



Colonial Pipeline Company

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Via Electronic Delivery and Certified Mail, Return Receipt Requested

Mr. Robert Burrough, Director
Eastern Region, Pipeline Hazardous Materials and Safety Administration
820 Bear Tavern Road, Suite 103
West Trenton, NJ 08628

**Re: Colonial Pipeline Company
CPF 1-2018-5018M**

Dear Mr. Burrough:

On April 18, 2018, Colonial Pipeline Company ("Colonial") received CPF 1-2018-5018M Notice of Amendment ("Notice") relating to PHMSA's June 20-22, 2017, inspection of Colonial's Operations, Maintenance, and Emergencies Manual and Public Awareness Program. The inspection was conducted at Colonial's facility in Woodbine, Maryland.

Provided below are Colonial's responses to the items raised in the Notice. Colonial is contesting each of the three (3) items raised in the Notice, and is providing a written response to each of the specific items. While Colonial is contesting the assertions under Items 1, 2, and 3 that its programs and procedures are inconsistent with the requirements of 49 CFR Part 195 (as cited in the Notice), we have nevertheless made improvements to our procedures based on the comments raised related to each of the items in the Notice. These improvements are described in this response letter. Copies of the amended procedures, or portions thereof, are attached.

Please note that Colonial is asserting "Confidential Information Protected From Public Disclosure" status to documents being provided to PHMSA. Colonial has an interest in ensuring that these documents are for PHMSA's use only and not subject to public disclosure under the Freedom of Information Act (FOIA). Colonial considers the documents provided to PHMSA to be Confidential Business Information (CBI). Colonial respectfully requests that PHMSA refrain from providing this information to the public should it be requested under FOIA, as we believe it to be protected information not to be disclosed publicly.

ITEM #1 : Procedural manual for operations, maintenance, and emergencies - §195.402(e)(7)

PHMSA has asserted that Colonial's procedure for notifying fire, police, and other appropriate public officials of hazardous liquid or carbon dioxide pipeline emergencies and coordinating with them on preplanned and actual responses during an emergency was inadequate. This assertion is based on PHMSA's review of Appendix C: Tank Fire Emergency Checklists (Checklists) of Colonial's Fire Prevention & Response Plan Dorsey Junction, February 1, 2014, Issue No.2 (FPRP), which presents Colonial's procedure for coordinating with fire, police, and

other public officials and its preplanned responses for an emergency at Dorsey Junction facility. Page 17, under C. Discussion Points During Incident Command Meeting with Emergency Responders of the Checklists states, in part: "The following issues should be discussed with the Emergency Responders prior to an actual incident. However, as each incident is unique and actual conditions will not be known prior, all parties should be prepared to discuss these during an event: ..." In the Notice, PHMSA has asserted that the Checklists do not contain sufficient instructions on coordinating preplanning emergencies with fire, police, and other public officials. For instance, PHMSA asserted the Checklists did not address (1) how often Colonial would meet with fire, police, and other public officials to coordinate preplanning emergencies, (2) who would be responsible for conducting the discussions, (3) documenting the discussions and decisions, and (4) how and when Colonial would communicate the decisions to the fire, police, and other public officials.

Colonial Response

The Checklists apply specifically and only to a Tank Fire Emergency condition and are only intended to provide guidance for what conditions to consider in the unlikely event that a tank fire were to occur. Section C. of the Checklists applies specifically to the information exchange between Colonial and emergency responders during Incident Command (IC) Meetings, after an event has occurred and an IC structure has been established. The Checklists were not intended to serve as preplanning tools, but rather to identify the actions to take and information to consider when coordinating with emergency responders. On Page 5 of the FPRP, Colonial indicates that the FPRP Plan Coordinator is responsible for integrating the FPRP with the existing general emergency plan (see 3rd bullet on Page 5 of 48, under Section B., Plan Coordinator Responsibilities).

