



U.S. Department
Of Transportation
**Pipeline and
Hazardous Materials
Safety Administration**

820 Bear Tavern Road, Suite 103
West Trenton, NJ 08628
609.989.2171

**NOTICE OF PROBABLE VIOLATION
PROPOSED CIVIL PENALTY
and
PROPOSED COMPLIANCE ORDER**

OVERNIGHT EXPRESS MAIL

May 14, 2012

Mr. Jeffrey L. Barger, Senior V.P.
Dominion Transmission, Inc.
445 West Main Street
Clarksburg, WV 26301

CPF 1-2012-1013

Dear Mr. Barger:

Between September 22, 2009, and June 22, 2010, inspectors from the West Virginia Public Service Commission (WV PSC), acting as agents for the Pipeline and Hazardous Materials Safety Administration (PHMSA) pursuant to Chapter 601 of 49 United States Code inspected your Fink Kennedy Storage field facilities in West Virginia.

As a result of the inspection, it appears that you have committed probable violations of the Pipeline Safety Regulations, Title 49, Code of Federal Regulations. The items inspected and the probable violations are:

1. §192.163 Compressor stations: Design and construction.

(e) Electrical facilities. Electrical equipment and wiring installed in compressor stations must conform to the National Electrical Code, ANSI/NFPA 70, so far as that code is applicable.

Pursuant to the National Electrical Code (NEC) NFPA 70 – 2005: section 501.15B., Dominion Transmission, Inc. (DTI) failed to seal the electrical conduit entering the explosion proof, factory sealed enclosure for Panel K in the Wolf Run compressor station.

WV PSC representatives discovered the condition during the inspection, and the condition apparently existed since the construction of the compressor station in 2008. WV PSC took photographs of the seal. DTI had not initiated any remedial action prior to the WV PSC inspection.

2. **§ 192.603 General Provisions**

(b) Each operator shall keep records necessary to administer the procedures established under §192.605.

Pursuant to DTI §192.731 (a) Compressor stations: Inspection and testing of relief devices, DTI did not provide records of a commissioning test or initial performance test for the compressor high pressure shutdown devices, or otherwise document that the test was performed.

WV PSC reviewed a DTI checklist listing of items from the 2006 commissioning of Wolf Run compressor station, and the pressure shutdown devices were not on that listing.

3. **§ 192.709 Transmission lines: Record keeping.**

Each operator shall maintain the following records for transmission line for the periods specified:

(c) A record of each patrol, survey, inspection, and test required by subparts L and M of this part must be retained for at least 5 years or until the next patrol, survey, inspection, or test is completed, whichever is longer

Pursuant to §192.743 (b), for the pressure relief devices on the discharge piping for Wolf Run Compressor Units 1 – 4, DTI failed to adequately document the original annual capacity review and calculated relief capacity for each relief device. In addition, DTI failed to document when using the existing relief capacity calculation that conditions, including changes to piping or equipment, had not changed the existing relief capacity.

WV PSC discovered this omission of required records, which apparently existed since the completion of the construction of the compressor station in 2008.

This is a repeat violation of 192.709(c) as assessed in CPF 1-2009-1006.

4. **§ 192.709 Transmission lines: Record keeping.**

(c) A record of each patrol, survey, inspection, and test required by subparts L and M of this part must be retained for at least 5 years or until the next patrol, survey, inspection, or test is completed, whichever is longer.

Pursuant to §192.745 (a), DTI failed to produce records of emergency valve inspection and testing for either well BW7752 or line H21796 for 2007 and 2008.

Subsequent to the inspection, DTI still did not provide these records as requested by the WV PSC Request for Specific Information dated October 29, 2009.

5. **§192.163 Compressor stations: Design and construction.**

(e) Electrical facilities. Electrical equipment and wiring installed in compressor stations must conform to the National Electrical Code, ANSI/NFPA 70, so far as that code is applicable.

Pursuant to National Electrical Code (NEC) code NFPA 70 – 2005: section 230.95, DTI did not provide any documentation of the ground fault protection performance tests for the electrical components in the Wolf Run compressor station, specifically, for the 9 micro turbines, alternators, and transformers.

