

April 25, 2013

Mr. R. M. Seeley Director, Southwest Region U.S. Department of Transportation Pipeline and Hazardous Materials Safety Administration 8701 South Gessner, Suite 1110 Houston, TX 77074



RE: CPF 4-2013-1004W

Response to Warning Letter

Dear Mr. Seeley:

Tennessee Gas Pipeline Company, LLC (TGP) received the above referenced Warning Letter dated February 6, 2013. TGP submitted a MAOP Exceedance Report to the PHMSA Associate Administrator on August 2, 2012, for an event that occurred in Harris County Texas, as required by H.R. 2845. Following submission, the MAOP Exceedance Report was reviewed by a Pipeline and Hazardous Materials Administration (PHMSA) representative and the Warning Letter was issued. In the Warning Letter the report was described as Safety Related Condition Report 20120054. For purposes of clarity, TGP will repeat the PHSMA findings and then provide TGP's response in bold.

PHMSA finding:

As a result of the review, it appears that you committed a probable violation of the Pipeline Safety Regulations, Title 49, Code of Federal Regulations. The item inspected and the probable violation is:

- 1. § 192.619 Maximum allowable operating pressure: Steel or plastic pipelines.
- (a) No person may operate a segment of steel or plastic pipeline at a pressure that exceeds a maximum allowable operating pressure determined under paragraph (c) or (d) of this section...

As indicated in your Safety Related Condition Report, Tennessee Gas Pipeline experienced an overpressure condition that met the reporting criteria for a safety related condition. On July 30, 2012, a portion of your Cleveland District Unit's pipeline was operated at a pressure that exceeded the maximum allowable operating pressure for the line. The established MAOP for the line, at the time of the event and report was 678 PSIG. The MAOP was exceeded for approximately 35 minutes with maximum pressures climbing into the 748 PSIG range. The maximum pressures exceeded 110% (of) the MAOP of the line at the time of the event.

This event is reflected in the Safety Related Condition Report you filed with PHMSA, as well as provided SCADA documentation related to the event.

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We have reviewed the circumstances and supporting documents involved in the case, and have decided not to conduct additional enforcement action or penalty assessment proceedings at this time.

TGP Response:

TGP would like to address two issues related to the Warning Letter. The first is to note that TGP does not agree that the Exceedance of Maximum Allowable Operating Pressure report submitted by TGP should have been identified as Safety Related Condition Report. The TGP MAOP Exceedance report was submitted in accordance with the requirement noted in the Pipeline and Hazardous Materials Safety Administration (PHMSA) Advisory Bulletin entitled Reporting of Exceedances of Maximum Allowable Operating Pressure (Docket No. PHMSA-2012-0308) and pursuant to the Pipeline Safety, Regulatory Certainty, and Job Creation Act of 2011, Section 23(a) amending 49 U.S.C. §60139, Maximum allowable operating pressure. The Advisory notes that the amendment to the Pipeline Safety Act of 2011 requires that gas pipeline owners and operators submit a report to the Secretary and appropriate State authorities of an event where the pipeline facility operating pressure exceeds its maximum allowable operating pressure plus the regulatory allowed build-up pressure. As stated in the Advisory, pipeline owners and operators are advised to submit this information in the same manner as safety-related condition reports, but not "as" a safety related condition report. TGP considers this distinction to be important in that the requirements for the reporting of a safety related condition as defined in §191.23(b) were not met with this event.

The second issue is that TGP does not agree that it may have committed an alleged probable violation of the Pipeline Safety Regulations, Title 49, Code of Federal Regulations, and specifically §192.619 Maximum allowable operating pressure: Steel or plastic pipelines. In regard to the alleged probable violation of §192.619, TGP was not operating the segment of pipeline above the established MAOP at the time of the reported event and did not intend to operate at a pressure exceeding the MAOP. As noted in the MAOP Exceedance Report, corrective action was taken to address the operating pressure issue within minutes of the event and steps are being taken to prevent a similar event from occurring in the future. Accordingly, this item listed in the Warning Letter has been fully resolved.

Please feel free to contact Reji George, Director Codes and Standards, at 713-420-5433 should you have any questions regarding this reported event or response. Please note that future correspondence to TGP should be sent to Mr. Gary Buchler as Mr. Dwayne Burton has retired.

Sincerely,

Gary Buchler

Vice President, Engineering/Operations

Kinder Morgan, Inc.

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cc: Jorge Torres, Vice President, Engineering Reji George, Director Compliance / Codes & Standards Michael Catt, Vice President Operations – Division 5 Dennis Wamsley, Operations Director – Division 5

Attachments: TGP August 12, 2012 MAOP Exceedance Report