The Checklists in the FPRP are in no way intended to cover the other emergency response and notification requirements of the broader, more comprehensive Colonial Emergency Response Plan (ERP). It is important to note that Colonial also coordinates with local officials and responders through its Public Awareness Program and the broader elements of the ER Plan for Colonial's Northeast District (NED) prepared under 49 CFR Part 194. Colonial prepares a written report on all drills and exercises, where the participation of local responders and public officials, including PHMSA, is detailed and documented. Decisions made in actual emergency events are through the IC, and in drills and exercises through reports. The NED ER Plan lists all federal, state, and local agencies and authorities that should be considered when an emergency occurs. These are the same agencies that Colonial routinely engages in communications on emergencies and our Public Awareness and Emergency Response Programs. A copy of the contact list that applies to the Dorsey facility is included as Attachment A. Information included in Attachment A also includes the general procedures for the Emergency Response exercise program, documentation of the exercise, and post-exercise evaluation and reporting. These procedures include notifications made to, and coordination with, emergency responders and local authorities.

Based on the review completed to address the comment raised by PHMSA in the Notice, Colonial has identified improvements to the Checklists in Appendix C of the FPRP. The note included in Section C., Discussion Points During Incident Command Meetings with Emergency Responders, has been removed to avoid any potential conflicts with the other documents that address emergency responder liaison and emergency response. The amended section of the Checklists is included as Attachment B.

ITEM #2: 195.402 Procedural manual for operations, maintenance and emergencies - §195.402(c)(3) and §195.432(b).

Colonial's procedure for operating, maintaining and repairing the pipeline system in accordance with each of the requirements of Subpart F and Subpart H of Part 195 were cited by PHMSA as being inadequate. Specifically, PHMSA has indicated that Colonial's Procedure for Monthly Tank Inspection Checklist, Form #3345, Revised 1/26/2015, Effective 02/10/2015 (Procedure), did not contain sufficient guidance on inspecting for corrosion and condition of paint coating on a breakout tank during routine in-service inspection as required by §195.432(b). During the June 2017 inspection, PHMSA reviewed Colonial's Procedure, which states on Page 2, Item No. 5, that Colonial will "Inspect tank exterior for signs of paint coating failure and any subsequent corrosion. Colonial tanks were constructed with extra thick steel to allow for some corrosion. Paint failure is most likely not a reason for concern, but, should be noted and addressed when the condition is too bad. Colonial performs a thorough three-year inspection of tank coatings with qualified experts (emphasis added)." PHMSA asserts that the current Procedure does not explain the term "some corrosion", and that the Procedure does not provide guidance for determining "when the condition [of paint failure] is too bad." Finally, the Procedure did not include a written criteria to measure the severity of paint coating condition or corrosion that are necessary for follow-up actions in accordance with Subsection 6.3.1.3 of API Std 653.

Colonial Response

Colonial believes that the Procedure and Form 3345 for the monthly in-service inspection of its breakout tanks meets the requirements of §195.432(b). The inspections are completed and documented as required, and include documentation of conditions related to paint conditions and visible signs of corrosion. As identified in the Notice, there are no specific criteria for response to the observed conditions. Colonial has specifically precluded any defined criteria for responding to visible signs of corrosion due to the range of tank assets across our system, the geographic locations that they are located (which will affect corrosion conditions and response), and the frequency of the re-inspection on a monthly basis, which allows for continuous monitoring of the corrosion once identified and the opportunity to document conditions over time as a basis for the appropriate response. As PHMSA indicates in the Notice, Colonial supplements the monthly inspections with three-year atmospheric corrosion surveys at each of its operating facilities and typically makes decisions on the need for repainting/recoating as an outcome of those inspections. The three-year interval, as prescribed in 49 CFR §195.583, has been effective at identifying and providing the appropriate protection against corrosion on Colonial's breakout tanks. The atmospheric corrosion inspection program is managed and maintained by qualified corrosion prevention personnel as part of Colonial's Corrosion Prevention Program.

