



U.S. Department
of Transportation

**Pipeline and
Hazardous Materials Safety
Administration**

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

AUG 31 2005

Mr. Jerry Milhorn
Vice President of Operations
Kinder Morgan Energy Partners, L.P.
500 Dallas Street, Suite 1000
Houston, TX 77002-7002

Re: CPF No. 5-2004-5007

Dear Mr. Milhourn:

Enclosed is the **Final Order** issued by the Associate Administrator for Pipeline Safety in the above-referenced case. **It makes** findings of violation and assesses a civil penalty. I acknowledge receipt of and **accept** your wire transfer for \$20,000 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
Office of Pipeline Safety

Enclosure

cc: Chris Hoidal
Director, Western Region, OPS

Edward A. Fant
Director Pipeline Safety Kinder Morgan Energy Partners, L.P.

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

Kinder Morgan Energy Partners, L.P.)

Respondent

CPF No. 5-2004-5007

FINAL ORDER


On March 16, 2004, in accordance with 49 C.F.R. § 190.207, the Director, Western Region, Office of Pipeline Safety (OPS), issued to Respondent a Notice of Probable Violation and Proposed Civil Penalty (Notice). The Notice proposed finding that Respondent had violated 49 C.F.R. § 195.402 and proposed assessing a civil penalty of \$20,000 for the alleged violation. Respondent responded to the Notice by letter dated April 8, 2004, and did not contest the allegations in the Notice, nor contest the amount of the proposed civil penalty. Respondent also provided information concerning its payment of the proposed civil penalty. Respondent submitted a wire transfer in the amount of the proposed civil penalty (\$20,000), 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 49 C.F.R. Part 195.402, as more fully described in the Notice:

49 C.F.R. § 195.402(a) – failing to 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. Respondent failed to follow established line locating procedures as required by its Operation & Maintenance Manual Section 4.2.

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 \$20,000, already paid by Respondent.

The terms and conditions of this Final Order are effective on receipt. This case is now closed.


Stacey Gerard
Associate Administrator
for Pipeline Safety

AUG 31 2005

Date Issued