



U.S. Department
of Transportation

**Pipeline and Hazardous
Materials Safety Administration**

400 Seventh Street, S.W.
Washington, D.C. 20590

MAY 7 2007

Koch Pipeline Company, LP
Mr. Robert O'Hair
President
4111 East 37th St. North
Wichita, Kansas 67220

Re: CPF No. 3-2004-5002

Dear Mr. O'Hair:

Enclosed is the Final Order issued by the Associate Administrator for Pipeline Safety in the above-referenced case. It makes a finding of violation and assesses a civil penalty of \$5,000. I acknowledge receipt of your wire transfer of \$5,000 on March 9, 2004 and accept it as payment in full of the civil penalty assessed in the Final Order. This case is now closed. Your receipt of the Final Order constitutes service of that document under 49 C.F.R. § 190.5.

Sincerely,

James Reynolds
Pipeline Compliance Registry

cc: Ivan Huntoon
Director, Central Region, PHMSA

Enclosure

CERTIFIED MAIL – RETURN RECEIPT REQUESTED

DEPARTMENT OF TRANSPORTATION
PIPELINE AND HAZARDOUS MATERIALS SAFETY ADMINISTRATION
OFFICE OF PIPELINE SAFETY
WASHINGTON, DC 20590

In the Matter of)
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Koch Pipeline Company, L.P.)
)
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Respondent)
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CPF No. 3-2004-5002

FINAL ORDER

On February 9, 2004, in accordance with 49 C.F.R. § 190.207, the Director, Central Region, Pipeline and Hazardous Materials Safety Administration (PHMSA), issued to Respondent a Notice of Probable Violation and Proposed Civil Penalty (Notice). The Notice proposed finding that Respondent committed a violation of 49 C.F.R. Part 195 and proposed assessing a civil penalty of \$5,000 for the alleged violation.

Respondent did not contest the allegation in the Notice and submitted a wire transfer in the amount of the proposed civil penalty (\$5,000), waiving further right to respond and authorizing the entry of this Final Order.

Pursuant to 49 C.F.R. § 190.213 and 49 U.S.C. § 60122, I find that Respondent violated the following section of 49 C.F.R. Part 195, as more fully described in the Notice:

49 C.F.R. § 195.404 – failing to maintain maps and records that include information on the location of all pipeline valves. Respondent's alignment sheets for the MN-Pipeline system did not correspond to the valve inspection records and a 16-inch valve at the Clearbrook station was identified as a 6-inch valve.

This finding of violation will be considered a prior offense in any subsequent enforcement action taken against Respondent. Having reviewed the record and considered the assessment criteria, I assess Respondent a civil penalty of \$5,000, already paid by Respondent.

WARNING ITEMS

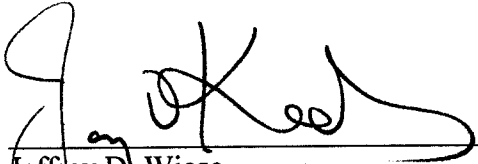
With respect to Items 2 and 3, the Notice alleged probable violations of Part 195 but did not propose a civil penalty or compliance order for these items. Therefore, these are considered to be warning items. The warnings were for:

49 C.F.R. § 195.412 (Notice Item 2) — failure to inspect surface conditions on or adjacent to each pipeline right-of-way. Respondent's chosen method of patrolling was by air but tree growth had obstructed the view at four specified locations; and

49 C.F.R. § 195.589(c) (Notice Item 3) — failure to maintain all records associated with corrosion control. Certain of Respondent's inspection forms did not have the exposed pipe section filled out.

I find that these items constitute probable violations under 49 C.F.R. § 190.205, and Respondent is hereby advised to correct such conditions. In the event that PHMSA finds a violation of said items in a subsequent inspection, Respondent may be subject to future enforcement action.

The terms and conditions of this Final Order are effective on receipt.


for Jeffrey D. Wiese
Acting Associate Administrator
for Pipeline Safety

Date Issued