Kinder Morgan
Utopia LLC
a Kinder Morgan operated company

April 10, 2026

Dustin Hubbard
Director, Western Region, Office of Pipeline Safety
Pipeline and Hazardous Materials Safety Administration
12300 West Dakota Avenue, Suite 340
Lakewood, CO, 80228

RE: Notice of Probable Violation and Proposed Civil Penalty **CPF 5-2025-001-NOPV**

Dear Director Hubbard:

The Pipeline and Hazardous Materials Safety Administration, Office of Pipeline Safety issued a Notice of Probable violation (NOPV) and Proposed Civil Penalty, dated March 25, 2026, to Kinder Morgan Utopia LLC (Kinder Morgan). This letter is to inform you that Kinder Morgan has, without admission and in the spirit of continued cooperation with PHMSA, has elected not to contest the NOPV item. Payment of the civil penalty has been made, in full, to the account of the U.S. Treasury.

Background

From August 5 to September 18, 2025 representatives of the Pipeline and Hazardous Materials Safety Administration (PHMSA) pursuant to Chapter 601 of 49 United States Code (U.S.C.) conducted an on-site inspection of the Kinder Morgan Utopia Pipeline from Cadiz, Ohio to Detroit, Michigan.

As a result of the inspection, it is alleged by PHMSA that Kinder Morgan Utopia LLC (Kinder Morgan) committed a probable violation of the Pipeline Safety Regulations, Title 49, Code of Federal Regulations (CFR). The item inspected and the probable violation was:

1. **§ 195.452 Pipeline integrity management in high consequence areas.**
   (a) . . .
   (j) What is a continual process of evaluation and assessment to maintain a pipeline's integrity? –
   (1) . . .
   (3) Assessment intervals. An operator must establish five-year intervals, not to exceed 68 months, for continually assessing the line pipe's integrity. An operator must base the assessment intervals on the risk the line pipe poses to the high consequence area to determine the priority for assessing the pipeline segments. An operator must establish the assessment intervals based on the factors specified in paragraph (e) of this section, the analysis of the results from the last integrity assessment, and the information analysis required by paragraph (g) of this section.

> PHMSA alleges that Kinder Morgan failed to continually assess the Kinder Morgan Utopia Pipeline's integrity within a five-year interval, not to exceed 68 months, in accordance with § 195.452(j)(3). Specifically, it is alleges that Kinder Morgan failed to assess the Stress Corrosion Cracking (SCC) threat on the Riga to Detroit 12-inch pipeline segment within the required five-year reassessment interval. During the PHMSA inspection, it was noted by PHMSA that a review of Kinder Morgan's records demonstrated that an in-line inspection using a Caliper/IMU/MFL-C tool had been conducted on June 10, 2014. However, the subsequent reassessment using a Caliper/IMU/MFL-C/EMAT tool did not occur until March 22, 2023. This is an interval of nearly nine years, thereby PHMSA alleges that Kinder Morgan exceeded the regulatory assessment interval as set by § 195.452(j)(3)…

Proposed Civil Penalty

In accordance with 49 U.S.C. § 60122 and 49 CFR § 190.223, PHMSA reviewed the circumstances and supporting documentation involved for the above probable violation and recommended that Kinder Morgan be preliminarily assessed a civil penalty of $ 53,900.

Kinder Morgan's Response:

In response to this alleged probable violation, Kinder Morgan provided the following response:

> At the time of the inspection, Kinder Morgan had rectified the situation on this pipeline by conducting the EMAT tool run in 2023 and scheduling the next EMAT run for 2028. Also, Kinder Morgan has processes and systems in place to prevent this from occurring in the future. These include:
>
> - Annual Continuous Assessment Plan review (IMP Manual section 4.1.3.1 - Annual CAP Update). This includes built in checks and balances in the Integra system to ensure all threats are being addressed and assessment timing requirements are met.
> - Reassessment interval calculations required upon completion of an assessment and associated remediation (IMP Manual section 4.1.3.5 - Annual Reassessment Interval Calculations and section 4.5.2. Reassessment Intervals).
> - Compliance dates are stored in the Integra system with automated checks to ensure compliance dates are communicated and includes notifications when the date is near.

In accordance with the requirements of Part 190.208 and the Response Options for Pipeline Operators & Excavators in Enforcement Proceedings (06 18 2025), Section IX, payment of $53,900 was made by Kinder Morgan on April 2, 2026 by way of the Federal Reserve Communications System (Fedwire) to the account of the U.S. Treasury. Kinder Morgan has provided a copy of the wire transfer transmission along with this letter as proof of payment.

Kinder Morgan remains committed to operating our pipeline systems safely and in compliance with all applicable regulations. Should you have any further questions or concerns regarding this response, please contact me at (713) 420-2609 or Larry Allgood, Manager – Engineering, Codes and Standards, at (713) 420-5018.

Sincerely,

Zach Ragain
Director – Engineering, Codes and Standards
Kinder Morgan Operations Support Group

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