



**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 in Lakewood, Colorado, on May 8, 2001 and September 15-16, 2003 and in Houston TX on April 25-26, 2006

Revised 4/27/01, 5/18/01, 4/24/02, 8/28/02, 10/10/02, 10/25/02, 6/30/03, 7/21/03, 10/31/03, 12/17/04, 02/04/05, 11/26/07, 08/25/08

Kinder Morgan Companies Covered by this OQ Plan

Kinder Morgan Products Pipelines

Pacific Region (including SFPP, LP; CalNev Pipeline; Carson Terminal; LA Harbor Terminal; Willbridge Terminal; Linnton Terminal)
Plantation Pipe Line
Southeast Terminals (including Roanoke, Newington, Richmond 1 and Richmond 2)
Central Florida Pipeline
KM Cochin, LLC
Cypress Pipeline

Kinder Morgan C02 Company

Cortez Pipeline
Canyon Reef Pipeline
Central Basin Pipeline
Wink Pipeline

Kinder Morgan Liquid Terminals

Galena Park, TX
Pasadena, TX
Argo, IL
Carteret, NJ
Perth Amboy, NJ
St. Gabriel, LA

Kinder Morgan Natural Gas Pipelines

KM Interstate Gas Transmission Pipeline
Trailblazer Pipeline
Natural Gas Pipeline Company of America
Rockies Express Pipeline, LLC
Intrastate Gas Transmission Pipelines
(including Transcolorado Pipeline, KM Texas Pipeline, and Tejas Intrastate Texas Pipeline)

Kinder Morgan Operator Qualification Program

1.	SCOPE	3
2.	COVERED TASKS.....	3
2.1.	Covered Task Lists	3
2.2.	Covered Task Principles	3
2.3.	Abnormal Operating Conditions	4
2.4.	Covered Task Assignments	4
2.5.	Essential Variables-Equipment	4
2.6.	Essential Variables-Operations.....	5
3.	EVALUATION PROCESS.....	5
3.1.	Types of Qualifications.....	5
3.2.	Types of Evaluations.....	6
3.3.	Re-evaluation.....	8
3.4.	Evaluator and Proctor Criteria.....	10
3.5.	Guidelines for Transfer or Promotion of OQ Qualified Individuals.....	11
3.6.	Guidelines for New Hires of OQ Qualified Individuals.....	11
4.	USE OF NON-OQ QUALIFIED WORKERS.....	12
5.	RECORD KEEPING.....	12
5.1.	Record Retention	12
5.2.	ISNetworld	12
5.3.	Supporting documentation	13
6.	MANAGEMENT OF CHANGE	13
6.1.	Modifications to the Covered Tasks	13
6.2.	Modifications to the Program	13
7.	ADMINISTRATION OF OQ PROGRAM	14
7.1.	OQ Administrator’s Responsibilities.....	14
7.2.	Employee’s Responsibilities.....	14
7.3.	Supervisor’s Responsibilities	15
8.	CONTRACTORS	15
8.1.	Contractor OQ Action Plan.....	15
8.2.	Contractor Employees Performing Covered Tasks	15
8.3.	Contractor Notification of Changes	16
8.4.	Contractor Audits	16
8.5.	Contractor Record Keeping.....	16
9.	MUTUAL ASSISTANCE AGREEMENTS.....	16
10.	DEFINITIONS.....	16

Appendices:

- A. Covered Task List – natural gas
- B. Covered Task List – hazardous liquids
- C. Work Performance History Evaluation Form – natural gas
- D. Work Performance History Evaluation form – hazardous liquids
- E. Procedures for Contractor Compliance with OQ
- F. Required OQ “Action” Plan Elements for Contractors

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 10](#) for more details.

2.1. Covered Task Lists

KM has identified activities which 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 and for hazardous liquid operations is in Appendix B.

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 but which are not directly related to that task. These AOCs are listed in [Section 10](#).

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 2.7 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 (STARs), 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 App. 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. Subsequent OQ qualification

In KM's OQ Program, each covered task will be assigned a subsequent OQ qualification interval. This interval will initially be three years for each covered

task (three years was chosen to be consistent with the existing Process Safety Management (PSM) program). However, the interval 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. 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

An Evaluatee will pass a work performance history evaluation upon the verification that the Evaluatee has performed the covered task and that the files do not contain an indication of unsatisfactory performance. The Evaluatee will not pass a work performance history evaluation if an indication of unsatisfactory performance has been identified. That individual must then take the OQ qualification evaluation in one or more of the other approved evaluation methods.

