



## **Operator Qualification Program for Facilities Subject to DOT Parts 192 and 195**

**NOTE: The Kinder Morgan Operator Qualification Program was reviewed by various DOT/OPS regulatory agencies. The last review was completed **January 28, 2022 by the Railroad Commission of Texas.****

**Effective:** 4/27/01

**Last Revision:** 1/25/22  
(for a summary of past revisions see Section 14)

# Kinder Morgan Operator Qualification Program

## Table of Contents

Kinder Morgan Companies Covered in This OQ Plan .....	5
1. SCOPE .....	7
2. COVERED TASKS .....	7
2.1. Covered Task Lists .....	7
2.2. Covered Task Principles .....	7
2.3. Abnormal Operating Conditions .....	8
2.4. Covered Task Assignments .....	8
2.5. Essential Variables-Equipment .....	8
2.6. Essential Variables-Operations .....	9
3. EVALUATION PROCESS.....	9
3.1. Types of Qualifications.....	9
3.1.1. Transitional OQ qualification.....	9
3.1.2. Initial OQ qualification.....	9
3.1.3 Initial Qualification Interval .....	9
3.2. Types of Evaluations.....	10
3.2.1. Knowledge Test.....	10
3.2.2. Oral Exam .....	10
3.2.3. Work Performance History Review .....	10
3.2.4. Use of Work Performance History .....	11
3.2.5. Skills Checklist .....	12
3.2.6. Certification by OQ Provider Vendors or Industry Organizations .....	12
3.3. Re-evaluation.....	12
3.3.1. Re-evaluation at subsequent Intervals.....	12
3.3.2. Re-Evaluation after a Failed OQ qualification .....	13
3.3.5. Re-evaluation for inability to perform a task.....	14
3.4. Evaluator and Proctor Criteria .....	15
3.4.1. Evaluator Criteria.....	15
3.4.2. Proctor Criteria .....	15
3.4.3. Knowledge Evaluation .....	15
3.4.4. Oral Evaluation .....	16
3.4.5. Work Performance History Evaluation .....	16
3.4.6. Skills Evaluation .....	16
3.4.7. Observation of On-the-Job Performance .....	16
3.5. Guidelines for Transfer or Promotion of OQ Qualified Individuals .....	17
3.6. Guidelines for New Hires of OQ Qualified Individuals .....	17
4. USE OF NON-OQ QUALIFIED WORKERS.....	17
5. RECORD KEEPING .....	18
5.1. Record Retention .....	18
5.2. ISNetworld .....	18
5.3. Supporting documentation .....	18
6. MANAGEMENT OF CHANGE .....	18
6.1. Modifications to the Covered Tasks .....	19
6.2. Modifications to the Program .....	19
6.3. Significant Change.....	20

# Kinder Morgan Operator Qualification Program

7.	ADMINISTRATION OF OQ PROGRAM.....	21
7.1.	OQ Administrator’s Responsibilities .....	21
7.2.	Employee’s Responsibilities.....	21
7.3.	Supervisor’s Responsibilities .....	21
8.	CONTRACTORS .....	22
8.1.	Kinder Morgan OQ Action Plan for Contractors.....	22
8.2.	Contractor Employees Performing Covered Tasks.....	22
8.3.	Contractor Notification of Changes .....	23
8.4.	Contractor Audits .....	23
8.5.	Contractor Record Keeping.....	23
9.	MUTUAL ASSISTANCE AGREEMENTS.....	23
10.	VARIANCE to OQ PROGRAM.....	23
10.1.	Variance .....	23
10.2.	Variance Approval Process.....	24
10.3.	OQ Variance Request Form .....	24
10.3.1.	Advanced variance request: .....	24
10.3.2.	Verbal variance request: .....	24
10.4.	Documentation retention.....	25
11.	WAIVERS to 49 CFR 192/195 .....	25
12.	DEFINITIONS .....	25
13.	Regulatory Agency Audits.....	29
14.	Revision Dates.....	30

## **Appendices:**

Appendix A: Covered Task List – Natural Gas

Appendix B: Covered Task List – Hazardous Liquids

Appendix J: Covered Task List – KMLT Liquids

Appendix C: Work Performance History Evaluation Form – Natural Gas (avail. by request)

Appendix D: Work Performance History Evaluation Form – Hazardous Liquids (avail. by request)

Appendix F: Required OQ “Action” Plan Elements for Contractors

## Kinder Morgan Companies Covered in This OQ Plan

### Natural Gas

Bear Creek Storage	Natural Gas	1217
Camino Real Gas Gathering Company, LLC	Natural Gas	39229
Copano Field Services / North Texas, LLC	Natural Gas	32293
Copano Field Services / South Texas, LLC	Natural Gas	39172
Copano Field Services / Upper Gulf Coast, LLC	Natural Gas	31924
Copano Pipelines / South Texas, LLC	Natural Gas	31925
Copano Pipelines / Upper Gulf Coast, LLC	Natural Gas	31926
Colorado Interstate Gas Company	Natural Gas	2564
El Paso Natural Gas Company	Natural Gas	4280
Hiland Partners Holdings, LLC	Natural Gas	31719
Kinder Morgan Altamont ,LLC	Natural Gas	38947
Kinder Morgan Keystone Gas Storage LLC	Natural Gas	31727
Kinder Morgan Louisiana Pipeline, LLC	Natural Gas	32437
Kinder Morgan North Texas Pipeline	Natural Gas	31269
Kinder Morgan Tejas Pipeline	Natural Gas	4900
Kinder Morgan Texas Pipeline	Natural Gas	31451
KinderHawk Field Services, LLC	Natural Gas	32529
Midcontinent Express Pipeline, LLC	Natural Gas	32436
Mojave Pipeline Company	Natural Gas	840
Natural Gas Pipeline Company of America	Natural Gas	13120
Scissortail Energy LLC	Natural Gas	31472
Sierrita Gas Pipeline, LLC	Natural Gas	39194
<b>Stagecoach Gas Services</b>	<b>Natural Gas</b>	<b>40270</b>
Southern Natural Gas Company	Natural Gas	18516
Tennessee Gas Pipeline Company	Natural Gas	19160
TransColorado Gas Transmission	Natural Gas	19580

# Kinder Morgan Operator Qualification Program

## Hazardous Liquid

CalNev Pipeline Company	Hazardous Liquids	26125
Camino Real Gathering Company, L.L.C.	Hazardous Liquids	39229
Central Florida Pipeline Company	Hazardous Liquids	2190
Copano Field Services/North Texas, L.L.C	Hazardous Liquids	32293
Copano NGL Services (Markham), LLC	Hazardous Liquids	32541
Copano NGL Services, LLC	Hazardous Liquids	32114
Copano Processing LLC	Hazardous Liquids	39487
Cypress Interstate Pipeline, LLC	Hazardous Liquids	4472
Double Eagle Pipeline, LLC	Hazardous Liquids	39023
Double H	Hazardous Liquids	39440
Hiland Crude, LLC	Hazardous Liquids	32619
Hiland Partners Holdings, LLC	Hazardous Liquids	31719
Kinder Morgan Canada (Jet Fuel ), Inc.	Hazardous Liquids	N/A
Kinder Morgan CO2 Company, LLC	Hazardous Liquids	31555
Kinder Morgan Crude and Condensate LLC	Hazardous Liquids	32678
Kinder Morgan Liquids Terminals, LLC	Hazardous Liquids	26041
Kinder Morgan Southeast Terminals	Hazardous Liquids	38895
Kinder Morgan Texas Pipeline	Hazardous Liquids	31451
Kinder Morgan Utopia, LLC	Hazardous Liquids	39518
Kinder Morgan Utopia, Ltd. (Canada)	Hazardous Liquids	N/A
Kinder Morgan Wink Pipeline, LLC	Hazardous Liquids	31957
Products (SE) Pipe Line Corporation	Hazardous Liquids	15674
SFPP, LP	Hazardous Liquids	18092
West Coast Terminal Pipeline	Hazardous Liquids	32688

# 1. SCOPE

Kinder Morgan's Operator Qualification (OQ) Program was developed to comply with the Office of Pipeline Safety of the U. S. Department of Transportation's (DOT) Qualification of Pipeline Personnel Regulation (49 CFR Part 192 Subpart N and Part 195 Subpart G). This Program applies to Kinder Morgan's DOT facilities and employees of Kinder Morgan Incorporated (natural gas transmission and distribution pipelines and retail operations) and Kinder Morgan Energy Partners (hazardous liquids pipelines) as shown above and hereinafter collectively referred to as KM.

