



Files OF-Fac-PipeGen-K077 01
OF-Fac-Oil-K077-2012-01 01
16 July 2014

Mr. Wayne Simmons
Vice President - Operations
Kinder Morgan Energy Partners – Cochin Pipeline
1001 Louisiana St.
Houston, Texas 77002
Facsimile 713-230-5588

Dear Mr. Simmons:

**Kinder Morgan Energy Partners, L.P. (Kinder Morgan)
Cochin Pipeline System
Western Canada
Safety Order SO-K077-005-2012 – Condition 5 and 6
Leave to Open Order OPLO-K077-004-2014**

The National Energy Board (Board) has concluded its review of the documents Kinder Morgan filed in compliance with Condition 5 of Safety Order SO-K077-005-2012 (Safety Order) issued to Kinder Morgan on 21 December 2012.

The Board acknowledges the commitments Kinder Morgan made in its Fitness for Service (FFS) Assessment, dated 30 May 2014, and its Plan for the Incremental Pressure Increase, dated 2 July 2014, to safeguard the ongoing operations of the Cochin Pipeline in Western Canada. In that regard, the Board further acknowledges the corresponding recommendations put forth by Det Norske Veritas (DNV) in its Validation Report, dated 17 June 2014.

The Board finds that Kinder Morgan has complied with Condition 5 and 6 of the Safety Order. Hence, the Board approves Kinder Morgan's request of 30 May 2014 to lift the pressure restriction of 4,137 kPa (600 psi) imposed under the Safety Order and permit the pipeline to operate to its design Maximum Operating Pressure (MOP) of 9,929 kPa (1,440 psi). The Board directs Kinder Morgan to implement its Plan for the Incremental Pressure Increase, dated 2 July 2014, as well as fulfill the following commitments made in its FFS, dated 30 May 2014:

- Kinder Morgan shall, following six (6) months of operation, contract DNV to conduct worst case remaining life assessments based upon actual pressure data. The results of the reevaluation shall be reported to the Board.

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- Unless assessments, such as remaining life, prescribe a shorter inspection interval, Kinder Morgan shall, within (4) years of operation, conclude all aspects of the In-Line Inspections (ILI) it committed to in its FFS Assessment, dated 30 May 2014, including vendor reporting, data analysis, data integration, field validation, and reparations as may be required. The results of each ILI, including tool performance qualification, shall be reported to the Board.

In accordance to Kinder Morgan's compliance with Condition 5 and 6 of the Safety Order, please find attached an amended Leave to Open Order AO-001-OPLO-K077-004-2014 that specifies a MOP of 9,929 kPa (1,440 psi).

Should you have any immediate questions or comments, please contact Doug Ochitwa at 403-519 7121, or via email at doug.ochitwa@neb-one.gc.ca.

Yours truly,

Original signed by S. Wong for

Sheri Young
Secretary of the Board

Attachment

National Energy
Board



Office national
de l'énergie

ORDER AO-001-OPLO-K077-004-2014

IN THE MATTER OF the *National Energy Board Act* (the Act) and the regulations made thereunder, and

IN THE MATTER OF an application by Kinder Morgan Cochin ULC (KM Cochin) for an Order pursuant to section 47 of the Act filed with the National Energy Board (the Board) under File OF-Fac-Oil-K077-2012-01 01.

BEFORE the Board on 15 July 2014.

AND WHEREAS the Board has issued Order XO-K077-015-2013, the effect of which was to permit the construction of the Cochin Pipeline System Reversal Project;

WHEREAS KM Cochin has filed an application dated 23 May 2014 for Leave to Open the Elmore, Saskatchewan to Fort Saskatchewan, Alberta portion (38 Block Valves and 10 Pump Stations) of the Cochin Pipeline System Reversal Project;

AND WHEREAS the Board has examined the application and is satisfied that the Elmore, Saskatchewan to Fort Saskatchewan, Alberta portion of the Cochin Pipeline System Reversal Project, as described in KM Cochin's Leave to Open Application, may be safely opened for the transmission of light condensate;

AND WHEREAS by way of Order OPLO-K077-004-2014, dated 9 June 2014, KM Cochin was granted Leave to Open the Elmore, Saskatchewan to Fort Saskatchewan, Alberta portion (38 Block Valves and 10 Pump Stations) of the Cochin Pipeline System Reversal Project for the transmission of light condensate at the maximum operating pressures of 4,137 kPa (600 psi);

IT IS ORDERED THAT having satisfied Condition 6 of Safety Order SO-K077-005-2012, KM Cochin is granted Leave to Open the Elmore, Saskatchewan to Fort Saskatchewan, Alberta portion (38 Block Valves and 10 Pump Stations) of the Cochin Pipeline System Reversal Project for the transmission of light condensate at the maximum operating pressure of 9,929 kPa (1440 psi).

NATIONAL ENERGY BOARD

Original signed by S. Wong for

Sheri Young
Secretary of the Board