



U.S. Department  
of Transportation

**Research and  
Special Programs  
Administration**

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

AUG 26 2003

Mr. William White  
Vice President, Operations  
Kinder Morgan Energy Partners, L.P.  
500 Dallas Street, Suite 1000  
Houston, TX 77002

Re: CPF No. 5-2002-5013

Dear Mr. White:

Enclosed is the Order Directing Amendment issued by the Associate Administrator for Pipeline Safety in the above-referenced case. It makes a finding of inadequate procedures and requires that you amend your integrity management program procedures. When the terms of the Order are completed, as determined by the Director, Western Region, OPS, this enforcement action will be closed. Your receipt of the Order Directing Amendment constitutes service of that document under 49 C.F.R. § 190.5.

Sincerely,

Gwendolyn M. Hill  
Pipeline Compliance Registry  
Office of Pipeline Safety

Enclosure

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

DEPARTMENT OF TRANSPORTATION  
RESEARCH AND SPECIAL PROGRAMS ADMINISTRATION  
OFFICE OF PIPELINE SAFETY  
WASHINGTON, DC 20590

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In the Matter of )  
 )  
Kinder Morgan Energy Partners ) CPF No. 5-2002-5013  
Partners, L.P., )  
 )  
Respondent. )  
\_\_\_\_\_ )

ORDER DIRECTING AMENDMENT

On January 15-17, 2002, pursuant to 49 U.S.C. § 60117, representatives of the Western and Southern Regions, Office of Pipeline Safety (OPS), inspected Kinder Morgan Energy Partners' (Respondent's) integrity management program at Respondent's facility in Lakewood, Colorado. As a result of the inspection, the Western Regional Director, OPS, issued to Respondent, by letter dated May 2, 2002, a Notice of Amendment (NOA) and Warning Letter. The NOA alleged inadequacies in Respondent's integrity management program and proposed to require amendment of Respondent's procedures to comply with the requirements of 49 C.F.R. § 195.452. The Warning Letter warned Respondent to take appropriate corrective action to address its failure to identify certain segments.

Respondent responded to the NOA by letter dated June 6, 2002. Respondent disagreed that its integrity management program procedures were inadequate. Respondent did not request a hearing, consequently Respondent waived its right to one.

The NOA alleged three inadequacies in Respondent's integrity management program procedures:

The first alleged inadequacy was that Respondent's procedures did not include a field validation process for identified segments that could affect a high consequence area (HCA). Respondent argued that 49 C.F.R. § 195.450 defines "high population areas" and "other population areas" as areas delineated by the Census Bureau, and that updates to Respondent's baseline assessment plan must include these areas defined by the Census Bureau as HCAs within one year of the date the area is identified by the Census Bureau. Respondent's argument does not address the alleged inadequacy. Respondent's segment identification process failed to include procedures to ensure usage of the most current census data and to verify the accuracy of its pipeline location information downloaded from the National Pipeline Mapping System (NPMS).

The second alleged inadequacy was that Respondent's procedures failed to include technical

justification for the transport mechanisms used to identify segments that could affect HCAs. Respondent argued that its procedures, which assumed that highly volatile liquids (HVLs) released into a flowing waterway can only be transported one mile, were technically justified. In its Response, Respondent conceded that although its "experience demonstrates that product, if it gets into waterways, either evaporates, disperses, or can be contained..." there is a need for additional data and improved study methodology. Respondent failed to elaborate on its experience giving rise to this assumption and provided no other sources of information for technical justification of the one-mile release limit.

The third alleged inadequacy was that Respondent's segment identification procedures failed to include modeling techniques applicable to HVLs. Respondent argued that it used the C-FER model designed for natural gas, but acknowledged the limitations of the C-FER model when applied to HVLs.

In its Response, Respondent indicated steps it has taken to address the inadequacies identified in the NOA, but did not submit revised procedures.

Accordingly, I find that Respondent's integrity management program procedures are inadequate to ensure safe operation of its pipeline system. Pursuant to 49 U.S.C. § 60108(a) and 49 C.F.R. § 190.237, Respondent is ordered to make the following changes to its integrity management program procedures. **Respondent must:**

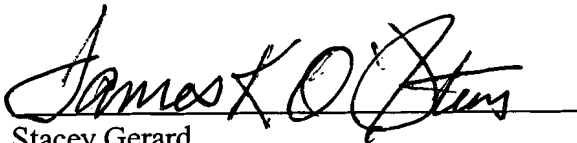
1. Amend its procedures for identifying pipeline segments that could affect HCAs to include procedures for field validation and review of the results of Respondent's segment identification process, ensuring that all "could-affect" segments have, in fact, been identified. This amendment must incorporate a process for validating the accuracy and currency of its pipeline location data.
2. Amend its procedures to adequately address hazardous liquid spills that could enter and be transported by streams and other waterways, resulting in an impact to an HCA. Include in its technical justification non-commercial navigable waterways, including streams and other waterways, which may act as transport paths for releases of HVLs to a HCA. Respondent must provide adequate technical justification for limiting the flow by waterway to one mile or utilize a different approach with adequate technical justification.
3. Amend its procedures to consider specific properties of HVLs and carbon dioxide, the impact of weather conditions, topography, and the impact of a hazardous liquid release on human and animal life surrounding the pipeline system in Respondent's models.
4. Submit the amended procedures to the Regional Director, Western Region, OPS within 30 days following receipt of this Order Directing Amendment.
5. The Regional Director may extend the period for complying with the required items if the Respondent requests an extension and adequately justifies the reasons for the extension.

WARNING ITEMS

The NOA did not propose a civil penalty or corrective action for Respondent's failure to include 71,459 feet (13.5 miles) of pipeline traversing the California-Nevada state borders within its segment identification program. The missing segment was discovered by inspectors verifying Respondent's data using the NPMS maps available at the time of inspection. Respondent was warned to correct this inadequacy. Respondent presented information in its response showing that it has addressed this inadequacy. Respondent is again warned that if OPS finds a violation in a subsequent inspection, enforcement action will be taken.

The terms and conditions of this Order Directing Amendment are effective upon receipt.

Failure to comply with this Order may result in the assessment of civil penalties of up to \$100,000 per violation per day, or in the referral of the case for judicial enforcement.



Stacey Gerard  
Associate Administrator For Pipeline Safety

Date Issued           AUG 26 2003