

N6291
MWWL

DEPARTMENT OF ENVIRONMENTAL QUALITY
AIR QUALITY DIVISION
ACTIVITY REPORT: Scheduled Inspection

N629125282

FACILITY: Kinder Morgan Cochin LLC		SRN / ID: N6291
LOCATION: 7501 W JEFFERSON, DETROIT		DISTRICT: Detroit
CITY: DETROIT		COUNTY: WAYNE
CONTACT: Kevin Alfrey, Operations Supervisor		ACTIVITY DATE: 05/20/2014
STAFF: Jeffrey Korniski	COMPLIANCE STATUS: Compliance	SOURCE CLASS: SM OPT OUT
SUBJECT: Scheduled Inspection		
RESOLVED COMPLAINTS:		

INSPECTION REPORT
(PCE for an FCE source)

Date of Investigation: May 20, 2014

Date of Report: May 29, 2014

Source: Kinder Morgan Cochin, Detroit River Valve Site

SRN: N6291

Address: 7501 West Jefferson, Detroit, Michigan 48209

Subject: Scheduled Inspection

Author: Jeff Korniski, Air Quality Division, Detroit Office

Safety Equipment/Safety Training/Security:

The site is unoccupied and access must be arranged in advance with Kinder Morgan Cochin. 7501 West Jefferson, the historical address for the site, was established when West Jefferson was the nearest roadway west of the riverfront and when Allied Signal's Detroit Coke Plant occupied most of the land between the Detroit River and the Yellow Freight truck yard. Springwells Court now loops behind Yellow Freight between the riverfront and West Jefferson, placing the Detroit River Valve Site adjacent to the Lafarge Midwest facility at 1301 Springwells Court.

No specific safety equipment is required when the valves, pipes, and flare are closed. Flame retardant clothing and other protective gear are required during maintenance activities and flaring events.

Facility Background:

The Detroit River Valve Site services two underground pipelines – the Cochin pipeline and Eastern Delivery System (EDS) pipeline – that cross the Detroit River to and from Windsor, Ontario side-by-side at this location. The two pipelines were constructed circa 1957 by American Brine, Inc. for the transport of liquid brine. The pipelines were purchased by Dome Pipeline in 1972 and their use repurposed for the transport of liquid forms of ethane, butane, propane, and some natural gas condensates. In 1997, Dome Pipeline received Wayne County Air Quality Management Division Installation Permit C-11429 and State of Michigan Air Quality Division (AQD) Permit to Install (PTI) No. 114-96 for a flare that had been constructed by Dome in 1977 to incinerate waste gases arising from the sending and receiving of pipeline traps, from site maintenance activities, and from emergency vent events; the single flare was installed to service both pipelines.

Beginning in 2007, a series of transactions resulted in the Cochin pipeline coming under the ownership of Kinder Morgan Cochin and the EDS pipeline coming under the ownership of Plains LPG Services. The common flare at the site is jointly-owned by Kinder Morgan and Plains. In 2008, Wayne Co. C-11429 was voided and Kinder Morgan was issued an updated PTI 114-96A. The PTI has been revised twice since, with the current PTI 114-96C having been issued on March 8, 2013. Although issued to Kinder Morgan the PTI covers all activities occurring at the flare, including those activities initiated by Plains.

The Cochin pipeline has long been utilized to deliver liquid propane from its western terminus at Fort Saskatchewan, Alberta to customers located in the upper Midwest of the United States as the pipeline travels southeast and east to Windsor, Ontario; the flow of liquid in the Cochin pipeline at Detroit is from west to east. In 2013, Kinder Morgan received a Presidential Permit – all such pipelines traversing the international border must obtain a Presidential Permit from the State Department – authorizing the reversal of flow in the Cochin pipeline at a point near Kankakee, Illinois. When the reversal is complete the transport of liquid propane from Canada to the U.S. will be replaced by the transport of liquid condensate (also known as diluent) northwestward from the

U.S. to Canada for use in the processing of oil sands. The eventual fate of the Cochin's eastern leg is undetermined, however, late in 2013 Kinder Morgan announced a letter of intent to build a new pipeline from Harrison Co., Ohio northwest to link with the Michigan portion of the Cochin pipeline with the stated objective to transport natural gas liquids produced from the Utica Shale northward to Windsor, Ontario.

The EDS pipeline has been utilized in the past to deliver liquid hydrocarbons between its termini at Marysville, Michigan and Green Springs, Ohio through Port Huron, Sarnia (Ontario), Windsor, and Detroit. Historically, the flow of liquid has been from east to west at the Detroit River Valve Site. In its Presidential Permit application of June 12, 2012, Plains reports the EDS pipeline inactive since at least 2010. Testimony dated October 29, 2013 given at a U.S. House of Representatives hearing on H.R. 3301 informs the Presidential Permit application submitted by Plains had yet to be granted; based on an internet search it appears this situation has remained unchanged up to the date of this report.