The approach being taken by Colonial for the monthly in-service inspections is consistent with API 653, Section 6.3.1.3. In the Notice, PHMSA indicates that the current procedures for the monthly in-service tank inspections do not include written criteria to measure the severity of corrosion and paint coating conditions. However, nowhere in Section 6.3.1.3 is there any stated requirement for written criteria to measure severity of corrosion. Specifically, 6.3.1.3 provides, in part, the following:

This routine in-service inspection shall include a visual inspection of the tank's exterior surfaces. Evidence of leaks; shell distortions; signs of settlement; corrosion; and

condition of the foundation, paint coatings, insulation systems, and appurtenances should be documented for follow-up action by an authorized inspector.

Colonial believes that its current procedure meets the requirements presented above. Evidence of corrosion and the condition of paint coatings are identified and documented during each monthly inspection.

Based on the assertion by PHMSA in the Notice, however, Colonial has made changes to the Monthly Tank Inspection Checklist to more clearly identify the process and the factors to consider in determining what response(s) may be appropriate based on observations made during a monthly inspection. A revised Checklist is included as Attachment C. Also, the procedure for monthly tank inspections has been modified and included in Attachment C to address the reference to corrosion being "too bad."

ITEM #3: §195.440 Public awareness

In the Notice, PHMSA has indicated that Colonial's 2016 Public Awareness Program (PAP) does not meet the requirements prescribed in §195.440(b). PHMSA has asserted that Colonial's written continuing public education program did not adequately follow the general program recommendations of American Petroleum Institute's (API) Recommended Practice (RP) 1162 (which is incorporated in §195 by reference, see §195.3) and assess the unique attributes and characteristics of its pipeline and facilities. Specifically, Colonial's Public Awareness Program Manual, Effective Date: 11/18/2016, Appendix III Emergency Responder Liaison Program Guidelines (2016 PAP) did not have a detailed process for establishing a liaison with emergency responders as described under API RP 1162 Sections 2 Public Awareness Program Development and Section 4 Message Content. Specifically, PHMSA identified the following two citations from RP 1162:

API RP 1162, Subsection 2.8 Summary of Program Recommendations states in part: Guidance is also provided to assist the operators in determining if supplemental efforts affecting the frequency or method of message delivery and/or message content are called for, by evaluating the effectiveness of the program and the specifics of the pipeline segment or environment... Further information of stakeholder audiences ... message types (section 4)

API RP 1162, Subsection 4.4.4 Emergency Preparedness -Drills and Exercises states: A supplemental means of two-way communication . about emergency preparedness is to establish a liaison with emergency response officials through operator or joint emergency response drills, exercise or deployment practices. Information on 'unified command system' roles, operating procedures and preparedness for various emergency scenarios can be communicated effectively and thoroughly through a hands-on drill or exercise.

In the Notice, PHMSA noted in Colonial's 2016 PAP that "Colonial has recognized a need to enhance its partnership with emergency responders." The 2016 PAP described Colonial's emergency responder liaison program. PHMSA noted that Page 27 of the 2016 PAP states "Colonial has established a three-year rolling schedule for county-specific ER liaison meetings (emphasis added)." The 2016 PAP indicated that Colonial's liaison meeting included an emergency scenario discussion to evaluate how the county and it would interact during a pipeline incident "whenever possible." PHMSA has taken issue with the words "whenever

possible", as there is no definitive timeframe established. Therefore, it is unclear if the emergency scenario discussions were required to occur every three years. In addition, PHMSA has asserted that the 2016 PAP did not mention who conducted the emergency scenario discussions and documentation of the emergency scenario discussions.

Colonial Response

Colonial believes that it has developed and implements an industry-leading Public Awareness Program (PAP) that is based on RP 1162. Through its PAP, Colonial fully engages the local emergency response community and follows the RP 1162 process of providing both baseline information and supplemental information. Baseline information is provided through a pamphlet that Colonial has developed and issues to all emergency responders along its system. A copy of the pamphlet is included as Attachment D to this response letter. Colonial also provides supplemental information on its PAP, including a one-page laminated Emergency Responder Fact Sheet prepared for each individual county/locality within which Colonial operates that specifies steps for responding to a pipeline emergency. The Emergency Responder Fact Sheet for Carroll County, Maryland, where the Dorsey Facility is located, is included as Attachment E. These documents are examples of the efforts and leadership that Colonial has taken to communicate its operations and emergency procedures to first responders and emergency personnel.

