



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

1200 New Jersey Ave., SE
Washington, DC 20590

DEC 30 2010

Mr. Jeff Barger
Vice President, Operations
Dominion Transmission, Inc.
445 West Main Street
Clarksburg, WV 26301

Re: CPF No. 1-2009-1006

Dear Mr. Barger:

Enclosed please find the Final Order issued in the above-referenced case. It withdraws several instances of alleged violations, makes other findings of violation, and assesses a reduced civil penalty of \$191,500. The Order also specifies actions that need to be taken by Dominion Transmission, Inc. to comply with the pipeline safety regulations. When the civil penalty has been paid and the terms of the compliance order are completed, as determined by the Director, Eastern Region, this enforcement action will be closed. Service of the Final Order by certified mail is deemed effective upon the date of mailing, or as otherwise provided under 49 C.F.R. § 190.5.

Thank you for your cooperation in this matter.

Sincerely,

Jeffrey D. Wiese
Associate Administrator
for Pipeline Safety

Enclosure

cc: Mr. Byron E. Coy, Director, Eastern Region, PHMSA

CERTIFIED MAIL – RETURN RECEIPT REQUESTED [7005 1160 0001 0039 9983]

**U.S. DEPARTMENT OF TRANSPORTATION
PIPELINE AND HAZARDOUS MATERIALS SAFETY ADMINISTRATION
OFFICE OF PIPELINE SAFETY
WASHINGTON, D.C. 20590**

_____)	
In the Matter of)	
)	
Dominion Transmission, Inc.)	CPF No. 1-2009-1006
)	
Respondent.)	
_____)	

FINAL ORDER

Between July–November 2008, pursuant to 49 U.S.C. § 60117, representatives of the Pipeline and Hazardous Materials Safety Administration (PHMSA), Office of Pipeline Safety (OPS), the New York Public Service Commission, and the West Virginia Public Service Commission, conducted a series of on-site pipeline safety inspections of the facilities and records of Dominion Transmission, Inc. (DTI or Respondent) at its headquarters in Clarksburg, WV, and its field facilities in Oakford, PA, Harrison Valley, PA, Ellisburg, PA, State Line, PA, Lightburn Station, WV, and Cove Point, MD. Respondent operates approximately 3,649 miles of gas transmission pipeline throughout West Virginia, Ohio, Pennsylvania, New York, Maryland, and Virginia.

As a result of the inspection, the Director, Eastern Region, OPS (Director), issued to Respondent, by letter dated June 26, 2009, a Notice of Probable Violation, Proposed Civil Penalty, and Proposed Compliance Order (Notice). In accordance with 49 C.F.R. § 190.207, the Notice proposed finding that DTI had committed various violations of 49 C.F.R. Part 192, proposed a civil penalty of \$195,100, and proposed that Respondent be required to take certain measures to correct the alleged violations.

DTI responded to the Notice by letter dated July 29, 2009 (Response). Respondent contested some of the allegations, offered additional information in response to the Notice, and requested the withdrawal or the mitigation of certain proposed civil penalties. Respondent did not request a hearing and therefore has waived its right to one.

FINDINGS OF VIOLATION

The Notice alleged that Respondent violated 49 C.F.R. Part 192, as follows:

Item 1: The Notice alleged that Respondent violated 49 C.F.R. § 192.481(a), which states:

§ 192.481 Atmospheric Corrosion control: Monitoring.

(a) Each operator must inspect each pipeline or portion of pipeline that is exposed to the atmosphere for evidence of atmospheric corrosion, as follows.

If the pipeline is located:	Then the frequency of inspection is:
Onshore	At least once every 3 calendar years, but with intervals not exceeding 39 months.
Offshore	At least once each calendar year, but with intervals not exceeding 15 months.

