

## WARNING LETTER

### OVERNIGHT EXPRESS DELIVERY

April 17, 2018

Joseph A. Blount Jr.  
President and CEO  
Colonial Pipeline Company  
1185 Sanctuary Parkway  
Suite 100  
Alpharetta, GA 30009

**CPF 1-2018-5019W**

Dear Mr. Blount:

From June 20 to 22, 2017, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA), Office of Pipeline Safety (OPS), pursuant to Chapter 601 of 49 United States Code (U.S.C.) inspected Colonial Pipeline Company's (Colonial) Operations, Maintenance, and Emergencies Manual, Public Awareness Program, pipeline facilities and records in Woodbine, Maryland.

As a result of the inspection, it is alleged that you have committed a probable violations of the Pipeline Safety Regulations, Title 49, Code of Federal Regulations (CFR). The items inspected and the probable violations are:

**1. §195.432 Inspection of in-service breakout tanks.**

**(a) ...**

**(b) Each operator must inspect the physical integrity of in-service atmospheric and low-pressure steel above-ground breakout tanks according to API Std 653 (except section 6.4.3, *Alternative Internal Inspection Interval*) (incorporated by reference, *see* §195.3). However, if structural conditions prevent access to the tank bottom, its integrity may be assessed according to a plan included in the operations and maintenance manual under §195.402(c)(3). The risk-based internal inspection procedures in API Std 653, section 6.4.3 cannot be used to determine the internal inspection interval.**

Colonial failed to inspect the physical integrity of in-service atmospheric and low-pressure steel above-ground breakout tank in accordance with American Petroleum Institute (API) Standard (Std) 653 (incorporated by reference, see §195.3). Specifically, Colonial did not conduct a routine in-service inspection of its breakout tank, Tank 1070, at Dorsey Junction facility within the one-month interval requirement stated under Section 6 of API Std 653.

According to API Std 653, Section 6.3 Inspection from the Outside of the Tank, Subsection 6.3.1.2 Routine In-service inspection, “[t]he interval of such inspections shall be consistent with conditions at the particular site, but shall not exceed one month (emphasis added).”

At the time of the inspection, Colonial recorded its routine in-service tank inspection on a form titled *Monthly DOT Breakout Tank Inspection Checklist Form #3345*. The PHMSA inspector reviewed Colonial’s records for routine in-service tank inspections from January 2015 through May 2017. Based on the review, the PHMSA inspector noted that Colonial inspected Tank 1070 on November 20, 2015, and then on January 29, 2016. Colonial could not provide a record that demonstrated it inspected Tank 1070 in December 2015. Thus, Colonial’s routine in-service inspections of Tank 1070 from November 20, 2015 to January 29, 2016 exceeded the one-month interval.

Therefore, Colonial failed to inspect its breakout tank, Tank 1070, in accordance with API Std 653 as prescribed in §195.432(b).

## 2. §195.440 Public awareness.

**(a) Each pipeline operator must develop and implement a written continuing public education program that follows the guidance provided in the American Petroleum Institute's (API) Recommended Practice (RP) 1162 (incorporated by reference, see §195.3).**

Colonial failed to implement its written continuing public education program as provided in the American Petroleum Institute's (API) Recommended Practice (RP) 1162 (incorporated by reference, see §195.3). Specifically, Colonial did not complete its records in accordance with its *Public Awareness Program Manual, Effective Date: 11/18/2014, Appendix III, Emergency Responder Liaison Program Guidelines* (2014 PAP).

According to Colonial’s 2014 PAP, “Colonial has recognized a need to enhance its partnership with emergency responders.” Colonial described its emergency responder liaison program in the 2014 PAP. During the inspection, the Colonial provided its October 7, 2015 liaison meeting records, which included *Emergency Responder Liaison Checklist, Follow up / Notes*, and *Emergency Response Meeting*. The PHMSA inspector reviewed the aforementioned liaison meeting records along with the applicable 2014 PAP and noted the following:

- a) On page 30 of the 2014 PAP stated in part: “The following information is collected at each meeting:... Emergency Responder Liaison Checklist Form...” The *Emergency Responder Liaison Checklist* had x’s marked next to each item listed rather than one of the three options (Y/N/NA) instructed on the form.
- b) On page 29 under the section titled *Liaison Meeting Content* of the 2014 PAP it stated in part: “When possible, Colonial initiates an emergency scenario discussion to evaluate how

the county and Colonial will interact during a pipeline incident. . . The presentation and/or scenario discussion includes the following points:... Any gaps/issues identified in responding to a pipeline emergency....” In the *Emergency Response Meeting* under the “IMMEDIATE ACTIONS” for Winfield Community VFD in the “SCENARIO INITIAL ACTION” was incomplete. And the “SCENARIO DESCRIPTION” was vague – there was not enough information available in the record to understand what the scenario entailed and if there were gaps or issues in responding to an emergency.

Therefore, Colonial failed to implement its 2014 PAP as prescribed in §195.440(a).

Under 49 U.S.C. § 60122 and 49 CFR § 190.223, you are subject to a civil penalty not to exceed \$209,002 per violation per day the violation persists, up to a maximum of \$2,090,022 for a related series of violations. For violations occurring prior to November 2, 2015, the maximum penalty may not exceed \$200,000 per violation per day, with a maximum penalty not to exceed \$2,000,000 for a related series of violations. We have reviewed the circumstances and supporting documents involved in this case, and have decided not to conduct additional enforcement action or penalty assessment proceedings at this time. We advise you to correct the items identified in this letter. Failure to do so will result in Colonial being subject to additional enforcement action.

Please be advised that all material you submit in response to this enforcement action is subject to being made publicly available. If you believe that any portion of your responsive material qualifies for confidential treatment under 5 U.S.C. 552(b), along with the complete original document you must provide a second copy of the document with the portions you believe qualify for confidential treatment redacted and an explanation of why you believe the redacted information qualifies for confidential treatment under 5 U.S.C. 552(b).

No reply to this letter is required. If you choose to reply, please submit all correspondence in this matter to Robert Burrough, Director, PHMSA Eastern Region, 820 Bear Tavern Road, Suite 103, West Trenton, NJ 08628. Please refer to **CPF 1-2018-5019W** on each document you submit, and whenever possible provide a signed PDF copy in electronic format. Smaller files may be emailed to [robert.burrough@dot.gov](mailto:robert.burrough@dot.gov). Larger files should be sent on a CD accompanied by the original paper copy to the Eastern Region Office.

Sincerely,

Robert Burrough  
Director, Eastern Region  
Pipeline and Hazardous Materials Safety Administration