

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

January 7, 2011

Mr. James M. Collingsworth
President
Dixie Pipeline Company
1100 Louisiana Street
Houston, Texas 77002-5227

CPF 2-2008-5003

Dear Mr. Collingsworth:

A failure occurred on the Dixie Pipeline Company (Dixie) propane pipeline in Carmichael, Mississippi on November 1, 2007. The Pipeline and Hazardous Materials Safety Administration (PHMSA) initiated an investigation of the accident and inspection of the records involving the pipeline system pursuant to Section 60117 of Title 49, United States Code.

As a result of the investigation and inspection, PHMSA issued a Final Order to Dixie on September 15, 2010. The Final Order included a Compliance Order (CO), which required Dixie to take certain actions to protect the public and the environment.

The PHMSA Southern Region has reviewed your written responses to CO and we find that you have met the requirements specified in the CO. No further action is necessary with regards to the Final Order and this case is now closed.

Please be advised that nothing herein state or implies that Dixie's pipeline system is in compliance with the federal pipeline safety regulations. The pipeline system remains subject to inspection by PHMSA.

Sincerely,

Wayne T. Lemoi
Director, Office of Pipeline Safety
PHMSA Southern Region