KM fundamentally believes that its employees and contractors are technically qualified to perform their work assignments on KM's pipeline facilities, based on the current training program, on KM's safety record and on KM's operational record. KM's OQ Program is designed to ensure that all individuals working on KM's DOT-regulated pipeline facilities are OQ-qualified to perform specific covered tasks, to document that qualification and to reduce the probability and consequences of incidents and accidents. All KM employees as well as all Contractors performing these covered tasks will be OQ-qualified under this Program before they perform any covered tasks. This plan will be periodically reviewed and revised to reflect changes in KM's OQ Program.

# 2. COVERED TASKS

For the purposes of this Program, a covered task is an activity that (a) is performed directly on the pipeline facility, (b) is an operation or maintenance task, (c) is performed as a requirement of either Part 192 or Part 195, and (d) which affects the operation or integrity of the pipeline. See [Section 12](#) for more details.

## 2.1. Covered Task Lists

KM has identified activities that are covered tasks for KM's pipeline facilities. A generic covered task list was obtained from American Petroleum Institute's Consortium on Operator Qualifications (API-COOQ, for liquids) and from the Midwest Energy Association (MEA, for gas) and was modified specifically for KM by a select group of KM Subject Matter Experts (SME) representing the skill categories of the covered tasks. KM's manuals (operations, maintenance, DOT Compliance) were reviewed by the SME's to ensure all covered tasks performed by KM employees and contractors were included in the covered task list. The list of covered tasks for natural gas operations is in Appendix A, hazardous liquid operations is in Appendix B, and KMLT liquids operations is in Appendix J.

## 2.2. Covered Task Principles

The covered task list was developed with two principals in mind. First, the list should include all covered tasks performed by KM employees and contractors. Second, a covered task should be developed so that anyone OQ-qualified in that covered task

is able to perform all parts of that covered task. Initially, a covered task may describe a broad area of expertise which includes several sub-tasks that would not be performed by all individuals performing the broad covered task, therefore, a sub-task may be broken out into a separate new covered task in order to more effectively assign evaluation requirements. Additionally, a covered task may be written in general terms for several types of components with evaluations written for specific types of components. These specific evaluations will be identified as such in the evaluation title.

### 2.3. Abnormal Operating Conditions

AOCs are covered in two ways. First, several AOCs are associated with the actual performance of a task, and are included as knowledge questions and skills checklist steps within the evaluations for that task. In addition, there are other AOCs that an individual could encounter while performing a covered task that are not directly related to that task. These AOCs are listed in [Section 12](#).

Training on how to recognize and respond to AOCs is provided initially to new employees and regularly to all individuals who may encounter an AOC on the job. Contractors are trained on site specific AOCs in accordance with Section 2.2 of Kinder Morgan's Contractor Safety Manual.

AOCs are considered during investigation of a DOT accident/incident to ensure the AOCs identified and used in evaluating individuals are representative of those that could reasonably be anticipated during performance of covered tasks. Any noted deficiencies are recorded in Kinder Morgan's Incident/Near Miss database, and an automatic notification email is sent to the OQ Administrator.

### 2.4. Covered Task Assignments

Since job responsibilities may vary based on location regardless of job title, covered tasks will be assigned on a per-employee basis by the employee's supervisor. See Appendix G & H of this plan.

### 2.5. Essential Variables-Equipment

KM has a wide variety of equipment throughout the Company. The OQ Development Team, composed of field subject matter experts representing all operations groups, recognized that most of the equipment within each equipment group (such as high level alarms, line locators or gauging tools) has enough similarities that each equipment group may be evaluated using the same evaluation tools, even though the equipment may have different brand names. In evaluating the proper use of the equipment, reference back to the manufacturer's instruction for use, maintenance, repair and calibration is essential. For many of these equipment groups, the manufacturer's instructions are the primary source of information, and these instructions have not been included in many of KM's procedures, due to the obvious disadvantages of duplicating information in several different manuals or files. KM's OQ Development Team used an informal analysis of essential variables to determine if an equipment group needed individual evaluation tools.



## 2.6. Essential Variables-Operations

KM's operations also vary throughout the Company. Some pipelines are operated and controlled from a central location, with Field control only during emergencies or communication failures. Other pipelines are operated and controlled entirely from the Field, with monitoring and preparation of delivery information and pumping instructions performed at a central location. Many of the pipelines in each area have similar hydraulics and operating characteristics which are specific to that area and are consistent among all of the pipelines in that area. On such similar pipelines, a successful skill evaluation on one pipeline is sufficient to show success in operating the other pipelines, in that those pipelines have the same essential variables. The grouping of pipelines by essential variables shall be approved by the Regional Director or the Director of Products Movement, who will notify KM's OQ Administrator of each grouping.

## **3. EVALUATION PROCESS**

### 3.1. Types of Qualifications

#### 3.1.1. Transitional OQ qualification

Individual(s) who performed the specific covered task prior to October 28, 1999 will be evaluated for this level of OQ qualification on that specific covered task by October 28, 2002. This OQ qualification can be met by a satisfactory review of work history. If the review of work history indicates no problems in an Evaluatee's performance of the covered task, that Evaluatee will be transitionally OQ qualified. If there are OQ qualification problems documented as a result of the review of work history, the Evaluatee must attain initial OQ qualifications. See Section 3.2.3 for more details about the work performance history evaluation.

#### 3.1.2. Initial OQ qualification

Individual(s) who have not successfully performed the specific covered task on KM's pipeline facilities prior to August 27, 1999 will be evaluated for this OQ qualification level. This OQ qualification level cannot be met by reviewing work history as the sole evaluation method; the evaluation must include one of the other evaluation methods. Individual(s) will receive training, as appropriate, in preparation for initial qualification evaluations, as part of KM's training program. Trainees will not be allowed to independently perform covered tasks until qualification evaluations are passed.

#### 3.1.3 Initial Qualification Interval

In KM's OQ Program, each covered task has been assigned an initial OQ qualification interval, initially chosen to be consistent with the existing Process Safety Management (PSM) program. These intervals are one or three years (to December 31<sup>st</sup> of the third year), depending on the covered task. The one year

interval begins from the date of qualification and ends the same date of the following year. Three year intervals begin from the date of the qualification to December 31<sup>st</sup> of the third year following the qualification date. This means qualification for three year interval tasks could be 36 months, not to exceed 48 months depending on the date of the qualification. These intervals can be modified by the OQ Administrator based on periodic studies of covered task variables; such as, critical nature, how often performed, complexity, and safety sensitivity.

### 3.2. Types of Evaluations

KM employees and contractors performing covered tasks are OQ-qualified by evaluating their knowledge, skill and ability. On most tasks this is accomplished by using a knowledge test and skill evaluation. The following are all of KM's evaluation methods:

#### 3.2.1. Knowledge Test

The Evaluatee will respond in writing to a written evaluation question. The preferred type of question will be multiple choice, but other types of questions will be acceptable. The number of questions on each test will vary depending on the complexity of the task, and Kinder Morgan employees are expected to get an 80% or better grade to pass. Contractor employees are expected to meet the pass/fail criterion established by the Kinder Morgan approved Vendor or Industry organization. This evaluation may be either computer-based or paper copy.

