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**CERTIFIED MAIL**

April 1, 2013

Mr. Byron Coy, P.E.  
Director, PHMSA Eastern Region  
820 Bear Tavern Road, Suite 103  
West Trenton, NJ 08628

**RE: Notice of Probable Violation CPF 1-2013-3001**

Dear Mr. Coy,

This letter is the formal response by Dominion Transmission, Inc. (DTI) to PHMSA's Notice of Probable Violation (NOPV) and Proposed Civil Penalty dated March 4, 2013, which identified DTI's failure to submit DOT Form PHMSA 7100.3-1 for the Cove Point LNG facility located in Maryland. As further described below, DTI recognizes that it did not submit the 2011 annual report by March 15, 2012, nor the 2010 annual report by June 15, 2011, as prescribed in §191.17(b).

**DTI Response:**

DTI does not contest the fact that the annual report was not submitted in the timeframe outlined by §191.17(b); however, there are several factors that justify why the proposed civil penalty associated with the NOPV is unwarranted.

1. DTI experienced problems with PHMSA's new online submission portal while submitting its 2010 annual reports. More specifically, as noted in PHMSA Advisory Bulletin ADB-11-03, PHMSA extended the submission deadline, for all operators, from March 15, 2011 to August 15, 2011 "to allow further time to prepare the electronic system PHMSA will use to collect the information."
2. DTI communicated numerous times via telephone calls and e-mails to PHMSA's Helpdesk to no avail and even sent an e-mail to Byron Coy on August 12, 2011 notifying him of DTI's inability to access PHMSA's web portal and requesting assistance. As of August 15, 2011, PHMSA's electronic portal was still inaccessible.

3. Only after several months and finally talking to Mr. Jamerson Pender was DTI able to gain access to PHMSA's electronic portal to submit annual reports for its natural gas and hazardous facilities.
4. To add to this confusion, DTI's Cove Point LNG facility did not come up under DTI's OpID so submittal of the annual report was overlooked.
5. As it turns out, PHMSA had been invoicing DTI under another OpID (2619) since DTI began operating the facility in 2002 and continued to do so through 2010. This OpID was no longer valid so PHMSA assigned a new OpID (31664) to the Cove Point LNG plant in 2011.
6. DTI typically pays PHMSA's \$7,500 annual assessment fee once it is received but overlooked the fact that PHMSA did not invoice DTI for the 2011 calendar year.
7. PHMSA has conducted both routine and unannounced pipeline safety audits at the Cove Point LNG facility (the most recent being in April, 2012) and the lack of an annual report submission was not mentioned.
8. While performing its investigation concerning this matter, PHMSA contacted Cove Point LNG's Operations Supervisor as he was preparing the facility for the impact of hurricane Sandy. All communications should have been directed to DTI's compliance officer or the appropriate compliance engineer in DTI's Pipeline Integrity department.
9. To ensure a quick response concerning all Cove Point LNG inquiries, please address any official communication regarding this facility to Mark Reaser at the address below and copy me.

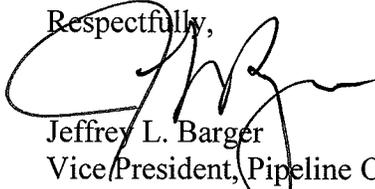
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10. Overlooking the submittal of the 2010 annual report did not result in any harmful or detrimental pipeline safety consequences as DTI paid the \$7,500 annual assessment fee.
11. Overlooking the submittal of the 2011 annual report was purely accidental and DTI failed to notice the fact that PHMSA did not invoice the company.

It is clear that the annual assessment fee needs to be paid but a civil penalty is not warranted for the reasons stated above; therefore, DTI respectfully requests that the civil penalty be withdrawn and a fee for correct amount be invoiced to DTI.

If you have any questions, please do not hesitate to contact Jim Shafer at (304) 627-3430.

Respectfully,



Jeffrey L. Barger  
Vice President, Pipeline Operations  
Dominion Transmission, Inc.