



U.S. Department
of Transportation

**Pipeline and
Hazardous Materials Safety
Administration**

8701 South Gessner, Suite 1110
Houston, TX 77074

WARNING LETTER

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

October 12, 2007

Mr. Norm Szydlowski
President and Chief Executive Officer
Colonial Pipeline Company
1185 Sanctuary Parkway, Suite 100
Alpharetta, GA 30009-4738

CPF 4-2007-5039W

Dear Mr. Szydlowski:

During the weeks of June 4th, 2007 and June 18th, 2007, representatives of the Pipeline and Hazardous Materials Safety Administration (PHMSA) pursuant to Chapter 601 of 49 United States Code inspected Colonial Pipeline Company (Colonial) procedures for the Hazardous Liquid Pipeline Integrity Management Program (IMP) in Alpharetta, Georgia.

As a result of the inspection, it appears that you have committed a probable violation of the Pipeline Safety Regulations, Title 49, Code of Federal Regulations. The items inspected and the probable violation is:

1. **§195.452 Pipeline integrity management in high consequence areas**
 - (h) **What actions must an operator take to address integrity issues?**
 - (2) **Discovery of condition. Discovery of a condition occurs when an operator has adequate information about the condition to determine that the condition presents a potential threat to the integrity of the pipeline. An operator must promptly, but no later than 180 days after an integrity assessment, obtain sufficient information about a condition to make that determination, unless the operator can demonstrate that the 180-day period is impracticable.**

Four baseline caliper-deformation in-line inspection (ILI) integrity assessments were reviewed that did not meet timeline requirements for discovery of a condition (Line 1 Atlanta to Greensboro, Line 4 Greensboro to Louisa, Line 4 Louisa to Dorsey, and Line 3 Greensboro to Dorsey). These assessments were completed well before the associated metal-loss ILI. However, the dates of discovery for the caliper-deformation integrity assessments were based on the completion of the later metal-loss inline inspection. Discovery for the conditions from the caliper-deformation integrity assessments took 283, 288, 363 and 559 days, respectively, which is significantly longer than the required 180 days. At the time these probable violations took place (2003 and 2004) Colonial's procedures did not prevent them from not considering the 180 day time limit for each individual ILI tool run rather than for each suite of tools. Therefore, Colonial's procedures were inadequate. Colonial has since amended their procedures by adding a section detailing a process that, in the event that a series of ILI tool runs is used, the 180 day discovery period for each individual tool run is triggered based on when that specific tool reaches the receiver unless the specific condition being analyzed requires the data from more than one tool.

Under 49 United States Code, § 60122, you are subject to a civil penalty not to exceed \$100,000 for each violation for each day the violation persists up to a maximum of \$1,000,000 for any 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 item(s) identified in this letter. Failure to do so will result in Colonial being subject to additional enforcement action.

No reply to this letter is required. If you choose to reply, in your correspondence please refer to **CPF 4-2007-5039W**. 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).

Sincerely,



R. M. Seeley
Director, Southwest Region
Pipeline and Hazardous
Materials Safety Administration