



Colonial Pipeline Company

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**Via Electronic Mail**

Mr. James Urisko  
Director, Southern Region  
Office of Pipeline Safety  
Pipeline and Hazardous Materials Safety Administration  
230 Peachtree Street N.W.  
Suite 2100  
Atlanta, Georgia 30303

**Re: Colonial Pipeline Company  
CPF 2-2024-011-NOPV**

Dear Director Urisko:

Between February 14, 2022, and February 17, 2023, representatives of the Pipeline and Hazardous Materials Safety Administration (PHMSA), Office of Pipeline Safety inspected various procedures, records, and facilities associated with the operations of Colonial Pipeline Company (Colonial or the Company). As a result of those inspections, on June 18, 2024, Colonial received the above referenced Notice of Probable Violation (NOPV), Proposed Civil Penalty, and Proposed Compliance Order (PCO) issued by PHMSA. Thereafter, on July 9, 2024, Colonial received an Amended Notice of Probable Violation (ANOPV) in connection with the inspections; the ANOPV supersedes the NOPV and corrects a discrepancy in the NOPV regarding the civil penalty amount.

The purpose of this letter is to provide Colonial's timely response to the ANOPV. The ANOPV alleges eight probable violations, seven of which were alleged as Warning items. In connection with the remaining probable violation (Item No. 1 of the ANOPV), PHMSA issued a PCO and proposed a civil penalty in the amount of \$52,800.00. Colonial does not contest ANOPV Item Nos. 1 – 7, including the PCO and the civil penalty amount associated with ANOPV Item No. 1. With respect to Warning Item No. 8 of the ANOPV, Colonial respectfully requests that it be withdrawn.

**Withdrawal of Warning Item No. 8.**

Pursuant to Warning Item No. 8 of the ANOPV, PHMSA alleges,

Colonial failed to meet 49 C.F.R. § 195.414(a) because it could not provide documentation to support that it had inspected all potentially affected pipeline facilities to detect conditions that could adversely affect the safe operation of that pipeline following an extreme weather event.



When asked by PHMSA, Colonial personnel could not provide pre- or post-storm documentation for Hurricane Ian. . . . Colonial personnel stated that ground and aerial patrols were conducted, but Colonial could not provide documentation for those patrols.

Warning Item No. 8 should be withdrawn because the Company complied with the pertinent regulation, 49 C.F.R. § 195.414(a). Upon Colonial receiving the Post-Inspection Written Preliminary Findings report (Preliminary Findings Report), the Company realized that certain inspection records associated with the Hurricane Ian event had not been made available to PHMSA representatives for review during the inspection process. Immediately following receipt of the Preliminary Findings Report, the very next day on Aug. 11, 2023, Colonial provided to PHMSA Southern Region access to the post extreme weather event inspection records related to Hurricane Ian (Inspection Records). Such Inspection Records were provided by Colonial to PHMSA through the document sharing *Box* website portal. On August 11<sup>th</sup>, an electronic mail message was sent by Colonial informing PHMSA that such records were accessible, and providing PHMSA personnel with a direct electronic link to the *Box* portal containing the Inspection Records. Colonial's actions to provide PHMSA with access to the Inspection Records were well in advance of PHMSA's issuance of the NOPV and the ANOPV. The *Box* portal remains active and available to PHMSA.

For ease of reference, Colonial is enclosing the documentation that was uploaded to the *Box* portal on August 11, 2023, as Enclosure A, to this letter response to substantiate Colonial's compliance with 49 C.F.R. § 195.414(a) concerning the Hurricane Ian weather event. The enclosed records demonstrate that Colonial performed the required inspections after Hurricane Ian in order "to detect conditions that could adversely affect the safe operation of that pipeline" as required by 49 C.F.R. § 195.414(a). Colonial submits these materials as confidential information protected from disclosure pursuant to the Freedom of Information Act, 5 U.S.C. § 552, and respectfully requests that PHMSA communicate with Colonial, via the contact information provided below, prior to PHMSA releasing any of the enclosed materials for public review.