The Notice alleged that Respondent violated 49 C.F.R. § 192.481(a) by failing to inspect each portion of pipeline that is exposed to the atmosphere at least once every three calendar years, at intervals not exceeding 39 months. Specifically, the Notice alleged that DTI failed to inspect the run #1 back-up fuel gas regulator station near valve FGV-25 at the Oakford Compressor Station. The Notice further alleged that Respondent failed to identify areas of atmospheric corrosion on the dehydrator dry gas outlet.

In its Response, DTI contended that it did make efforts to identify the corrosion on this dehydrator dry gas outlet and scheduled it for maintenance. However, DTI also noted that the remediation did not fully comply with its own procedures. Further, DTI conceded that it overlooked the inspection for the fuel gas piping in the vicinity of valve FGV-25 during its 2007 Atmospheric Corrosion inspection.

As Respondent admitted, its maintenance efforts were insufficient and it failed to inspect a portion of its pipeline for atmospheric corrosion within three calendar years. While I acknowledge DTI’s efforts to identify the corrosion on its dehydrator dry gas outlet and schedule it for maintenance, it is clear that DTI did not fully comply with the requirements under § 192.481(a) by overlooking the inspection of the run #1 back-up fuel gas regulator station near valve FGV-25 at the Oakford Compressor Station.

Accordingly, based upon a review of all of the evidence, I find that Respondent violated 49 C.F.R. § 192.481(a) by failing to inspect each portion of pipeline that is exposed to the atmosphere at least once every three calendar years, and at intervals not exceeding 39 months.

Item 2: The Notice alleged that Respondent violated 49 C.F.R. § 192.605, which states:

§ 192.605 Procedural manual for operations, maintenance, and emergencies.

(a) *General.* Each operator shall prepare and follow for each pipeline, a manual of written procedures for conducting operations and maintenance activities and for emergency response. For transmission lines, the manual must also include procedures for handling abnormal operations. This manual must be reviewed and updated by the operator at intervals not exceeding 15 months, but at least once each calendar year. This manual must be prepared before operations of a pipeline system commence.

Appropriate parts of the manual must be kept at locations where operations and maintenance activities are conducted.

(b) *Maintenance and normal operations.* The manual required by paragraph (a) of this section must include procedures for the following, if applicable, to provide safety during maintenance and operations.

(1) Operating, maintaining, and repairing the pipeline in accordance with each of the requirements of this subpart and subpart M of this part.

(2) Controlling corrosion in accordance with the operations and maintenance requirements of subpart I of this part

The Notice alleged that Respondent violated 49 C.F.R. § 192.605 by failing to follow its corrosion control maintenance procedure requiring drips to be blown at intervals not exceeding one calendar year. Specifically, it alleged that, at the time of the inspection, 103 and 330 drips had not been blown annually at the Oakford Fifth Sands and Murrysville Storage Pools, respectively, from 2003 through 2007.

In its Response, DTI did not contest this allegation of violation, but contended that the two locations only have a total of 331 drips, rather than 433 as alleged in the Notice. Respondent stated that all of the operable drips can be or have been blown in the past year.

PHMSA agrees with DTI's contention that there are only 331 drips at the Oakford Fifth Sands and Murrysville Storage Pools collectively. PHMSA further concedes that Respondent's drips can be or have been blown in the past year. However, these contentions do not rebut the allegation that DTI failed to blow 443 drips annually between 2003 and 2007. To clarify, the Notice cited DTI for a total of 433 *instances* of drips not being blown during the time period in question, including some of the same drips that were not blown in multiple years.¹

Accordingly, based upon a review of all of the evidence, I find that Respondent violated 49 C.F.R. § 192.605 by failing to follow its corrosion control maintenance procedure requiring drips to be blown at intervals not exceeding one calendar year.

Item 3: The Notice alleged that Respondent violated 49 C.F.R. § 192.709(c), which states:

§ 192.709 Transmission lines: Record keeping.

Each operator shall maintain the following records for transmission lines for the periods specified.

(a)

(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.