#### 3.2.2. Oral Exam

The Evaluatee will respond orally to the questions. The Evaluator or Proctor will transcribe the Evaluatee's answer onto the appropriate form.

#### 3.2.3. Work Performance History Review

As part of the implementation of the Operator Qualification program, work performance history reviews were conducted as part of the process to satisfy transitional qualification requirements. An Evaluatee passed a work performance history evaluation upon the verification that the Evaluatee performed the covered task, and that the files did not contain an indication of unsatisfactory performance. If the review determined an Evaluatee's work performance history indicated unsatisfactory performance of a task, the individual had to complete the OQ qualification using other approved evaluation methods.

3.2.3.1. Kinder Morgan developed guidelines to minimize subjectivity and to maximize objectivity and consistency during work performance history reviews used in the implementation of the operator qualification program throughout the company, as follows:

- the Evaluatee must have been successfully performing this covered task as part of his/her normal job description prior to August 27, 1999.

This would be determined through the Supervisor's specific knowledge of the Evaluatee's job requirements or by an interview with a previous Supervisor or Team Leader, as appropriate. This evaluation will be sufficient for the transitional qualification only and is appropriate until October 28, 2002, after which a work performance history evaluation will not suffice as the sole evaluation method.

- For any OQ qualification which included a work performance history evaluation, the Evaluatee's performance of the covered task was verified by the Evaluatee's Supervisor as satisfactory, and indicated by:
  - knowledge of the Evaluatee's actual performance of this covered task and
  - the lack of a memo or note or appraisal or other record indicating the substandard performance of that task.
  - performance of that covered task.
- The records reviewed during the work performance history evaluation were primarily the Evaluatee's personnel files and the DOT incident/accident files. Research of additional records, such as training records, accident near-miss reports, records for DOT- required inspections, line patrol reports, operating error investigations, valve maintenance records, valve inspection and calibration records, rectifier reading records or electrical test station reading records are useful if available.
- Appropriate work history performance records were reviewed for the preceding period of the subsequent OQ qualification interval for that covered task. For a transitional OQ qualification, records generated between August 1996 and August 1999 were reviewed. The records reviewed were primarily the Evaluatee's personnel files and the DOT incident/accident files. Personnel records could have included training records, accident near-miss reports, records for DOT- required inspections, line patrol reports, operating error investigations, valve maintenance records, valve inspection and calibration records, rectifier reading records or electrical test station reading records if available. Records generated during the period between August 1999 and the date of the transitional OQ qualification evaluation were used to support records generated prior to August 1999 but could not be the only records reviewed during a prior work performance history evaluation for a transitional OQ qualification.
- Use of Work Performance History Review forms Appendix C & Appendix D to conduct work performance history review.

#### 3.2.4. Use of Work Performance History

Work Performance History , Appendix C (Gas) or Appendix D (Liquids) as part of a qualification method after October 28, 2002 can not be used as a sole method for qualification and is only appropriate in exceptional situations involving Kinder Morgan personnel. Therefore use of this method, requires going through the variance approval process before Appendix C or Appendix D is provided and requires supporting documentation which could include but not limited to training records, accident near-miss reports or investigations, records for DOT- required inspections, maintenance/repair, and operational reports.

### 3.2.5. Skills Checklist

A trained Evaluator will utilize a validated, step-by-step skills checklist to evaluate the Evaluatee either by:

- performance on the job – The Evaluator will utilize the skills checklist for that covered task to determine that all appropriate steps have been performed. The Evaluator can allow a discussion of the actual process rather than have the Evaluatee actually perform the complete process, due to restrictions on the availability of specific components or equipment, pipeline systems or other necessary items. Evaluators are trained to utilize actual performance of the task as the first priority and to minimize use of discussion of performance.
- performance on a simulator – The simulator may also provide a pass/no pass grade of the Evaluatee’s performance.

### 3.2.6. Certification by OQ Provider Vendors or Industry Organizations

Numerous OQ Provider Vendors and Industry organizations such as Midwest Energy Association (MEA), American Petroleum Institute (API), National Center for Construction Education and Research (NCCER), and American Society of Mechanical Engineers (ASME) have existing programs which pertain to specific covered tasks. The OQ Administrator will review OQ Provider Vendors and Industry organization programs for compatibility to KM’s covered task lists. If an OQ Provider Vendor or an Industry organization qualification is to be used for KM’s evaluation, KM will obtain a copy of the qualification program and review it with appropriate KM Subject Matter Experts before that qualification can be accepted as part of this OQ Program. Once the Vendor or Industry organization program is approved by the OQ Administrator, an Evaluatee will be considered OQ qualified for that specific covered task when the qualification documentation is received. The OQ Administrator will monitor all approved OQ Provider Vendors and Industry programs and review any changes to ensure continued compatibility with KM’s OQ Program. See Appendix F for the list of KM approved OQ Provider Vendors.

## 3.3. Re-evaluation

### 3.3.1. Re-evaluation at subsequent Intervals

Subsequent qualification intervals are one or three years(to December 31<sup>st</sup> of the third year), depending on the covered task. The one year interval starts

from the date of the qualification and ends the same date of the following year. The three year interval covers from the date of qualification to December 31<sup>st</sup> of the third year following the qualification date. This means qualification for the three year interval tasks could be 36 months, not to exceed 48 months depending on the date of the qualification. OQ qualified Evaluatees who perform the specific covered task will be evaluated before or during the final year of the subsequent OQ qualification interval for that task . If the subsequent OQ qualification does not take place before the end of the subsequent qualification interval the Evaluatee will be deemed unqualified to perform that task.

The Evaluatee that is deemed unqualified cannot meet the qualification by reviewing work history as the sole evaluation method; the evaluation must include one of the other evaluation methods.

Each Evaluatee should be aware of his/her own schedule for subsequent OQ qualification. The Evaluatee will be able to coordinate subsequent OQ evaluations with their trained KM Evaluator and/or Proctor and their Regional OQ Coordinator. However, the individual's direct Supervisor will be responsible for ensuring that the individual remains current in his/her OQ qualifications.

### 3.3.2. Re-Evaluation after a Failed OQ qualification

If an Evaluatee fails an evaluation on a covered task, their OQ qualification on that task is revoked. They must then follow existing KM policies and procedures for retraining, as appropriate, and then successfully complete the failed evaluation before their OQ qualification is re-instated. If no specific policies and procedures for retraining exist, the individual must notify the Supervisor and must review the reference material for that covered task and discuss the failed questions with a Subject Matter Expert before going through the evaluation process again. The employee must spend a period of time retraining, at the discretion of local management, before being allowed to retake a failed evaluation. Under normal circumstances, this period of retraining and re-evaluation time should be 24 to 48 hours. A non-OQ qualified individual may perform a covered task under the guidelines listed in [Section 4](#).

### 3.3.3. Post-Accident Re-evaluation

Each DOT accident/incident will be investigated in accordance with KM's procedure. Unless it can be readily determined that an individual involved in a DOT accident/incident involving one or more covered tasks did not cause or contribute to the accident/incident, the individual must be suspended from performing such covered tasks until the investigation determines whether the actions of the individual did or did not cause or contribute to the accident/incident. This includes any individual(s) who was performing the task(s) firsthand or directing and observing the performance of the task(s). Management must contact the OQ Administrator and provide details of the incident/accident. The OQ Administrator will document the suspension in the record retention database.

If the investigation determines that the actions of the employee did not cause or contribute to the accident/incident, management must communicate the decision to the OQ Administrator. The suspension will be removed and the qualification reinstated.

If the investigation determines that the actions of an OQ qualified individual performing and/or directing and observing the performance of a covered task(s) contributed to an accident/incident, that individual's OQ qualification(s) on the specific covered task(s) identified must be immediately revoked by notifying the OQ Administrator, who will enter the revocation into the record keeping system. Management of the revoked employee must provide an explanation detailing the investigation findings regarding OQ. Employee must be retrained as appropriate, re-qualified as outlined in Appendix A (Natural Gas), Appendix B (Hazardous Liquids) and Appendix J (KMLT Hazardous Liquids) for initial qualification(s). Once the employee has completed the required training and requalification, management of the revoked employee must contact the OQ Administrator to confirm the employee is ready for reinstatement. The OQ Administrator will document the reinstatement in the record retention database.

