



U.S. Department of Transportation
Pipeline and Hazardous Materials
Safety Administration

1200 New Jersey Ave, SE
Washington, D.C. 20590

September 21, 2016

VIA CERTIFIED MAIL AND FAX TO: (678) 762-2466

Mr. Tim Felt
President & Chief Executive Officer
Colonial Pipeline Company
1185 Sanctuary Parkway, Suite 100
Alpharetta, GA 30009-4765

Re: CPF No. 2-2016-5005H

Dear Mr. Felt:

On September 16, 2016, the Pipeline and Hazardous Materials Safety Administration (PHMSA), Office of Pipeline Safety (OPS), issued a Corrective Action Order (CAO) to Colonial Pipeline Company (Colonial), relating to a failure on the company's hazardous liquid pipeline system. On September 9, 2016, a reportable accident occurred on Colonial's Line 1 (Line 1), in Shelby County, Alabama, approximately three miles from Pelham, Alabama (Failure). The Failure resulted in the release of approximately 8,000 barrels of gasoline into a pond approximately 460 feet north of Line 1, which transports gasoline from Houston, Texas, to Greensboro, North Carolina. The Failure occurred on a section of Line 1 that runs from Collins, Mississippi, to Atlanta Junction Station in Atlanta, Georgia. Colonial also operates a parallel liquid line (Line 2) that is located approximately 40 feet from Line 1 at the assumed site of the Failure. Line 2 also transports petroleum product from Epes, Alabama, to Anderson, South Carolina.

On September 20, 2016, PHMSA granted Colonial permission to install and operate a 36-inch diameter temporary 500-foot bypass line on the Isolated Segment¹ to initiate temporary operation of Line 1 with the intention of allowing passage of product through Line 1 and around the Assumed Failure Site while the excavation, pipeline inspection and search for the failed section of pipe continue.

Colonial has informed me that the bypass will be brought in to service through a staged startup beginning on September 21, 2016, with full operation beginning September 22, 2016.

For the purpose of the bypass, due to the artificial lighting provided by Colonial, I approve a non-daylight start. Furthermore, as discussed, upon startup of the bypass, the bypass will be operated at a 20% reduction of the Maximum Operating Pressure of Line 1 at the time of the

¹ Defined terms have the same meaning attributed to them as in the CAO.

failure. This pressure reduction will remain in place throughout operation of the bypass. The bypass has been hydro-tested and confirmed to be in full compliance with relevant pipeline safety regulations.

Please be aware that all other provisions of the CAO will continue in full force and effect. If you have any questions concerning this letter or any other matter regarding the CAO, please contact me at 404-832-1150.

Thank you for your continuing cooperation in this matter.

Sincerely,



James Urisko
Director, Southern Region, Pipeline & Hazardous
Materials Safety Administration, Office of
for Pipeline Safety

cc: Ms. Linda Daugherty, Deputy Associate Administrator for Field Operations, Office of Pipeline Safety, PHMSA

CERTIFIED MAIL - RETURN RECEIPT REQUESTED [9214 8969 0099 9790 1406 0760 09]