3.2.3.1. KM has developed guidelines to minimize subjectivity and to maximize objectivity and consistency during work performance history reviews throughout the company, as follows:

- For a transitional OQ qualification, 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 includes a work performance history evaluation, the Evaluatee's performance of this covered task must be verified by the Evaluatee's Supervisor as satisfactory, and is 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 will primarily be 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.
- During the records review for work performance history evaluation, appropriate records will be reviewed for the preceding period of the subsequent OQ qualification interval for that covered task (currently three (3) years). For a transitional OQ qualification, records generated between August 1996 and August 1999 will be reviewed.
- Records generated during the period between August 1999 and the date of the transitional OQ qualification evaluation may be used to support records generated prior to August 1999 but cannot be the only records reviewed during a prior work performance history evaluation for a transitional OQ qualification.
- Use of forms in Appendix C & D to conduct Work Performance History Review.

3.2.4. 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. Or
- performance on a simulator – The simulator may also provide a pass/no pass grade of the Evaluatee's performance.

3.2.5. Certification by Vendors or Industry Organizations

Numerous Vendors and Industry organizations such as MEA, API, National Center for Construction Education and Research (NCCER), National

Association of Corrosion Engineers (NACE) or American Society of Mechanical Engineers (ASME) have existing programs which pertain to specific covered tasks. The OQ Administrator will review all requests to utilize Vendor and Industry organization programs. If a 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 Vendor and Industry programs and review any changes to ensure continued compatibility with KM's OQ Program. See Appendix F for the list of Vendor or Industry organization programs approved for KM employees' OQ Evaluations.

3.3. Re-evaluation

3.3.1. Re-evaluation at subsequent Intervals

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 (third year). If the subsequent OQ qualification does not take place before December 31 of the third (or final) year of the interval, the Evaluatee will be deemed unqualified to perform that task.

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.

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, that individual will follow existing KM policies and procedures for retraining, as appropriate. 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 reviewed in accordance with KM's procedure, which may vary slightly by KM Business Unit. In most cases, an

employee involved in a DOT accident/incident involving one or more covered tasks should be suspended from performing such covered tasks until a root cause for the accident/incident is determined. This includes any individual(s) who was performing the task(s) firsthand or directing and observing the performance of the task(s). If the investigation determines that the actions of an OQ qualified individual performing 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 will be immediately revoked by notifying the OQ Administrator, who will enter the revocation into the record keeping system. The revocation will continue until that individual(s) has been requalified on the covered task(s) in question, following requirements in 3.3.2 above. The method of re-qualification will be determined by the covered employee's supervisor in consultation with the OQ Administrator. An individual with revoked OQ qualification(s) may continue to perform other covered tasks for which they are still OQ-qualified. 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 employees 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. Either a Proctor or an Evaluator 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 or Proctor need to be able to actually perform the covered task in order to successfully evaluate the Evaluatee. However, 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 base 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 administrating 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 Gas Covered Tasks and Appendix B: 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. All affected individuals will be notified immediately if the modification requires re-qualification. Modifications that affect contract personnel will be communicated through ISNetworld's contractor notification system, as well as through field personnel overseeing contractor OQ work (see App. E).

6.3. 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:

- a change in the number of covered tasks identified by the operator,
- a change in the evaluation methods or criteria for performing covered tasks;
- 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.

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.

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. Contractor OQ Action Plan

Each Contractor performing covered tasks on KM's pipeline facility must have an action plan (See appendix F) that is compatible with KM's OQ Program. Before a Contractor's personnel may perform a covered task on KM's pipeline facility, without being directed and observed by a qualified individual, KM personnel will perform an initial audit of the Contractor's OQ action plan by:

- reviewing the Contractor's OQ action plan to ensure it complies with KM's OQ Program and
- verifying that the Contractor has identified the covered tasks that their employees will be performing for KM and
- verifying that OQ qualified Contractor's employees are included in the Contractor's OQ action plan.

The Contractor must contact ISNetworkworld for guidance to follow KM's Procedures for Contractor Compliance with OQ (appendix E of KM's OQ Program) and submittal of ISN OQ reports.

8.2. Contractor Employees Performing Covered Tasks

Once the Contractor's OQ action plan has been approved by KM, the Contractor has several options to enable their employees to perform covered tasks for KM including:

- Qualification of their employees through a third party vendor approved by the KM OQ Administrator. A list of currently approved vendors is shown in 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 ISNetwork 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. 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, lighting 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 effect pipeline integrity, including strain and stress due to external load.