If Management chooses to "Revoke" instead of "Suspend" before an investigation has been completed, the employee must retrain and re-qualify on the revoked OQ Covered task(s), even if the employee is not found at fault.

Until an employee's qualifications have been reinstated from a suspended or revoked status, that employee is considered a non-qualified individual for the revoked or suspended task(s). A non-OQ qualified individual may perform covered task(s) under the guidelines listed in [Section 4](#).

#### 3.3.4. Unsatisfactory Performance Re-evaluation

An OQ qualified individual would be placed in this category for reasons including but not limited to unsatisfactory performance of a covered task or if KM Management believes the individual can no longer satisfactorily perform the covered task. KM Management will discuss the Evaluatee's performance with the OQ Administrator, and if they agree, the individual's OQ qualification on that specific covered task will be revoked. The revocation will continue until that individual has been re-OQ qualified on the covered task(s) in question, following requirements in 3.3.2 above. The method of re-qualification will be determined by the employee's supervisor in consultation with the OQ Administrator. An individual with a revoked OQ qualification may continue to perform other covered tasks for which he/she is still OQ-qualified. A non-OQ qualified individual may perform a covered task under the guidelines listed in [Section 4](#).

#### 3.3.5. Re-evaluation for inability to perform a task

Re-evaluation and re-qualification may be required if an Employee meets one of the following criteria:

- Has spent excessive time away from a job due to disability, special assignment, or a change in job duties. Excessive time is considered on a

case by case and task by task basis with consideration given to task difficulty, employee's prior experience and the nature of their absence from the job.

- Significant changes to equipment or procedures has altered an employee's ability to perform a covered task
- If there is reason to believe an individual is no longer qualified to perform a Covered Task, the Manager/Supervisor will conduct a review and determine whether training, re-qualification and/or other action is warranted.

### 3.4. Evaluator and Proctor Criteria

KM Proctors and Evaluators are trained and certified by the OQ Staff. A Proctor will administer the written knowledge test only. An Evaluator - Proctor will administrate an evaluation, depending on the type of evaluation being administered. Neither the Evaluator nor the Proctor needs to be OQ qualified for a covered task. Nor does the Evaluator need to be able to actually perform the covered task in order to successfully evaluate the Evaluatee, however, they must have the knowledge, skills, and abilities to independently evaluate employees on tasks. If the Evaluator or the Proctor actually performs the covered task, he/she will need to be OQ qualified just like all other individuals who perform that covered task

#### 3.4.1. Evaluator Criteria

An evaluator will be chosen based on the following factors:

- he/she has the required knowledge, through training or experience, to ascertain the Evaluatee's ability to perform the specific details of the covered task and to recognize and react to abnormal operation conditions that might occur while performing that covered task
- communication ability
- personal integrity
- specific approval of the nomination by KM management
- completion of the KM-approved training course for Evaluators

#### 3.4.2. Proctor Criteria

A Proctor will be chosen based on the following factors:

- communication ability
- personal integrity
- specific approval of the nomination by KM management
- completion of the KM-approved training course for Proctors

#### 3.4.3. Knowledge Evaluation

For a written evaluation, the Proctor must know the criteria for taking a written evaluation, such as reference material the Evaluatee can have access to, the physical requirements for a suitable evaluation location (appropriate quiet area, adequate chair/desk/table for sitting and writing, no phone access, etc.), time limit for evaluation and questions about the evaluation from the Evaluatee which the Proctor may answer.

Under certain circumstances, it may be desirable for the Proctor to read the written evaluation to the Evaluatee and to write the Evaluatee's response on the appropriate form. In this situation, knowledge of the evaluation material is not required. However, the Proctor must be able to follow the requirements for administering an oral evaluation. The approval of the OQ Administrator must be received in writing prior to a Proctor reading the written evaluation to the Evaluatee.

#### 3.4.4. Oral Evaluation

For an oral evaluation, the Proctor must be able to speak clearly and be able to read the questions without biasing the question, know the criteria for giving an oral evaluation such as reference material the Evaluatee can have access to, the physical requirements for a suitable evaluation location (quiet, adequate chair/desk/table for sitting and writing, no phone access, etc.), time limit for evaluation and questions about the evaluation from the Evaluatee which the Proctor may answer.

If an oral evaluation is designed so that a decision must be made about the completeness of the Evaluatee's answer, an Evaluator must administer the evaluation.

#### 3.4.5. Work Performance History Evaluation

For evaluation by a review of work performance history, the Supervisor/Manager performing the evaluation must be aware of the Evaluatee's work history in that covered task and must be able to interpret documents from the appropriate files and records as described in [Section 3.2.3](#). This may not be used as the sole method of qualification.

#### 3.4.6. Skills Evaluation

For evaluation using the skill evaluation, the Evaluator must be able to explain the evaluation items on the performance checklist and to observe the Evaluatee's performance without biasing the evaluation.

#### 3.4.7. Observation of On-the-Job Performance

For evaluation by observation during performance on the job or during job training refer to Section 3.4.6. This may not be used as the sole method of qualification.



### 3.5. Guidelines for Transfer or Promotion of OQ Qualified Individuals

When an individual with OQ qualifications transfers to another location or is promoted to another position, that individual's new Supervisor will use KM guidelines to determine which OQ qualifications will transfer to the new location or position. If any OQ qualifications do not transfer to the new position or location, the Supervisor will advise the OQ Administrator, who will remove the OQ qualification for that covered task. The individual must pass the initial evaluation before he/she can perform that covered task, except as a non-OQ qualified worker. The OQ Administrator will develop these guidelines.

### 3.6. Guidelines for New Hires of OQ Qualified Individuals

When an individual with OQ qualifications is newly hired by KM, that individual's OQ qualifications do not automatically transfer to KM. The new individual's Supervisor, in conjunction with the OQ Administrator, must review any available documentation for that individual's OQ qualifications and will decide if any of the OQ qualifications will transfer to KM. The new individual must pass an initial OQ qualification for any covered tasks where approved OQ qualifications are absent. If new employees are acquired by acquisition of a complete company, that individual's OQ qualifications and the new company's OQ Program will be reviewed for compatibility. Comparable qualifications will be transferred. Non-transferred qualifications will be evaluated as initial qualifications before the employee is allowed to independently perform covered, non-transferred tasks.

## **4. USE OF NON-OQ QUALIFIED WORKERS**

Any individual (including KM employees or Contractors), who does not have the appropriate OQ qualification, cannot perform that covered task without direction and observation by an OQ qualified individual who can take immediate corrective action when necessary. KM will allow individuals that are not OQ qualified to perform a covered task for KM provided the following conditions are met:

- The non-OQ qualified worker(s) must be directed and observed by an individual that is OQ qualified in that specific covered task.
- The OQ qualified individual observing the non-OQ qualified worker(s) must be able to recognize and react to abnormal conditions and take immediate corrective action when necessary.
- The OQ qualified individual must be able to effectively communicate direction of covered task activities and reaction to AOCs to non-OQ qualified worker(s). This may require the ability to communicate with workers who speak and comprehend languages other than English either directly or through the use of a translator.

The Span of Control (the number of Non-OQ qualified persons a single OQ qualified person can effectively observe to meet the intent of this Section) is listed in Appendix A: Table of Natural Gas Covered Tasks, Appendix B: Hazardous Liquids List of Covered

Tasks and Appendix J: KMLT Hazardous Liquids List of Covered Tasks. The OQ qualified individual can reduce the task span of control depending upon work conditions and complexity of the task.

