

## **Colonial Pipeline Company**

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May 23, 2011

Mr. Byron Coy, P.E. Director, Eastern Region Pipeline and Hazardous Materials Safety Administration 820 Bear Tavern Road, Suite 103 West Trenton, NJ 08628

Subject: Notice of Probable Violation and Proposed Civil Penalty

CPF No. 1-2011-5004

Letter Advising PHSMA of Payment of Proposed Civil Penalty

Dear Mr. Coy:

This letter is in response to PHSMA's Notice of Probable Violation and Proposed Civil Penalty CPF No. 1-2011-5004 (the "NOPV") dated April 8, 2011 and received by Colonial Pipeline Company ("Colonial") on April 11, 2011 relating to an inspection on August 16-20, 2010 by a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA) pursuant to Chapter 601 of 49 United States Code of Colonial Pipeline Company's (Colonial) pipeline facilities throughout Maryland and records in Woodbine, Maryland. The NOPV provides that Colonial has 30 days from receipt of the Notice to pay the proposed civil penalty or submit written explanations, information, or other materials in response to the allegations and/or seek elimination or mitigation of the proposed civil penalty, and/or to request a hearing.

This letter is to advise PHSMA that Colonial paid the proposed civil penalty in the amount of \$43,100 by wire transfer on May 9, 2011. The wire transfer was made in accordance with the document "Response Options for Pipeline Operators in Compliance Proceedings".

If you should have any questions concerning any of the information contained herein, please feel free to contact me.

Respectfully,

Mac Taylor

Mac Taylor

CC: T. C. Felt

D. A. Belden

G. A. Beck

A. D. Kolar

M. M. Lackey C. P. Sims