The Notice alleged that Respondent violated 49 C.F.R. § 192.709(c) by failing to maintain records required by subparts L and M. Specifically, it contended that DTI was unable to provide

¹ Violation Report, Exhibit B.

records from calendar years 2003 through 2007 to demonstrate that annual capacity calculations were performed for pressure relieving devices at five compressor stations (Harrison, Ellisburg, Stateline, Oakford and JB Tonkin).

In its Response, DTI contested this allegation of violation. Respondent stated that it had recorded each annual review in either spreadsheets or through an electronic Inspection Monitoring System (IMS). In its Response, DTI provided an example of its IMS, but it did not include the full records of the capacity calculations. Nor did DTI provide any explanation for its inability to furnish the documents during the PHMSA inspection.²

The evidence in the record demonstrates that Respondent's Compliance Engineer could not locate records of relief valve capacity determinations for the subject years during the inspection even though PHMSA had notified the company prior to the inspection that such records would be requested.³ In its Response, DTI did not dispute that it could not provide the PHMSA inspection team with records of the capacity calculations for relief devices, and despite the amount of time since the inspection in 2008, has not provided all of the required records to PHMSA.

Accordingly, after considering all of the evidence, I find that Respondent violated 49 C.F.R. § 192.709(c) by failing to maintain records demonstrating that annual capacity calculations were performed for pressure relieving devices at five of DTI's compressor stations.

Item 4: The Notice alleged that Respondent violated 49 C.F.R. § 192.739(a), which states:

§ 192.739 Pressure limiting and regulating stations: Inspection and testing.

(a) Each pressure limiting station, relief device (except rupture discs), and pressure regulating station and its equipment must be subjected at intervals not exceeding 15 months, but at least once each calendar year, to inspections and tests to determine that it is—

- (1) In good mechanical condition;
- (2) Adequate from the standpoint of capacity and reliability of operation for the service in which it is employed;
- (3) Except as provided in paragraph (b) of this section, set to control or relieve at the correct pressure consistent with the pressure limits of § 192.201(a); and
- (4) Properly installed and protected from dirt, liquids, or other conditions that might prevent proper operation.

² Respondent stated in its Response that the records were not included because they constituted "hundreds of pages," but that they could be furnished upon request. Response at 3. Even if the records had been provided, that does not explain the company's failure to maintain the records for inspection. Furthermore, the Notice clearly explained to DTI that the existence of these records was in dispute, and therefore Respondent should have provided all of them to rebut the allegation.

³ Violation Report at 7-8.

The Notice alleged that Respondent violated 49 C.F.R. § 192.739(a) by failing to perform inspections and tests at intervals not exceeding 15 months, but at least once each calendar year, on several relief devices. Specifically, the Notice alleged that DTI failed to inspect the following relief valves: (1) the Ellensburg Compressor Station fuel gas bottle inlet 1st cut regulator (Location ID CSN6361); (2) the Ellensburg Compressor Station relief valve (2" Axelson serial no. 632280); and (3) the Stateline Compressor Station fuel gas bypass relief valve.

In its Response, DTI did not contest the allegations of violation with regard to the two devices at Ellensburg Compressor Station listed above, but contested the allegation of violation with regard to the device at Stateline Compressor Station, which the company argued is a secondary form of protection, personally operated by DTI employees. Due to the nature of the Stateline Compressor Station device, Respondent asserted that it is not subject to the requirements of relief devices under 49 C.F.R. § 192.739.

PHMSA agrees with DTI's characterization of the relief valve at the Stateline Compressor Station listed in its Response. The valve is only a secondary form of protection and therefore is not covered by the testing and inspection requirements of 49 C.F.R § 192.739.⁴ However, DTI did not contest that it failed to test and inspect the two (2) devices at the Ellensburg Compressor Station at intervals not exceeding 15 months, but at least once each calendar year.

Accordingly, after considering all of the evidence, I find that Respondent violated 49 C.F.R § 192.739 by failing to test each of its relief devices at the required intervals.