## **5. RECORD KEEPING**

### **5.1. Record Retention**

The record of prior OQ qualifications for individuals with current OQ qualifications and the records of individuals no longer performing the covered task will be maintained for a period of five years

### **5.2. ISNetworld**

KM is using the ISNetworld record keeping software system to document the OQ qualification of KM employees and contractors performing covered tasks on KM's pipeline facility. The documentation will include the following items:

- identification of the OQ qualified individual
- the list of covered tasks that individual is OQ qualified to perform
- the date of the current OQ qualification for each covered task
- the evaluation method(s) used to OQ qualify that individual for each covered task.

### **5.3. Supporting documentation**

Supporting documentation will be kept for five years and includes:

- Retention of work performance history evaluation – The Work Performance History Evaluation form (see App. C and D) will be retained, in either paper copy or electronic format, for the current OQ qualification.
- Retention of skills evaluation checklist in use at the time of the evaluation.
- Retention of computer-based evaluations used at the time of the evaluation.
- Retention of Vendor or outside Industry organization certifications – Documentation supporting the current OQ qualification will be accessible in either paper copy or electronic format.
- Retention of Evaluator identification and type of evaluation.
- Supporting documentation for contractors will be maintained per the guidelines established by the third party vendors conducting the evaluations as reviewed by KM prior to being approved as an acceptable vendor.

## **6. MANAGEMENT OF CHANGE**

Changes to the covered tasks, to the evaluation tools, and to the OQ Program will be made in accordance with the appropriate corporate or regional Management of Change (MOC) policy. Due to the possibility of acquisition of additional companies by KM, it might be desirable to retain different MOC policies within KM.

#### 6.1. Modifications to the Covered Tasks

Specific procedures for certain covered tasks may change over time due to new or revised company policies and procedures, new equipment, new vendor recommendations, new safety considerations, and/or new regulations. The OQ Administrator, in conjunction with the OQ Coordinators, KM Corporate Engineering Codes and Standards personnel and other Field personnel, will ensure these changes are developed and communicated to the appropriate OQ qualified personnel according to the appropriate MOC policy. The OQ Administrator, along with the appropriate SME's, will also determine if the changes are substantive enough to require re-qualification of OQ qualified individuals already performing the task being modified. If the changes do require re-qualification, the OQ Administrator will communicate to those individuals, and their supervisors, that they cannot perform the covered task independently until re-qualified.

#### 6.2. Modifications to the Program

KM's OQ Program may be modified by the OQ Administrator as a result of experience with the OQ Program (for both content and format), as covered tasks are added or deleted, as specific employee's responsibilities change, and as regulations change. When such a change is made, a modified copy of the Program will be made available by the OQ Administrator to all affected individuals. Changes will be identified in the body of the Program in order to facilitate the awareness of the changes. All program modifications will be made according to the appropriate MOC policy and will indicate the severity of the modification as it relates to OQ. Impacted individuals will be notified immediately if the modification requires re-qualification. Modifications that affect contract personnel will be communicated through ISNetwork's contractor notification system, as well as through field personnel overseeing contractor OQ work .

##### 6.2.1 Approval of Program Modifications

There are two types of changes that require going through the MOC approval process, operational and compliance/regulatory. Final approval for changes to the OQ Plan could require approval from the Operator Qualification Core Team (OQ Core Team) or the OQ Compliance Liaison or both in some instances.

The purpose of the OQ Core Team is to review proposed changes to the OQ plan that could impact operations and provide approval once they have solicit feedback from operations employees in their business unit. The OQ Core team consists of one Director of Operations from each operational business unit nominated by the VP of Operations for each business unit. Each Director must have operations experience

and currently manage OQ qualified, operations employees while serving on the OQ Core Team. If the Director is unavailable, his or her designee must currently work in operations

The OQ Compliance Liaison is the Director of the OQ Department. This individual will provide approval on proposed changes that could impact the compliance of the OQ plan.

Depending on the change, the OQ Administrator will use the Operator Qualification Core Team or the OQ Compliance Liaison for approval. Members of the OQ Core Team will be removed if they no longer meet the requirements above, take extended leave, or consistently do not reply to MOC requests for review and approval in a timely manner. The OQ Administrator will work with the VP of Operations of the impacted business unit to identify a replacement.

#### 6.2.2. OQ MOC Implementers

OQ MOC implementers are designated based on job title and direct reports with OQ task responsibilities. Implementers will hold the job title of Director, Manager, Supervisor or Superintendent and have direct reports with OQ task assignments. Directors and Managers of Engineering will be assigned as OQ MOC implementers.

#### 6.3. Significant Change

In the event of a significant change being made to the KM OQ Program, a copy of the revised program will be forwarded to PHMSA or appropriate state agency for review. Significant changes could include (but are not necessarily limited to) the following:

- an increase in evaluation intervals,
- a change in the number of covered tasks identified by the operator,
- a change in the evaluation methods or criteria for performing covered tasks;
- an increase in span of control ratios
- wholesale changes made to an OQ Plan or Program, whether due to an overall effort to improve program performance, or due to a merger or acquisition that results in incorporating the best features of the competing plans and programs.

Notifications to PHMSA may be submitted by electronic mail to [InformationResourcesManager@dot.gov](mailto:InformationResourcesManager@dot.gov), or by mail to ATTN: Information Resources Manager DOT/PHMSA/OPS, East Building, 2nd Floor, E22-321, New Jersey Avenue SE., Washington, DC 20590.

## **7. ADMINISTRATION OF OQ PROGRAM**

### **7.1. OQ Administrator's Responsibilities**

The OQ Administrator will have several OQ Coordinators who will be located in the field and will support the OQ Administrator, identify areas where the Program or specific tasks need to be modified, and perform other tasks as listed in their job description.

- The OQ Administrator must approve each case of a Proctor reading a written evaluation to an Evaluatee and writing the Evaluatee's response prior to this technique being utilized by a Proctor.
- The OQ Administrator will set up a procedure to ensure that each employee and each Supervisor is aware of the employee's current OQ qualifications and of the employee's schedule for subsequent OQ qualification.
- The OQ Administrator will have additional responsibilities as described in this Program.
- The OQ Administrator will submit notifications of significant changes to the OQ Program.

### **7.2. Employee's Responsibilities**

- Each individual with OQ qualifications should be aware of his/her own schedule for subsequent OQ qualification.
- Each employee is responsible for knowing what the covered tasks are and for which covered tasks they are OQ qualified.
- Each employee is responsible to notify the Supervisor of all evaluations, whether or not the evaluation was successfully passed.
- Each employee is responsible for notifying the Supervisor if they are assigned any covered tasks for which they are not OQ qualified.
- Each employee is also responsible for notifying the OQ Administrator through the Management of Change process of any changes in equipment, technology, procedures or technique which could affect the OQ program, covered task evaluations and identified abnormal operating conditions.

### **7.3. Supervisor's Responsibilities**

- The individual's direct Supervisor will be responsible for ensuring that the individual remains current in his/her OQ qualifications.
- The Supervisor is responsible for knowing which covered tasks his/her employees are OQ qualified for, with regards to making work assignments.
- The Supervisor is also responsible for notifying the OQ Administrator through the Management of Change process of any changes in equipment,

technology, procedures or technique which could affect the OQ program, covered task evaluations and identified abnormal operating conditions.

## 8. CONTRACTORS

For the purposes of OQ, the term contractor includes individuals who are not KM employees and who perform covered tasks on KM facilities. Contractors recognized as “Mom and Pops” by KM are exempt from the requirements of this section.

### 8.1. Kinder Morgan OQ Action Plan for Contractors

Each Contractor performing covered tasks on KM’s pipeline facility will work under the Kinder Morgan OQ plan. Contractors must have an approved Kinder Morgan OQ Action Plan, Appendix F, in ISNetworld prior to work. The Kinder Morgan OQ Action Plan is a form completed by each contract company performing covered tasks for Kinder Morgan. Within this form, Contractors confirm understanding of several KM OQ requirements including the following:

- All contractors performing covered tasks on KM pipeline facilities work under the KM OQ plan.
- There is a list of KM Approved OQ Provider Vendors. Contractors must identify which KM approved OQ Provider Vendor they have selected to qualify their employees.
- OQ reports for KM Contractors and their subcontractors must be in ISNetworld and viewable in the Kinder Morgan account.