DTI did not provide any documentation of the performance tests as requested by the WV PSC.

Proposed Civil Penalty

Under 49 United States Code, § 60122, you are subject to a civil penalty not to exceed \$100,000 for each violation for each day the violation persists up to a maximum of \$1,000,000 for any related series of violations. The Compliance Officer has reviewed the circumstances and supporting documentation involved in the above probable violation(s) and has recommended that you be preliminarily assessed a civil penalty of \$150,800 as follows:

<u>Item number</u>	<u>PENALTY</u>
1	\$43,700
2	\$21,200
3	\$37,100
4	\$27,600
5	\$21,200

Proposed Compliance Order

With respect to items 1, 2, and 5 pursuant to 49 United States Code § 60118, the Pipeline and Hazardous Materials Safety Administration proposes to issue a Compliance Order to DTI. Please refer to the *Proposed Compliance Order*, which is enclosed and made a part of this Notice.

Response to this Notice

Enclosed as part of this Notice is a document entitled *Response Options for Pipeline Operators in Compliance Proceedings*. Please refer to this document and note the response options. Be advised that all material you submit in response to this enforcement action is subject to being made publicly available. If you believe that any portion of your responsive material qualifies for confidential treatment under 5 U.S.C. 552(b), along with the complete original document you must provide a second copy of the document with the portions you believe qualify for confidential treatment redacted and an explanation of why you believe the redacted information qualifies for confidential treatment under 5 U.S.C. 552(b). If you do not respond within **30** days of receipt of this Notice, this constitutes a waiver of your right to contest the allegations in this Notice and authorizes the Associate Administrator for Pipeline Safety to find facts as alleged in this Notice without further notice to you and to issue a Final Order.

Please submit all correspondence in this matter to Byron Coy, PE, Director, PHMSA Eastern Region, 820 Bear Tavern Road, Suite 103, W. Trenton, NJ 08628. Please refer to **CPF 1-2012-1013** on each document you submit, and please whenever possible, provide a signed PDF copy in electronic format. Smaller files may be emailed to Byron.Coy@dot.gov. Larger files should be sent on a CD accompanied by the original paper copy to the Eastern Region Office.

Sincerely,

Byron Coy, P.E.
 Director, Eastern Region
 Pipeline and Hazardous Materials Safety Administration

Cc: WV PSC

Enclosures: *Proposed Compliance Order*
Response Options for Pipeline Operators in Compliance Proceedings

PROPOSED COMPLIANCE ORDER

Pursuant to 49 United States Code § 60118, the Pipeline and Hazardous Materials Safety Administration (PHMSA) proposes to issue to Dominion Transmission, Inc. (DTI) a Compliance Order incorporating the following remedial requirements to ensure the compliance of DTI with the pipeline safety regulations:

1. In regard to Item Number 1 of the Notice pertaining to the DTI failure to seal the electrical conduit to the enclosure for Panel K in the Wolf Run compressor station, DTI must install the required electrical seal.
2. In regard to Item Number 2 of the Notice pertaining to DTI failure to perform commissioning tests for compressor relief devices at Wolf Run compressor station, DTI must perform the required tests at the Wolf Run compressor station.
3. In regard to Item Number 5 of the Notice pertaining to the DTI failure to perform required ground fault performance tests, DTI must perform the required tests at the Wolf Run compressor station.
4. DTI shall have 90 days from the receipt of a Final Order to complete the requirements for Item Numbers 1, 2, and 5 of the Notice.
5. It is requested (not mandated) that DTI maintain documentation of the safety improvement costs associated with fulfilling this Compliance Order and submit the total to Byron E. Coy, P.E., Director, Eastern Region, Pipeline and Hazardous Materials Safety Administration. It is requested that these costs be reported in two categories: 1) total cost associated with preparation/revision of plans, procedures, studies and analyses, and 2) total cost associated with replacements, additions and other changes to pipeline infrastructure.