Given that there is no compliance violation of the pertinent regulation, withdrawal of Warning Item No. 8 is appropriate and consistent with PHMSA's regulations and its Pipeline Safety Enforcement Procedures. *See*, 49 C.F.R. § 190.205, Warnings ("Upon *determining that a probable violation of 49 U.S.C. § 60101 et seq., 33 U.S.C. § 1321(j), or any regulation or order issued thereunder has occurred*, the Associate Administrator or a Regional Director may issue a written warning") (emphasis added); *see also*, PHMSA Pipeline Safety Enforcement Procedures, Administrative Enforcement Processes, Sec. 4.1.5. (Dec. 9, 2022) ("While PHMSA does not normally adjudicate Warning Items, Region staff may also review the operator's response to determine what, if any, action or reply the Region may elect to take. *Region staff obtain the Region Director's concurrence on what, if any, action should be taken as a result of the operator's response. Depending on the outcome of this review, the Region may elect to withdraw the Warning Letter, or recommend the withdrawal of individual Warning Items in an NOPV letter*") (emphasis added). PHMSA's enforcement procedures further state where review establishes that the operator is in compliance, the violation should be withdrawn. *See*, PHMSA Pipeline Safety Enforcement



Procedures, Administrative Enforcement Processes, Sec. 4.1.6.1-2 (Dec. 9, 2022) (“If the Region staff’s review of the additional information establishes that the operator had been in compliance with all the cited regulatory requirement(s) for the entire case, Region staff draft a letter withdrawing the entire case. [. . .] notice items are withdrawn individually if appropriate”).

The withdrawal of Warning Item No. 8 would be consistent with PHMSA’s enforcement precedent. *See, e.g.*, Hilcorp Alaska, LLC, CPF 5-2018-0015W (Regional Withdrawal of Item 4) (withdrawing warning item after operator provided records demonstrating compliance); *see also*, Phillips 66 Pipeline LLC, CPF 5-2004-5009 (Final Order) (withdrawing warning item after operator presented data demonstrating compliance); *see also*, Arkansas Western Gas Company, CPF 23104 (Final Order, Nov. 4, 1996) (withdrawing warning item following operator’s submittal of information demonstrating compliance); *see also*, ExxonMobil Pipeline Company, CPF 5-2005-5008 (Final Order) (“Documentation provided by Respondent [regarding welder qualifications] adequately addresses this Notice Item...I am withdrawing this Warning Letter Item.”).

In addition to those instances previously described, PHMSA has likewise withdrawn Notice of Probable Violation items following an operator’s submittal of documentation, even after an inspection by PHMSA has formally closed. *See, e.g.*, Enterprise Products Operating LLC, CPF 1-2018-5003 (Final Order) (withdrawing item after operator provided additional documentation for the relevant inspection units that had not previously been provided to the agency inspectors at the time of inspection); *see also, id.*, (withdrawing an additional item after operator provided post-inspection documentation before issuance of the Notice of Probable Violation items); *see also*, MIPC LLC, CPF 1-2018-5012 (Final Order) (withdrawing allegation after operator later provided reports, invoices, and associated purchase orders to demonstrate the requirements were satisfied).

#### **Responses to Uncontested ANOPV Items.**

Without admission, Colonial has elected not to contest ANOPV Item Nos. 1 – 7 and has already taken measures to address those issues. Although the Company is not contesting alleged probable violation ANOPV Item No. 1, Colonial believes that additional clarification is warranted and provides the following information.

#### **Alleged Probable Violation Item No. 1.**

##### **PHMSA Allegation**

**§ 195.571 What criteria must I use to determine the adequacy of cathodic protection?**

**Cathodic protection required by this subpart must comply with one or more of the applicable criteria and other considerations for cathodic protection contained [in] paragraphs 6.2.2, 6.2.3, 6.2.4, 6.2.5 and 6.3 in NACE SP 0169 (incorporated by reference, see § 195.3).**



Colonial failed to meet 49 C.F.R. § 195.571 because it did not demonstrate that it complied with applicable criteria for cathodic protection. Specifically, Colonial did not comply with the criteria and other considerations for cathodic protection as required in Paragraph 6.2.2 of NACE SP 0169, incorporated by reference per § 195.3.