The KM OQ Administrator will review and approve the completed Kinder Morgan OQ Action Plan. The Contractor must contact ISNetworld for guidance for submittal of ISN OQ reports.

### 8.2. Contractor Employees Performing Covered Tasks

The Contractor has two options to enable their employees (including subcontractors) to perform covered tasks for KM including:

- Qualification of their employees through a third party OQ Provider Vendor approved by the KM OQ Administrator. Approved OQ Provider Vendors are listed within Appendix F.
- Provide Contractor’s employees who are OQ qualified and can direct and observe an OQ Non-qualified individual perform that covered task, under the guidelines of [Section 4](#), including provision for communication with workers who speak and comprehend languages other than English either directly or through the use of a contractor provided translator.

The following two options are only available in rare circumstances and must be approved by KM's OQ Administrator before the Contractor will be allowed to utilize them.

- Qualification of their employees through the Contractor's in-house evaluation process, including in-house evaluators that are either qualified in the covered task being evaluated or are subject matter experts in the covered task.
- Have the Contractor's employee pass KM's evaluation.

### 8.3. Contractor Notification of Changes

Contractors performing covered tasks for KM will be notified of any modifications to KM's OQ Plan or covered tasks as described in Section 6.

### 8.4. Contractor Audits

KM's OQ Department will conduct periodic audits of Contractor's OQ action plan to ensure continued compliance with KM's OQ Program.

### 8.5. Contractor Record Keeping

Record keeping for Contractors' employees' OQ qualifications must be accessible by KM personnel at any time and shall be maintained in ISNetworld as described in Sections 5.1 and [5.2](#).

## 9. MUTUAL ASSISTANCE AGREEMENTS

When mutual assistance agreements with other pipeline operators involve covered tasks, those pipeline operators will be required to meet certain requirements to ensure their employee qualifications are compatible with KM's OQ Program. Before the pipeline operator's personnel may perform a covered task on KM's pipeline facility, without being directed and observed by a qualified individual, KM's OQ Department will perform an initial audit of the pipeline operator's OQ program by:

- reviewing the pipeline operator's OQ program to ensure it is compatible with KM's OQ Program and
- verifying that the pipeline operator has identified the covered tasks that their employee(s) will be performing for KM and
- obtaining copies of the employee(s) qualification records from the pipeline operator to verify they are qualified to perform the identified covered tasks.

## 10. VARIANCE to OQ PROGRAM

### 10.1. Variance

- A variance from the requirements of the Operator Qualification Program may be requested provided the variance request is not in conflict with 49 CFR Part

192 Subpart N or Part 195 Subpart G. Specific circumstances may warrant a variance request, however all efforts to comply with the program should have been made. Each variance request will require approvals of the business unit's Vice President of Operations or Engineering or their designee and the approval of the Director overseeing the OQ Program or their designee. No "blanket" variance request will be granted.

#### 10.2. Variance Approval Process

- The person requesting the variance shall complete the Variance Request form as required under section 10.3 and route it via e-mail to the Business Units' (BU) VP of Operations or Engineering, and the Director overseeing the OQ program or applicable designee for their review and approval.
- The approval documentation shall be submitted in writing to the requestor by the OQ Administrator.
- A copy of the approved documentation shall be retained by the OQ Administrator. A copy of the approved variance request shall be retained in the project file by the requestor.
- If verbal approval for the variance is needed due to the urgency of the situation, the variance must still be reviewed and approved by Vice President of Operations or Engineering or their designee. The variance request will be reviewed for approval by the Director overseeing the OQ program.
- The desired variance from the requirements of this OQ Program will not be effective until the variance request has received all necessary approvals.

#### 10.3. OQ Variance Request Form

##### 10.3.1. Advanced variance request:

The OQ Variance Request Form is to be completed in full before submittal and shall include:

- Identification of the OQ Program section and paragraph involved.
- Detailed language identifying the need for the variance.
- The requestor's signature and date of the variance request and the identified point of contact for follow up questions (if this individual is different than the requestor).
- The signatures of the requesting business unit's Vice President or their designee and the Director overseeing the OQ program.

##### 10.3.2. Verbal variance request:

If verbal approval for the variance is needed due to the urgency of the situation, the variance must still be reviewed and approved by Vice



President of Operations or Engineering and the Director overseeing the OQ program or their designee. The OQ Variance Request form must be submitted by the requestor with signed VP approval no later than 5 working days after verbal approval or upon their return to the office.

10.4. Documentation retention

For record retention purposes, a copy of the approved Variance Request form shall be submitted and retained by:

- The OQ Administrator
- The Project Manager for filing within the project file.

## 11. WAIVERS to 49 CFR 192/195

Waivers from the regulatory requirements of the OQ Program have to be obtained from PHMSA and/or the appropriate state agency per the requirements outlined by the regulatory agency. The waiver request must be initiated from the affected business unit and require approval of the Vice President of Operations/Engineering or their designee and the Director overseeing the OQ program or their designee. The business unit Compliance representative will be responsible for the submission to PHMSA or the appropriate state agency. A copy of the requested waiver and PHMSA's/state agency's response must be provided to the OQ Administrator and business unit Compliance representative to retain for documentation purposes.

## 12. DEFINITIONS

- Covered Task

A Covered task is a discrete activity performed by an individual or group of individuals; has a beginning and ending point; has two or more steps; is performed over a short period of time; can be observed and measured; results in a product, service or decision, identified by KM, that meets all four of the following requirements:

- Is performed on a pipeline facility –any activity that is performed by an individual or group of individuals whose performance directly impacts the pipeline facility.
  - Pipeline facility includes new and existing pipe, rights-of-way and any equipment, facility or building used in the transportation of natural gas or hazardous liquid.
  - Activity means physical, visual or mental effort performed by an individual whose performance directly impacts the pipeline facility.

- Removed from the facility means that a part of the pipeline system is physically removed from its original position on the pipeline system and taken off the facility.
- Pipeline system means all parts of a pipeline facility through which natural gas or hazardous liquid moves in transportation. Natural gas or hazardous liquid does not have to be present in order for that component to be physically connected to a pipeline system.
- Is an operations or maintenance task – activities done (1) to perform a function on a pipeline facility or (2) to provide upkeep of a pipeline facility. A “new construction task” changes to an operations and maintenance task when the new pipeline facility is being commissioned or during the act of connecting to an active pipeline facility. The following are not operations and maintenance tasks:
  - Activities on pipelines that have never been in service
  - Fabrication of new installations
  - Replacement upgrades that increase pipeline capacity/throughput
  - Non-operational emergency response activities
- Is performed as a requirement in 49 CFR Part 192 or 195 – only those tasks specifically required to be addressed in Part 192 for gas lines or in Part 195 for hazardous liquids lines.
- Affects the operation or integrity of the pipeline – any activity, or omission of an activity, that could directly or indirectly cause the release of natural gas or hazardous liquids to the environment or result in a hazard to persons or property.
  - Pipeline (pipeline system as defined by regulation) means all parts of a pipeline facility through which natural gas or hazardous liquid moves in transportation (line pipe, valves, appurtenances, pumps, meters, tanks, etc.). Natural gas or hazardous liquid does not have to be present in order for that component to be physically connected to a pipeline system.
  - An effect can be either immediate or delayed.
  - The integrity of the pipeline refers to the pipeline’s ability to operate safely and to withstand stresses imposed during operations
- Operation – the starting, stopping and monitoring of the pipeline system. The operation of the pipeline refers to any changed conditions in the pipeline, such as pressure or flowrate.
- Evaluation – a process, established and documented by KM, to determine an individual’s knowledge, skill and ability to perform a covered task.
- Qualified – an individual has passed an evaluation and:
  - Can perform assigned covered tasks and
  - Can recognize and react to abnormal operating conditions and
  - Compliance documentation is completed.

