 for a related series of violations. For violation occurring on or after May 3, 2021, and before March 21, 2022, the maximum penalty may not 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 you to correct the item identified in this letter. Failure to do so will result in Calnev Pipeline Co. 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 5-2022-066-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,

Dustin Hubbard
Director, Western Region, Office of Pipeline Safety
Pipeline and Hazardous Materials Safety Administration

cc: PHP-60 Compliance Registry
PHP-500 Z. Wynkoop, M. Flaherty (#22-232554)
James Palacios, Kinder Morgan
Jaime Hernandez, Kinder Morgan, DOT Compliance Primary