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Transportation Department Orders Kinder Morgan to Address Rise in Pipeline Incidents

The U.S. Department of Transportation's Pipeline and Hazardous Materials Safety Administration (PHMSA) today announced it ordered Kinder Morgan Energy Partners (KMEP) to address a recent increase in incidents along its hazardous liquids pipeline system. The agency issued a Corrective Action Order requiring KMEP to comprehensively address integrity threats along the entire 3,900-mile Pacific Operations unit.

The order requires a thorough analysis of recent incidents, a third-party independent review of operations and procedural practices, and a restructuring of KMEP's internal inspection program. KMEP must have a revised integrity management plan submitted to PHMSA for approval within 120 days. Failure to comply may result in an assessment of civil penalties of as much as \$100,000 per day.

Since January 1, 2003, KMEP has experienced at least 44 accidents with some 14 resulting in the release of more than five barrels of refined petroleum products, some in or near environmentally sensitive areas or major transportation corridors.

"Our investigations into these incidents identified inadequacies in Kinder Morgan's interpretation of in-line inspection information to evaluate and repair their pipeline systems," said PHMSA Acting Chief Safety Officer Stacey Gerard. "It is imperative for operators to utilize the most comprehensive set of technologies available to improve their ability to consistently characterize and address every possible threat their systems pose to public safety."

Recent PHMSA investigations of these accidents, and reviews of KMEP's operations and procedures, prompted the agency Order requiring KMEP to apply technologies and procedures to help evaluate its pipelines, Gerard said.

PHMSA pipeline engineers and agency State Pipeline Safety Program partners will continue to carefully monitor and scrutinize KMEP's activities.

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