Item 5: The Notice alleged that Respondent violated 49 C.F.R. § 192.743, which states:

§ 192.743 Pressure limiting and regulator stations: Capacity of relief devices.

(a) Pressure relief devices at pressure limiting stations and pressure regulating stations must have sufficient capacity to protect the facilities to which they are connected. Except as provided in § 192.739(b), the capacity must be determined at intervals not exceeding 15 months, but at least once each calendar year, by testing the devices in place or by review and calculations.

(b) If review and calculations are used to determine if a device has sufficient capacity, the calculated capacity must be compared with the rated or experimentally determined relieving capacity of the device for the conditions under which it operates. After the initial calculations, subsequent calculations need not be made if the annual review documents that parameters have not changed to cause the rated or experimentally determined relieving capacity to be insufficient.

⁴ PHMSA has not interpreted § 192.739 to apply to set points and capacities of back-up or secondary over-pressure safety devices. See PHMSA's staff manual entitled "Operations and Maintenance Guidance 49 CFR 192 (Subparts L & M)," pages 121-122, which is posted in its electronic reading room at: <http://www.phmsa.dot.gov/foia/e-reading-room>.

The Notice alleged that Respondent violated 49 C.F.R. § 192.743 by failing to determine, at intervals not exceeding 15 months and at least once each calendar year, that the pressure relief devices at pressure limiting stations and pressure regulating stations had sufficient capacity to protect the facilities to which they are connected. Specifically, the Notice alleged that DTI failed to conduct the required tests of the pressure relieving devices at the following five pressure limiting stations: (1) Stateline Compressor Station location, feed line #16 with 1st and 2nd regulator stations with 2" Welmark relief valves; (2) Stateline Compressor Station location Line #24 supplied by 10" dual port regulator with overpressure protection provided by 8" relief valve having a 6" inlet pipe; (3) Oakford Region, Gas sales to People Gas having a 6" x 8" Axelson relief valve; (4) Oakford Region, Springdale meter and regulator station with relief valve overpressure protection; and (5) Mockingbird Hill Station #426 regulator and relief assembly.

In its Response, DTI did not contest the allegations of violation with regard to the two devices at the Stateline Compressor Station, but contended that the testing requirements under 49 C.F.R. § 192.743 did not apply to the other three devices listed in the Notice. First, Respondent stated that the relief device for "Oakford Region, Gas sales to People Gas" is not an overprotection device, and therefore it is not covered by § 192.743. Second, DTI asserted that the device at "Oakford Region, Springdale meter and regulator station" is protected manually by company personnel rather than a relief device. Third, DTI noted that the listed device for "Mockingbird Hill Station" is secondary protection; the primary protection for the station is a high pressure shutdown switch on the compressor engine.

PHMSA agrees with Respondent's assertions. The three devices addressed by DTI are not covered by 49 C.F.R. § 192.743. Therefore, DTI was not obligated to perform the tests prescribed under the regulation. However, Respondent did not contest that it failed to perform the required tests on (1) the Stateline Compressor Station location, feed line #16 with 1st and 2nd regulator stations with 2" Welmark relief valves; and (2) the Stateline Compressor Station location Line #24 supplied by 10" dual port regulator with overpressure protection provided by 8" relief valve having a 6" inlet pipe.

Accordingly, after considering all of the evidence, I find that Respondent violated 49 C.F.R. § 192.743 by failing to determine, at intervals not exceeding 15 months and at least once each calendar year, that each of its pressure relief devices at pressure limiting stations and pressure regulating stations had sufficient capacity to protect the facilities to which they are connected.

These findings of violation will be considered prior offenses in any subsequent enforcement action taken against Respondent.

ASSESSMENT OF PENALTY

Under 49 U.S.C. § 60122, Respondent is subject to an administrative civil penalty not to exceed \$100,000 per violation for each day of the violation, up to a maximum of \$1,000,000 for any related series of violations.