- Individual – a person, who on behalf of KM, performs one or more Covered Tasks on a pipeline facility operated by KM. This includes regular employees, part-time employees and contractors.
- Mom and Pops – a contractor company who has two or less employees, who perform OQ covered tasks for KM, but are trained, as appropriate, and qualified, using KM OQ evaluation tools. Qualification records for “Mom and Pops” will reside within KM’s OQ recordkeeping system.
- Abnormal operating condition (AOC) – a condition identified by KM that may indicate a malfunction of a component or deviation from normal operations that may indicate an operating condition that could exceed design limits or could result in hazard(s) to persons, property or the environment.
  - Note: A deviation from normal operations does not necessarily mean an abnormal operating condition exists as long as conditions are within the parameters identified by KM.
  - Items listed below may be indications of an abnormal condition or may create an abnormal operating condition related to a specific Covered Task. Employees and contractors are trained and evaluated to recognize and properly respond to AOCs. The general AOC categories below are evaluated using a knowledge test, while specific AOCs are evaluated in the knowledge tests and skills checklists associated with specific covered task evaluations.
  - Abnormal Operating Conditions fall into the following categories:
    - Unexpected hydrocarbon encountered (unauthorized release, vapors, hazardous atmosphere and contamination)
    - Unexpected pressure deviations (increase, decrease, high, low, absent)
    - Activation of a safety device (pressure relief, emergency shut downs, high pressure shutdowns, case pressure shutdowns, high temperature shutdowns)
    - Unexplained flow rate deviations (high flow, low flow, no flow)
    - Unexplained status change (unit start-up, unit shut-down, valve open, valve close, gravity change, tank level, temperature, flash, haze, sediment and water, co-mingling of product, etc.)
    - Fire / explosion
    - Interruption or failure of Communications / Control system / Power
    - Pipeline system damage (line hit, lightning strikes, tornado, flood, earthquake, etc.)
    - Abnormal facility condition (exposed pipe, low cathodic protection levels, missing line markers, frayed wires, line crossing, atmospheric corrosion, pipeline support, exposed river crossing)
    - Component failure or malfunctioning component (field and SCADA components including meter failure)
    - Earth movement or washouts that have exposed pipe or could affect pipeline integrity, including strain and stress due to external load.

- Accident– refer to 49 CFR 195.50 a failure in which there is a release of the product in the pipeline resulting in any of the following:
  - a) Explosion or fire not intentionally set by the operator.
  - b) Release of 5 gallons (19 liters) or more of hazardous liquid or carbon dioxide, except that no report is required for a release of less than 5 barrels (0.8 cubic meters) resulting from a pipeline maintenance activity if the release is:
    1. Not otherwise reportable under this section;
    2. Not one described in § 195.52(a)(4);
    3. Confined to company property or pipeline right-of-way; and
    4. Cleaned up promptly;
  - c) Death of any person;
  - d) Personal injury necessitating hospitalization;
  - e) Estimated property damage, including cost of clean-up and recovery, value of lost product, and damage to the property of the operator or others, or both, exceeding \$50,000.
  
- Incident- refer to 49 CFR 191.3 means any of the following events: (1) An event that involves a release of gas from a pipeline, or of liquefied natural gas, liquefied petroleum gas, refrigerant gas, or gas from an LNG facility, and that results in one or more of the following consequences:
  - (i) A death, or personal injury necessitating in-patient hospitalization;
  - (ii) Estimated property damage of \$50,000 or more, including loss to the operator and others, or both, but excluding cost of gas lost;
  - (iii) Unintentional estimated gas loss of three million cubic feet or more;
 (2) An event that results in an emergency shutdown of an LNG facility.  
 Activation of an emergency shutdown system for reasons other than an actual emergency does not constitute an incident.
 (3) An event that is significant in the judgment of the operator, even though it did not meet the criteria of paragraphs (1) or (2) of this definition.
  
- OQ Provider Vendor- A company audited and approved by the KM OQ Department to ensure compatibility with KM's Covered Task list for Contractors to complete OQ qualifications. See Appendix F for the list of approved OQ Provider Vendors.

### 13. Regulatory Agency Audits

<b><u>Location</u></b>	<b><u>Agency</u></b>	<b><u>Date</u></b>
Lakewood Colorado	PHMSA	May 8, 2001
Lakewood Colorado	PHMSA	September 15-16, 2003
Houston, Texas	PHMSA	April 25-26, 2006
Oklahoma City, OK	Oklahoma Corporate Commission	February 17,2015
Orange, CA Corporate	California State Fire Marshal	March 6-8, 2017
Williston, ND	Montana Public Service Commission	October 3-6, 2017
Three Rivers, TX	Texas Railroad Commission	November 6-10, 2017
Bellingham, WA	Washington Utilities Commission	April 9-13, 2018
Stroud, OK	Oklahoma Corporate Commission	September 5-6, 2018
Houston, TX	Texas Railroad Commission	September 5-6, 2018
Shreveport, LA	Louisiana Department of Natural Resources	November 28-29, 2018
Houston, TX	Texas Railroad Commission	August 27–September 6, 2019
Houston, TX	Texas Railroad Commission	December 7-11, 2020
Remote	Office of the State Fire Marshal: CAL Fire - Pipeline Safety Division.	November 8 -12, 2021
Remote	Texas Railroad Commission	January 24-28, 2022

## 14. Revision Dates

<u>DATE</u>	<u>DESCRIPTION</u>
5/18/01	Covered task list review process finalized.
4/24/02	Added Entities to the OQ Plan
8/28/02	Sections 3.4 and 3.5, with the only change to 3.5 being consistency in language (e.g. "revoked" and "revocation," etc.)
10/10/02	Language added to Sec 3.2.1 regarding Knowledge Test “ and must be administered by a trained Evaluator or Proctor”
10/25/02	Language in section 3.4 updated to state employees can be suspended or revoked on multiple tasks.
6/30/03	References added to OQ Plan to incorporate training into OQ process, continued study of requalification intervals now set at 3 years for all covered tasks, OQ evaluators' use of evaluation by discussion no longer needs OQ Administrator's approval, contract in place for ISNetworkworld to manage contractor OQ record keeping administration for KM, "replacement upgrades" added to list of examples of new construction tasks, Covered Task Checklist used on all contracts. Changes in project scope communicated to inspectors, regular monitoring of contractors performing covered tasks but no additional daily paperwork required. Approving parties will receive modified documents for a detailed review via email.
7/21/03	<u>Change to Sec: 8, subpart a, b and c – Updated language</u>
10/31/03	<p>Intranet Link - <a href="http://www.kindermorgan.com/work/contractor_co/km_operator_qualification_program.pdf">http://www.kindermorgan.com/work/contractor_co/km_operator_qualification_program.pdf</a></p> <p>The Kinder Morgan OQ Plan was revised to address several items listed in a recent Notice of Amendment letter received from the PHMSA Eastern Region. The revisions are mainly a change in verbiage to clarify the program and describe practices already in place. Changes to the Kinder Morgan OQ Plan are highlighted in the plan document, however, a list of sections changed is provided for additional information.</p> <p>Section 3.2.1: Added a statement clarifying that Kinder Morgan employees are expected to get an 80% or higher to pass the OQ knowledge tests, and that Contractors must meet the pass/fail criterion established by the Kinder Morgan approved OQ Provider Vendor or Industry organization they are using to qualify their employees.</p> <p>Section 3.3.2: Added a statement clarifying that an employee's OQ qualification is revoked on a task if they fail an evaluation (knowledge or performance) for it. They must then be retrained and subsequently pass the failed evaluation before their OQ qualification is reinstated.</p>
12/17/04	Updated 3.4 Added paragraph to 6.2, forwarding significantly revised OQ Program to OPS
02/04/05	Updated 3.2