Summary of Facility Visit:

I met Mr. Kevin Alfrey, Operations Supervisor, of Kinder Morgan at the Detroit River Valve Site on 5/20/2014 and we toured the grounds from 11:00 AM to 11:30 AM.

No activities were in progress on-site during the facility visit. The site houses a series of interconnected above-ground pipes for the launching and receiving of "traps" into the pipelines. Traps are solid cylindrical devices with diameters slightly less than that of the pipeline. When introduced into the trap launcher, the trap is propelled down the pipeline by the natural flow of the liquid until it reaches a trap receiver. Traps are used to clean debris from the inner surface of the pipe and to inspect the interior. The northern set of launching and receiving traps serves the Cochin pipeline and the southern set serves the EDS pipeline.

Whenever residual material must be removed from either the Cochin or EDS piping it is "blown down" into a 500 gallon tank, flashing the liquid to a gas, and then incinerated in a flare. One flash tank and one flare serve both pipelines. The flare is manually operated and so any activity requiring the use of the flare only occurs with facility personnel present on-site. From visual observation the flare appears to meet the 25 foot minimum height and 2 inch maximum diameter requirements established by permit. At its top the flare is encircled by a sleeve intended to protect the flame against strong winds, but the sleeve itself does not expand the diameter of the outlet.

According to Mr. Alfrey, the Cochin reversal is nearly complete and the transport of propane through the Detroit location will likely cease sometime in June of this year. Afterwards, that part of the Cochin pipeline running through the Detroit site may be dormant for some time. Kinder Morgan maintains an on-site record of the flare throughput resulting from work on the Cochin pipeline.

The EDS pipeline, to Kinder Morgan's knowledge, remains inactive at this time; however, operations of Kinder Morgan and Plains are completely independent, and Kinder Morgan will not necessarily be made aware of flaring events, maintenance, etc. conducted by Plains relating to the operation of the EDS pipeline. I indicated that this may be problematic should the EDS pipeline be reactivated. The permit issued to Kinder Morgan for the flare covers those operations relating to work on the EDS pipeline initiated by Plains. In the current regulatory structure, Kinder Morgan will need to obtain usage information from Plains in order to demonstrate compliance with the permit and, in effect, Kinder Morgan is also responsible for those conditions relating to proper maintenance of the flare (e.g. no visible emissions) regardless of the operator. If Kinder Morgan is unwilling or unable to accept such responsibility, I suggested Kinder Morgan seek to modify the permit in order to clarify its responsibility and that of Plains.

Later that afternoon I sent an email to Mr. Alfrey asking for a copy of usage records and delineating the permit responsibilities for the flare. Mr. Alfrey responded by email on 5/27/2014 with records attached.

Compliance Status:

The flare at the Detroit River Valve Site is covered under Permit to Install No. 114-96C, issued March 8, 2013 to Kinder Morgan Cochin, LLC. The flare services both the Cochin pipeline and the EDS pipeline.

PTI 114-96C (issued 3/8/2013). General (GC) and Special (SC) Conditions

GC 6 – Compliance – Nuisance emissions prohibited – No citizen complaints have been received by the AQD's Detroit Office for the Detroit River Valve site.

GC 11, SC IV.1 – Compliance – The flare shall not be operated except in a satisfactory manner, including such that no visible emissions shall be emitted from the flare – The flare was not in operation during the site visit of 5/20/2014. AQD Detroit has not received any reports of visible emissions from the flare while in operation.

SC II.1, VI.1 – Compliance – Flare use limited to not more than 3,510 gallons of liquefied propane or propane blends per 12-month rolling time period as determined at the end of each calendar month; records to be maintained for not less than five years – Kinder Morgan provided records in an email submittal of 5/27/2014. The flare did not operate in calendar year 2013. In 2014, the flare operated in February 2014 combusting 220 gallons and in March 2014 combusting 196 gallons for a 12-month total of 416 gallons ending April 2014. Emissions of VOC, CO, NOx, and SO2 calculate to less than 20 pounds each during this period.

SC VIII.1 – Compliance – Exhaust gases from the flare to be discharged unobstructed vertically upwards from a stack diameter not more than 2 inches and from a stack height not less than 25 feet above ground – The flare was observed during the inspection of 5/20/2014 and judged to be in compliance with these conditions, though measurements were not made.

Conclusion:

At the completion of the investigation, Kinder Morgan Cochin's Detroit River Valve Site (N6291) appears to be in compliance with its applicable requirements.

NAME Jeff Kerner

DATE 5/29/2014

SUPERVISOR W.M.

