



## Colonial Pipeline Company

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Gerald A. Beck  
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September 28, 2018

By Electronic Mail

Mr. James Urisko  
Director, Southern Region  
Office of Pipeline Safety  
Pipeline and Hazardous Materials Safety Administration  
Suite 600  
233 Peachtree Street N.E.  
Atlanta, GA 30303

RE: Colonial Pipeline Company  
CPF No. 2-2018-5003  
Written Response and Request for Hearing

Dear Director Urisko:

On August 29, 2018, Colonial Pipeline Company (Colonial or the Company) received the above referenced Notice of Probable Violation (NOPV), Proposed Civil Penalty, and Proposed Compliance Order (PCO) that were issued by the Pipeline and Hazardous Materials Safety Administration to Colonial. Colonial takes its commitment to pipeline safety and compliance seriously, and the Company is committed to ensuring that employees and contractors performing operation and maintenance activities on its pipeline facilities are qualified in accordance with PHMSA's regulations. With that commitment in mind, Colonial has been working to schedule a meeting with PHMSA Southern Region to discuss the issues raised in the NOPV and the PCO, but those efforts have unfortunately been complicated due to factors beyond both parties' control.

As a result and in order to preserve its rights, Colonial is timely filing this Written Response and Request for Hearing. While the Company is not contesting NOPV Item 1, Colonial believes a penalty reduction is warranted and is providing a written response pursuant to 49 C.F.R. Part 190.208(a)(2) with additional explanation to clarify the facts at issue. Colonial has concerns with respect to NOPV Item 2, however, and the Company is filing the enclosed Request for Hearing, Preliminary Statement of Issues and Written Response to respond to the allegations and to contest the elements of the PCO, pursuant to 49 C.F.R. Parts 190.208(b)(4) and 190.211.

While Colonial is formally requesting a hearing, the Company believes that the issues presented can be resolved informally and without resort to a hearing, and therefore respectfully requests that a settlement meeting with PHMSA be scheduled. Colonial has every intention of continuing the

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dialogue it has initiated with PHMSA regarding the PCO and the comprehensive review that Colonial has been conducting of its Operator Qualification (OQ) Program. Colonial began that review after the November 30, 2016, inspection by PHMSA that ultimately resulted in the August 28, 2018 NOPV. The Company has made substantive modifications to its OQ program since that inspection, and those modifications which Colonial continues to implement form the basis for Colonial's response to the PCO. For these reasons, Colonial believes the parties can resolve the matters raised in the NOPV and the PCO.

Please note that the attached documents include confidential commercial information that has been redacted pursuant to 49 C.F.R. Part 190.343 (originals have also been provided consistent with that rule). This redacted information is protected from disclosure under the Freedom of Information Act, 5 U.S.C. § 552(b) and it shall not be disclosed by PHMSA and shall not be duplicated, used or disclosed – in whole or in part – for any purpose other than the evaluation of the documents themselves by the Agency. In providing this information, the Company does not admit to the allegations in the NOPV and reserves all available rights and defenses.

We look forward to your response.

Sincerely,

A handwritten signature in blue ink, appearing to read "Gerald Beck", is written over a faint, illegible stamp or watermark.

Gerald Beck  
Vice President and General Manager of Operations

#### Attachments

cc: Joe Blount, President and Chief Executive Officer  
Mark Piazza, Manager, Pipeline Compliance  
Paul Roberti, PHMSA Chief Counsel