The regulation cited at §195.402(c)(12) does not specifically establish the schedules required for liaison. Because of this gap, Colonial developed specific guidelines for implementing its PAP, which are described in Appendix III of the 2016 PAP, titled Emergency Responder Liaison Program Guidelines. The guideline document provides information on the approach Colonial takes to implementing the Emergency Responder Liaison Program, including Liaison Meeting Scheduling and Liaison Meeting Content. This four-page appendix describes the process by which emergency responder liaison meetings are scheduled, the content of the meeting discussions, documentation requirements and non-attendee meeting follow-up. The guidelines also provide the content of the meetings during the Year 1, 2, and 3 rolling schedule. Appendix III of Colonial's 2016 PAP is included as Attachment F.

The Notice cites a discrepancy between the frequency of liaison meetings (every three years) and the emergency scenario discussion (whenever possible). Our intent is to conduct a scenario discussion during each emergency responder liaison meeting. However the "whenever possible" disclaimer was included in Appendix III since these meetings sometimes go long (2-3.5 hours) and all emergency responders may not be available to attend all/some of the meeting. Additionally, when all critical county response agencies attend a liaison meeting, attendees sometimes need to leave to respond to an actual emergency, especially in more rural counties. At these times, we may not be able to complete a scenario discussion. It is important to note that the discussion is part of the supplemental information recommendation of RP 1162.

The three-year interval for the liaison meetings with emergency responders is based on the large number of counties that Colonial serves and the fact that Colonial hosts its own meetings for each county rather than multi-county meetings. With the significant number of counties that Colonial's system passes through (172), a three-year interval is appropriate and has been shown to be effective. In addition to the liaison meetings, Colonial messages responders 3-5 times per year to maintain a dialogue. Colonial's liaison meetings are conducted by a facilitator. Colonial personnel such as the county-specific Operations Manager/designee and/ or ROW personnel serve as subject matter experts. A comprehensive presentation addresses the subjects listed in the appendix, including emergency preparedness and emergency response. A

copy of the emergency responder liaison presentation is attached to this response as Attachment G, to illustrate the content and depth of information covered. Colonial also takes time to “fly” the pipeline segment in each county using Google Earth to show responders where our pipeline is located in their county relative to roads, subdivisions, places of congregation, and water sources. Each responder leaves with a packet of information that includes the above-referenced Emergency Responder Fact Sheet.

Scenario discussions are considered a supplemental public awareness activity. They are conducted as an application exercise, separate from the emergency response drills and exercises referred to in the subsection of the RP referenced in the NOA (Subsection 4.4.4 Emergency Preparedness – Drills and Exercises). Because scenario discussions included in the liaison meetings are not intended to serve as emergency response exercises or drills, Colonial intends to remove the references to scenario discussions in Appendix III, Emergency Responder Liaison Program Guidelines. Procedure 31, Local Emergency Preparedness Drills, serves as the controlling document for the conduct of facility emergency response drills.

Conclusion

As set out above, Colonial contests the findings in the Notice that its programs and procedures are inconsistent with the requirements of 49 CFR Part 195 as set forth in Items 1, 2, and 3 of the Notice. This written response addresses each of the findings asserted by PHMSA. Notwithstanding that, however, Colonial has made improvements or amendments to its procedures based on PHMSA’s comments raised in the Notice. Copies of amended procedures, or portions thereof, are attached.

If you have any additional requests related to this response, please feel free to contact Mark Piazza, Manager - Pipeline Compliance at (678) 762-2531 or via e-mail at mpiazza@colpipe.com.

Sincerely,



Gerald Beck
VP and General Manager, Operations

attachments