

NOTICE OF AMENDMENT

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

March 22, 2012

Mr. Michael Catt
Vice President of Field Operations, El Paso Natural Gas Western Operations Group
El Paso Natural Gas Company
2 North Nevada Street
Colorado Springs, CO 80904

CPF 4-2012-1004M

Dear Mr. Catt:

On October 20, 2011, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA) pursuant to Chapter 601 of 49 United States Code inspected El Paso Natural Gas procedures during a Specialized Inspection in Houston, Texas.

On the basis of the inspection, PHMSA has identified the apparent inadequacy found within El Paso Natural Gas and all affiliate companies, plans or procedures, as described below:

- 1. 192.605 Procedural manual for operations, maintenance, and emergencies.**
 - (a) *General.* Each operator shall prepare and follow for each pipeline, a manual of written procedures for conducting operations and maintenance activities and for emergency response.**

El Paso's procedure "Section 200 – Pipeline Design General Standards, Section 200, Effective Date 01/01/2009" correctly describes this type of Class 3 area but does not provide sufficient detail for determining the length of the affected segment of pipeline which then becomes a Class 3 area. Further detail solicited during the specialized inspection and provided by El Paso staff resulted in finding that El Paso uses what is referred to as "CODE 3" Distinctions. This document specified that for a "Class 3 Location" as determined by 192.5(3)(ii) the arc in both

direction from the structure is only required to be 300-feet. This is incorrect. The arc should be revised to be 660-feet in both directions from the limits of the structure or well defined area. This is consistent with all interpretations where the class boundary has been previously defined by PHMSA. El Paso's procedures must be revised to require a 660-foot arc in both directions from the boundaries of the structure or well-defined area which creates a Class 3 area.

Response to this Notice

This Notice is provided pursuant to 49 U.S.C. § 60108(a) and 49 C.F.R. § 190.237. Enclosed as part of this Notice is a document entitled *Response Options for Pipeline Operators in Compliance Proceedings*. Please refer to this document and note the response options. Be advised that all material you submit in response to this enforcement action is subject to being made publicly available. If you believe that any portion of your responsive material qualifies for confidential treatment under 5 U.S.C. 552(b), along with the complete original document you must provide a second copy of the document with the portions you believe qualify for confidential treatment redacted and an explanation of why you believe the redacted information qualifies for confidential treatment under 5 U.S.C. 552(b). If you do not respond within 30 days of receipt of this Notice, this constitutes a waiver of your right to contest the allegations in this Notice and authorizes the Associate Administrator for Pipeline Safety to find facts as alleged in this Notice without further notice to you and to issue a Final Order.

If, after opportunity for a hearing, your plans or procedures are found inadequate as alleged in this Notice, you may be ordered to amend your plans or procedures to correct the inadequacies (49 C.F.R. § 190.237). If you are not contesting this Notice, we propose that you submit your amended procedures to my office within 30 days of receipt of this Notice. This period may be extended by written request for good cause. Once the inadequacies identified herein have been addressed in your amended procedures, this enforcement action will be closed.

It is requested (not mandated) that El Paso Natural Gas maintain documentation of the safety improvement costs associated with fulfilling this Notice of Amendment (preparation/revision of plans, procedures) and submit the total to R. M. Seeley, Director, Southwest Region, Pipeline and Hazardous Materials Safety Administration. In correspondence concerning this matter, please refer to **CPF 4-2012-1004M** and, for each document you submit, please provide a copy in electronic format whenever possible.

Sincerely,

R. M. Seeley
Director, Southwest Region
Pipeline and Hazardous Materials Safety Administration

Enclosure: *Response Options for Pipeline Operators in Compliance Proceedings*