Kinder Morgan Cochin ULC Section 44 of OPR-99 Application for the Deactivation of the Kinder Morgan Cochin Regina Laterals NEB File No.: OF-Fac-Oil-K077-2017-01 01 Filed 16 January 2017

Information Request No. 1

Engineering Matters

1.1 Deactivation Activities

Reference:	 Kinder Morgan Cochin ULC (Kinder Morgan), Application, Section 3.3, Engineering, PDF page 5 of 9, <u>A81317</u>
	ii) Canadian Standards Association CSA Z662-15 ¹ , Clause 10.15.1.1.a)
Preamble:	In Reference i), Kinder Morgan states that it has carried out the deactivation activities in accordance with applicable requirements of the OPR and CSA Z662 in place at the time (i.e., July 2014). These activities included closing valves to block off incoming and outgoing flow from the Regina Laterals and removing residual products from the isolated pipeline segments by pigging and purging them with nitrogen.
	Reference ii) requires that operating companies deactivating piping shall isolate it, using blind flanges, weld caps, or blanking plates suitable for the pressure from which the deactivated piping is being isolated.
	Additional information is required on the deactivation activities conducted on the Regina Laterals.
Request:	Please provide the following:
Request:	 Please provide the following: a) a detailed description of the isolation method(s) used to isolate the pipeline segments, involved in this application, from other pipelines; and
Request:	 a detailed description of the isolation method(s) used to isolate the pipeline segments, involved in this application, from other pipelines;
Request: Response:	 a) a detailed description of the isolation method(s) used to isolate the pipeline segments, involved in this application, from other pipelines; and b) if the closure of valves was utilized as permanent isolation method (in a) above), demonstrate how the deactivation complies with the requirements of Reference ii). Explain if Kinder Morgan is planning to complete addition works to prevent future transfer of unwanted

¹ The CSA Z662-15 version came into force as of 15 June 2015, its date of publication and release to the general public. The Information advisory <u>NEB IA 2015-001</u> date 18 June 2015 states that, for applications currently before the Board, companies are expected to provide further information regarding how their projects will comply with CSA Z662-15.

and outgoing sides rated for the 1400-psi MOP. Attachment 1 shows the valves locked out, the spool connecting the 2 pieces disconnected and set aside, and blind flanges installed (Mainline side). Attachment 2 shows the valves locked out, the pig trap removed and blind flanges installed (Delivery side).

1.2 Monitoring and Records Management

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Reference:	i) Kinder Morgan, Application, Cover letter, PDF page 1 of 9, <u>A81317</u>
	ii) Canadian Standards Association (CSA) Z662-15, Clause 10.15.1.2.c)
	iii) Canadian Standards Association (CSA) Z662-15, Clause 10.15.1.2.d)
Preamble:	In Reference i), Kinder Morgan states that the 14.6 km long Regina Laterals were deactivated in July 2014.
	Reference ii) states that for deactivated piping, operating companies shall maintain records as specified in Clauses 9.11 and 10.4.
	Reference iii) states that for piping that is deactivated for more than 18 months, operating companies shall annually confirm the suitability of the deactivation methods, the corrosion control, and other maintenance activities.
	Kinder Morgan has not explained how the records related to the deactivated pipelines will be managed and how it will regularly confirm the suitability of the deactivation methods and maintenance activities over time.
Request:	Please provide the following:
	 a) detailed information about Kinder Morgan records management implemented for the deactivated pipeline components in compliance with the requirements of Reference ii); and
	 b) an explanation of how Kinder Morgan is conducting an annual confirmation about the suitability of its deactivation methods and post deactivation activities as per Reference iii).
Response:	a) Kinder Morgan maintains the applicable records listed in CSA Z622-15, clause 10.15.1.2.c in accordance with its Liquid Operations and Maintenance (L-O&M) Manual. Design information and associated construction records are maintained in Kinder Morgan's Pipeline Open Database System (PODS). Maintenance and system information records (including corrosion control, emergency notification, and system incidents records) are maintained at the regional office in Regina and in a corrosion-related database. Management Assurance reports are generated through Kinder Morgan's OpsInfo system. Record keeping for the 10" Regina Laterals has not changed since the Laterals were deactivated.
	b) Kinder Morgan performs and documents an annual inspection by local operations personnel to verify the blanket gas pressure inside the deactivated 10" Regina Laterals is positive. Since the Laterals are isolated from the Cochin mainline by blind flanges, the positive pressure is direct evidence of the suitability of the deactivation methods used.

Kinder Morgan maintains an ongoing corrosion prevention system, which is monitored remotely on a daily basis. An in-field inspection of the corrosion prevention system is performed annually by Kinder Morgan's corrosion subject matter experts. Maintenance activities on the line are performed on as needed basis, based on findings from inspections and corrosion systems reviews. In addition, Kinder Morgan conducts aerial patrols for the Regina Laterals, maintains line markers and conducts One Call follow-ups, as it does for the Cochin mainline.

Land and Consultation Matters

- **1.3** Land Ownership
- **Reference:** Kinder Morgan, Deactivation of Kinder Morgan Cochin Regina Laterals, i) Application, PDF Page 6 of 9, A51117 Preamble: The Board notes that Reference i) does not provide any information about the land rights for the existing Regina Laterals pipelines, and if appropriate notification took place. **Request:** Please clarify the land rights associated with the existing Regina Laterals pipelines. a) Confirm if the lands are owned by Kinder Morgan; or b) If the lands are not owned by Kinder Morgan, please provide: i. confirmation that any landowners along the existing pipelines have been provided with a description of the Project, including the location, and main components of the Project, including change in service, as well as information on how they can raise outstanding application-related concerns with the Board; ii. a summary of all consultation activities, indicating the dates and method of contact; a summary of all issues and concerns that have been raised; iii. and a description of how Kinder Morgan has addressed or will iv. address any concerns raised to the extent possible, or an explanation as to why no further action is required to address the concerns. **Response:** a) Lands are not owned by Kinder Morgan. b) i. and ii. In June 2013, as part of its public awareness program, Kinder Morgan notified all landowners along the Regina Laterals and the Cochin Mainline that the Board had approved the Cochin Reversal Project, and that Kinder Morgan would be proceeding with the work required to reverse the flow of product on the pipeline to provide westbound

information further. Kinder Morgan also advised that if Kinder Morgan intended to conduct work on specific lands, then Kinder Morgan would be in further contact with the landowner with additional details regarding the timing of the proposed work. In this regard, Kinder Morgan consulted in person and via phone in June and July 2014 with Spectra Energy, which owned the facility at the delivery point of the Regina Laterals and the lands to which Kinder Morgan required access to install the blind flange (delivery side) as part of the deactivation. This consultation included a verbal description of the Project, including the location of the proposed work, main components of the Project, and the change in service. Any deactivation related activities were directly coordinated with the affected party.

Kinder Morgan submits that the scope of its consultation program was appropriate in the circumstances. However, having reviewed its consultation materials in the preparation of this response, Kinder Morgan is not able to confirm that all landowners along the Regina Laterals received information specific to the deactivation of the Regina Laterals. Kinder Morgan intends to notify these landowners to confirm the deactivation of the Regina Laterals. Please see response to iii. and iv. below.

iii. and iv.

Kinder Morgan has not received any concerns from landowners regarding the deactivated Regina Laterals. Should any concerns be raised regarding the deactivated Regina Laterals, Kinder Morgan would to the extent possible, and through its existing and well-established stakeholder communications program, try to address the concerns directly with the landowner(s). If such concerns could not be addressed, Kinder Morgan would advise the Board accordingly.