During PHMSA's inspection, Colonial presented its 2019-2022 annual pipe-to-soil corrosion control survey records for facilities near the Port Arthur Products Junction and Hebert Pump Station. Section 6.2.2 of NACE SP 0169 prescribes the criteria by which adequate cathodic protection of a metallic piping system can be demonstrated. Colonial accepts either the  $-0.850\text{V}$  or  $100\text{mV}$  polarization criteria, as described in Section 6.2 of NACE SP 0169. The referenced NACE standard requires, "[a] minimum of  $100\text{mV}$  of cathodic polarization between the structure surface and a stable reference electrode contacting the electrolyte" when relying on the  $100\text{mV}$  polarization criteria. This necessitates a native pipe-to-soil reference measurement. No records presented to PHMSA included native a pipe-to-soil measurement, thus failing to demonstrate adequate implementation of the  $100\text{mV}$  polarization criteria.

Furthermore, for use of the  $-0.850\text{V}$  criteria, the referenced NACE standard requires that "voltage drops other than those across the structure-to-electrolyte boundary must be considered." Per Colonial records, voltage drops other than those across the structure-to-electrolyte boundary had only been considered and documented for the following:

- 105 of 1293 records at the Port Arthur Products Junction.
- 160 of 315 records at the Hebert Pump Station.

Colonial did not provide any explanation of how voltage drop in locations with no record was considered when relying on the  $-0.850\text{V}$  criteria.

### Colonial Response

Although Colonial lacked the pertinent records during the inspection to demonstrate how the IR drop was considered during the cathodic protection testing readings, Colonial maintains that the  $-0.850\text{V}$  with current applied testing criterion was properly used to assess the effectiveness of the cathodic protection systems consistent with the intent of NACE SP 0169 IR drop considerations when the cathodic protection testing was conducted. Colonial reiterates that the readings taken during the testing indicated adequate cathodic protection.

Colonial maintains procedures (i.e., Colonial's Corrosion Prevention Manual, Section 6.1, Criteria for Cathodic Protection) consistent with the requirements of 49 C.F.R. § 195.571 and NACE SP 0169. The Company conducts cathodic protection testing in compliance with these procedures and 49 C.F.R. § 195.571 to ensure that its cathodic protection system is adequate. Colonial believes that this alleged noncompliance is a record-keeping violation. In light of Colonial determining that its cathodic protection was adequate, Colonial asserts that the omission

of IR drop consideration in the written testing records does not increase the risk of a release from external corrosion.

**Summary**

Colonial reiterates its commitment to pipeline safety and strives to continually operate in full compliance with the pipeline safety laws and regulations. To that end, Colonial is not contesting seven of the ANOPV allegations, and will take appropriate steps to address the requirements of the Compliance Order when finalized. Given that Colonial provided the pertinent records prior to issuance of the NOPV and ANOPV demonstrating compliance with the requirements of 49 C.F.R. § 195.414(a) in the aftermath of Hurricane Ian, the Company respectfully requests that Warning Item No. 8 of the ANOPV be withdrawn. The Company appreciates PHMSA's consideration of its request.

If Colonial can provide PHMSA with any additional information or address any questions or concerns that PHMSA representatives may have concerning the matters discussed herein, please contact Mr. Quintin Frazier, Director, Pipeline Compliance at Colonial at (678) 762-2270.

Respectfully,



Adam B. Wolfe  
Vice President, Operations  
**Colonial Pipeline Company**

Enc.

Cc: Mrs. Melanie Little, *Colonial Pipeline Company* (via email);  
Mr. Quintin Frazier, *Colonial Pipeline Company* (via email).