



U.S. Department
of Transportation

**Pipeline and Hazardous
Materials Safety
Administration**

1200 New Jersey Avenue SE
Washington, DC 20590

APR 18 2017

Mr. John W. Somerhalder
Interim President and Chief Executive
Colonial Pipeline Co.
1185 Sanctuary Parkway, Suite 100
Alpharetta, GA 30004-4738

Re: CPF No. 1-2016-5006

Dear Mr. Somerhalder:

Enclosed please find the Final Order issued in the above-referenced case. It makes findings of violation and specifies actions that need to be taken by Colonial Pipeline Co. to comply with the pipeline safety regulations. When the terms of the compliance order have been completed, as determined by the Director, Eastern Region, this enforcement action will be closed. Service of the Final Order by certified mail is deemed effective upon the date of mailing, or as otherwise provided under 49 C.F.R. § 190.5.

Thank you for your cooperation in this matter.

Sincerely,

Alan K. Mayberry
Associate Administrator
for Pipeline Safety

Enclosure

cc: Mr. Robert Burrough, Acting Director, Eastern Region, OPS
Mr. Doug Belden, Vice President and General Manager, Operations, Colonial Pipeline Co.

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

**U.S. DEPARTMENT OF TRANSPORTATION
PIPELINE AND HAZARDOUS MATERIALS SAFETY ADMINISTRATION
OFFICE OF PIPELINE SAFETY
WASHINGTON, D.C. 20590**

In the Matter of

Colonial Pipeline Co.,

Respondent.

CPF No. 1-2016-5006

FINAL ORDER

From November 17, 2014, through December 29, 2014, pursuant to 49 U.S.C. § 60117, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA), Office of Pipeline Safety (OPS), conducted an on-site pipeline safety inspection of Colonial Pipeline Co. (CPL or Respondent) records and control room facility in Linden, New Jersey. CPL transports hazardous liquids through its approximately 5,500-mile pipeline, which begins in Houston, Texas and ends in Linden, New Jersey.¹

As a result of the inspection, the Director, Eastern Region, OPS (Director), issued to Respondent, by letter dated July 12, 2016, a Notice of Probable Violation and Proposed Compliance Order (Notice). In accordance with 49 C.F.R. § 190.207, the Notice proposed finding that CPL had violated 49 C.F.R. § 195.446(a) and proposed ordering Respondent to take certain measures to correct the alleged violation.

CPL responded to the Notice by letter dated August 5, 2016 (Response). The company did not contest the allegation of violation, but did provide additional clarifying information regarding the item addressed in the Notice. Further, the company agreed to take the corrective actions identified in the Notice. Respondent did not request a hearing and therefore has waived its right to one and authorized the entry of this Final Order without further notice.

FINDING OF VIOLATION

In its Response, CPL did not contest the allegation in the Notice that it violated 49 C.F.R. Part 195, as follows:

Item 1: The Notice alleged that Respondent violated 49 C.F.R. § 195.446(a), which states:

¹ Colonial Pipeline Co. website, available at <http://www.colpipe.com/home/about-colonial/system-map> (last accessed December 29, 2016).

§ 195.446 Control room management.

(a) *General.* This section applies to each operator of a pipeline facility with a controller working in a control room who monitors and controls all or part of a pipeline facility through a SCADA system. Each operator must have and follow written control room management procedures that implement the requirements of this section. The procedures required by this section must be integrated, as appropriate, with the operator's written procedures required by § 195.402. An operator must develop the procedures no later than August 1, 2011, and must implement the procedures according to the following schedule. The procedures required by paragraphs (b), (c)(5), (d)(2) and (d)(3), (f) and (g) of this section must be implemented no later than October 1, 2011. The procedures required by paragraphs (c)(1) through (4), (d)(1), (d)(4), and (e) must be implemented no later than August 1, 2012. The training procedures required by paragraph (h) must be implemented no later than August 1, 2013, except that any training required by another paragraph of this section must be implemented no later than the deadline for that paragraph.

The Notice alleged that Respondent violated 49 C.F.R. § 195.446(a) by failing to implement the training procedures required by § 195.446(h) no later than August 1, 2012. Specifically, the Notice alleged that CPL could not demonstrate it had conducted a review of its training program for the Linden Control Room as required by § 195.446(h). Pursuant to 49 C.F.R. § 195.446(h), an operator must have a training procedure that specifies it will, at a minimum, review its training program content to identify potential improvements at least once each year, but at intervals not to exceed 15 months. Accordingly, CPL was required to have conducted a review of its training program by November 1, 2013, 15 months after the August 1, 2012 implementation deadline established by § 195.446(a). During the inspection, the PHMSA inspectors requested CPL to provide copies of records for the Linden Control Room that showed the company had reviewed its training program procedure prior to November 1, 2013. CPL did not have any such records available at the time of the inspection. Following the inspection, CPL responded to the PHMSA inspector's request by email dated December 29, 2014. The December 29, 2014 email included the following attachments: *2013 Assessment Colonial Pipeline Controller Training Analysis Report*; *2014 Site Specific Annual Training Assessment – Linden*; and *2014 CRM Training Assessment Sign-Off Sheet*.