11/26/07	Updated 3.2, 3.3.5, 4 bullet 3, 5.2, 5.3,6.3, 7.2, 7.3, 8.1, 8.5, 9, 10
8/25/08	<p>Section 2.3: Added sentence stating that Contractors are trained on site specific AOCs in accordance Section 2.7 of Kinder Morgan's Contractor Safety Manual. A paragraph was also added stating that AOCs are considered during DOT accident/incident investigations and any deficiencies are noted in STARs.</p> <p>Section 4: The last paragraph was revised to state that the span of control for each task is listed in Appendix A and Appendix B, and that the qualified individual could reduce the span of control depending on work conditions and task complexity.</p> <p>Section 8.5: Added statement clarifying Contractor records must be maintained in ISNetworld as described in sections 5.1 and 5.2.</p> <p>Section 10: Modified the two following bullet items under "Is an operations or maintenance task" section</p> <ul style="list-style-type: none"> <li>- Revised the first bullet item to remove the language "or on pipelines not connected to a source of hazardous liquids or natural gas"</li> <li>- Revised the second bullet item to state "Replacement Upgrades that increase capacity/throughput". This clarifies that only pipeline replacements/upgrades that increase capacity/throughput will be considered as "new construction" and therefore, not subject to the DOT Operator Qualification regulation.</li> </ul>
09/20/10	<p>Intranet Link - <a href="http://www.kindermorgan.com/work/contractor_co/km_operator_qualification_program.pdf">http://www.kindermorgan.com/work/contractor_co/km_operator_qualification_program.pdf</a></p> <p>The Kinder Morgan OQ Plan was revised to address several items listed in a recent Notice of Amendment letter received from the PHMSA Eastern Region. The revisions are mainly a change in verbiage to clarify the program and describe practices already in place. Changes to the Kinder Morgan OQ Plan are highlighted in the plan document, however, a list of sections changed is provided for additional information.</p> <p>Section 3.2.1: Added a statement clarifying that Kinder Morgan employees are expected to get an 80% or higher to pass the OQ knowledge tests, and that Contractors must meet the pass/fail criterion established by the Kinder Morgan approved Vendor or Industry organization they are using to qualify their employees.</p> <p>Section 3.3.2: Added a statement clarifying that an employee's OQ qualification is revoked on a task if they fail an evaluation (knowledge or performance) for it. They must then be retrained and subsequently pass the failed evaluation before their OQ qualification is reinstated.</p>
11/20/12	Updated 6.3 bullet 1 and 4
2/15/13	Updated BU names and adding El Paso
10/7/13	Removed Tall Grass assets and added Altamont name change
12/16/13	Corrected Carteret, JN to Carteret, NJ
3/23/14	Added Parkway to OQ plan

4/14/14	Added Copano assets to OQ plan: Copano Field Services/Copano Bay, LP, Copano Field Services/North Texas, Copano Pipelines/South Texas, LP, Copano Pipelines/UP Gulf Coast, LP, Scissortail Energy, LLC, Copano NGL Services (Markham), LLC, Copano NGL Services, LP
6/10/14	Changed LP information to LLC for Copano NGL Services, Copano Pipelines/South Texas, Copano Pipelines/Upper Gulf Coast
10/2/14	Added Copano Field Services/ South Texas, LLC and Kinder Morgan Keystone Gas Storage, LLC to gas asset list. Removed Copano Field Services/Copano Bay, LP because it was sold in June 2014. Removed Copano Pipelines/ South, TX, LLC because the regulated pipe was sold in June 2014. And removed "STARS" from section 2.
10/28/14	Added Sierrita Pipeline LLC to OQ plan asset list
1/5/15	Added suspension/revocation clarification language to section 3.3.3
4/16/15	OQ Variance language added to plan
9/22/15	Updated entities list per public awareness list and KM Canada
12/3/15	Updated AOC list section reference in section 2.3 from Section 10 hyperlink to Section 12.
2/15/16	Added Hiland assets to OQ plan
5/23/16	OQ plan reformatted, Section 13 added for audit dates, Section 14 added to log revisions
8/15/16	OQ plan last audit location corrected entity list updated per updates to entity list in public awareness procedure, Section 3.3.3 accident/incident updated to read the same order at each occurrence, Section 3.3.4 updated to include proctor and evaluator-proctor clarification from EP training manual, Section 3.3.5 updated with punctuation.
8/24/16	Added Appendix J: KMLT Hazardous Liquids List of Covered Tasks
2/20/17	Added El Paso Natural Gas Company and Kinder Morgan Utopia Holdco, LLC to the Hazardous Liquids entity list. Removed Parkway Pipeline from entity list.
6/1/17	Added PHMSA significant notification receiving e-mail and mailing address to section 6.3 per Plantation Pipeline PHMSA integrated audit recommendation
7/25/17	Removed NACE from section 3.2.5. Listed full names of MEA and API organizations to remain constant with formatting of other organizations in section 3.2.5.
8/14/17	Added Kinder Morgan Texas Pipeline to the Hazardous Liquids entity list. It is an inactive pipeline but when last operated it was operated as a 49CFR 195 pipeline. This already exists on Gas entity list within the OQ plan,
3/06/18	Updated OQ section 3.2.3 to clarify use of Appendix C and D. Updated Section 14 change log to reflect specific details for dates 5/18/01 to 7/21/03.



7/10/18	<i>Editorial corrections and added Double H and Copano Processing after annual review.</i>
1/28/19	<i>OQ Regulatory inspection dates updated.</i>
3/26/19	<i>Updated last inspection language in first paragraph to reflect last audit as listed in section 13.</i>
6/5/19	<i>Updated entity list to show Kinder Morgan Canada broken out into Kinder Morgan Canda (Jet Fuel), Inc., Kinder Morgan Cochin, ULC (Canada), Kinder Morgan Utopia, Ltd. (Canada). Removed Trans Mountain Pipeline (Puget Sound), LLC from entity.</i>
9/9/19	<i>Updated appendices list on page 4 with the word "appendix" for each document.</i>
2/13/20	<i>Added the word "gas" to existing Camino Real entity name on asset list.</i>
5/7/20	<i>Revised references to vendors in section 3.2.6 to OQ Provider Vendors to distinguish between contractors and those companies that qualify them (OQ Provider Vendors). Revised language in Section 6.2.1 to liason from team. Added language to section 8 providing more detail on the purpose of Appendix F in the process of Contractors working for Kinder Morgan. Added a definition for OQ Provider Vendors in section 12 to distinguish them from Contractors performing covered tasks. Revised Section 14 change log note for 2/20/17 to clarify the entity change affected the Hazardous Liquids entity list. Revised Section 14 change log note for 6/1/17 to specify Plantation Pipeline.</i>
9/10/20	<i>Revised interval language for sections 3.1.3 and .3.1</i>
12/7/20	<i>Updated entity list to remove sold assets. Upated list of OQ audits to include Texas Railroad Commission audit completed in September 2019.</i>
2/17/21	<i>Changed Plantation Pipeline entity name to Products (SE) Pipe Line Corporation. Changed Kinder Morgan CO2 Company, LP to Kinder Morgan CO2 Company, LLC.</i>
3/4/21	<i>Updated entity list to remove Scissortail Energy from Hazardous Liquids entity list. Asset was converted to non-PHMSA regulated service.</i>
9/23/21	<i>Updated section 3.3.3 Post-Accident Re-evaluation to clarify when to suspended and revoke an employee. Added Copano Field Services/North Texas, L.L.C. to Hazardous Liquids entity list. Removed El Paso Natural Gas from Hazardous liquids entity list.</i>
01/12/22	<i>Updated Natural Gas entity list to include Stagecoach Operating Services.</i>
1/25/22	<i>Updated Stagecoach Operating Services to Stagecoach Gas Services on Natural Gas entity list. Updated the regulatory review list to show OQ audits in November 2021 and January 2022.</i>