First, the *2013 Assessment Colonial Pipeline Controller Training Analysis Report* contains guidance on how to analyze a training program but does not demonstrate that a review of the Linden Control Room training program was performed within the requisite timeframe. Further, the Notice alleged that it was not clear that the report related to all control rooms, including the Linden Control Room. CPL provided clarifying information that this report did apply to all control rooms, including the Linden Control Room. PHMSA acknowledges this clarification.

Second, the *2014 Site Specific Annual Training Assessment – Linden* is dated December 9, 2014, which is more than 15 months after the August 1, 2012 implementation deadline required by § 195.446(a) and § 195.446(h). Further, this training assessment lacks details regarding the materials reviewed to evaluate the training program, or how it was determined that the training

procedures were "acceptable."

Third, the *2014 CRM Training Assessment Sign-Off Sheet* is dated October 13, 2014. This record further reflects that CPL's review of the training program required by § 195.446(h) was conducted more than 15 months after the August 1, 2012 implementation date.

Respondent did not contest the allegation in the Notice that the records provided by CPL do not demonstrate the company performed a review of the training program for the Linden Control Room at least once each year but not to exceed 15 months, from the August 1, 2012 implementation date. Accordingly, based upon a review of all of the evidence, I find that Respondent violated 49 C.F.R. § 195.446(a) by failing to implement the training procedure required by 195.446(h) no later than August 1, 2012.

This finding of violation will be considered a prior offense in any subsequent enforcement action taken against Respondent.

COMPLIANCE ORDER

The Notice proposed a compliance order with respect to Item 1 in the Notice for violations of 49 C.F.R. § 195.446(a). Under 49 U.S.C. § 60118(a), each person who engages in the transportation of hazardous liquids or who owns or operates a pipeline facility is required to comply with the applicable safety standards established under chapter 601. Pursuant to the authority of 49 U.S.C. § 60118(b) and 49 C.F.R. § 190.217, Respondent is ordered to take the following actions to ensure compliance with the pipeline safety regulations applicable to its operations:

1. With respect to the violation of § 195.446(a) (**Item 1**), Respondent must:
 - a. Conduct a review of its training program, as specifically applied to the Linden Control Room;
 - b. Create an assessment of the Linden Control Room training program;
 - c. If there are any refinements or additions to the Linden Control Room training program identified, establish a timeline to implement such refinements or additions;
 - d. Submit documentation relative to items a, b, and c above to the Director, Eastern Region within 120 days of receipt of the Final Order.
2. In addition, pursuant to the authority of 49 U.S.C. § 60118(b) and 49 C.F.R. § 190.217, Respondent is requested (not mandated) to take the following action:

CPL should maintain documentation of the safety improvement costs associated with fulfilling this Compliance Order and submit the total to Robert Burrough, Acting Director, Eastern Region, Pipeline and Hazardous Materials Safety Administration. It is requested that these costs be reported in two categories: 1) total cost associated

associated with replacements, additions and other changes to pipeline infrastructure.

The Director may grant an extension of time to comply with any of the required items upon a written request timely submitted by the Respondent and demonstrating good cause for an extension.

Failure to comply with this Order may result in the administrative assessment of civil penalties as set forth in 49 C.F.R. § 190.223 for each violation for each day the violation continues or in referral to the Attorney General for appropriate relief in a district court of the United States.

Under 49 C.F.R. § 190.243, Respondent has a right to submit a Petition for Reconsideration of this Final Order. The petition must be sent to: Associate Administrator, Office of Pipeline Safety, PHMSA, 1200 New Jersey Avenue, SE, East Building, 2nd Floor, Washington, DC 20590, with a copy sent to the Office of Chief Counsel, PHMSA, at the same address. PHMSA will accept petitions received no later than 20 days after receipt of service of this Final Order by the Respondent, provided they contain a brief statement of the issue(s) and meet all other requirements of 49 C.F.R. § 190.243. Unless the Associate Administrator, upon request, grants a stay, the terms and conditions of this Final Order are effective upon service in accordance with 49 C.F.R. § 190.5.



Alan K. Mayberry
Associate Administrator
for Pipeline Safety

for

APR 18 2017

Date Issued