In determining the amount of a civil penalty under 49 U.S.C. § 60122 and 49 C.F.R. § 190.225, I must consider the following criteria: the nature, circumstances, and gravity of the violation,

including adverse impact on the environment; the degree of Respondent's culpability; the history of Respondent's prior offenses; the Respondent's ability to pay the penalty and any effect that the penalty may have on its ability to continue doing business; and the good faith of Respondent in attempting to comply with the pipeline safety regulations. In addition, I may consider the economic benefit gained from the violation without any reduction because of subsequent damages, and such other matters as justice may require. The Notice proposed a total civil penalty of \$194,500 for the violations cited above.

Item 1: The Notice proposed a civil penalty of \$30,500 for Respondent's violation of 49 C.F.R. § 192.481, for failing to inspect a regulator station near valve FGV-25 at the Oakford Compressor Station for evidence of atmospheric corrosion. DTI contended that it made some effort to identify and remediate the corrosion on the dehydrator dry gas header outlet.

Although PHMSA agrees that Respondent made an effort to identify corrosion, schedule remediation, and make an effort to complete the remediation before the time of the PHMSA inspection, DTI failed to remediate the corrosion properly. As DTI admitted, the below-ground coating did not extend above ground, and the above-ground coating did not extend over the below-ground coating. Furthermore, DTI entirely failed to inspect the fuel gas piping in the vicinity of valve FGV-25.

Considering that DTI violated § 192.481 by failing to inspect a portion of its pipeline, a reduction of the civil penalty is unwarranted. Operators are required to inspect their pipelines for atmospheric corrosion to prevent pipe failures. In this instance, the piping had surface rust and pits measuring up to 80 mils depth in a 5"x 8" area. If the corrosion pits had been allowed to deepen, a pipe failure may have occurred, potentially resulting in the release of natural gas. Accordingly, having reviewed the record and considered the assessment criteria, I assess Respondent a civil penalty of \$30,500 for violation of 49 C.F.R. § 192.481.

Item 2: The Notice proposed a civil penalty of \$80,500 for Respondent's violation of 49 C.F.R. § 192.605 for failing to follow its corrosion control maintenance requirements requiring drips to be blown at least annually. While DTI contended that PHMSA misstated the number of drips that exist at the Oakford Storage facility, it did not directly contest the allegation that it failed to blow 433 drips at least annually between 2003 and 2007.

Failure to maintain drips by blowing can result in the corrosion of the interior wall of the drip and, potentially, a pipeline failure. Furthermore, DTI's drips are located in high-consequence areas with residences and roadways nearby. The failure to maintain drips properly therefore threatens the safety of people living or passing nearby. In fact, DTI experienced two ruptures on their drips during the two-year period prior to the Notice. Accordingly, having reviewed the record and considered the assessment criteria, I assess Respondent a civil penalty of \$80,500 for violation of 49 C.F.R. § 192.605.

Item 3: The Notice proposed a civil penalty of \$16,800 for Respondent's violation of 49 C.F.R. § 192.709, for failing to provide records demonstrating that annual capacity calculations were performed during a five-year period for pressure relieving devices at its compressor stations.

DTI requested the withdrawal of the civil penalty associated with Item 3 in its Response, but did not present any evidence or argument to support that request other than to contest the allegation of violation. Having found that Respondent violated § 192.709, I do not find support for a reduction in the civil penalty.

Sound record-keeping practices are critical to the safety of transmission lines. Improper record-keeping practices may enable pipeline problems to go unnoticed, ultimately leading to a pipeline failure. In addition to sound record-keeping practices, determining whether pressure relieving devices have sufficient capacity is vitally important to preventing pipeline failures. If a pipeline does not have sufficient capacity, it would be inadequate to relieve a potentially dangerous overpressure situation. Accordingly, having reviewed the record and considered the assessment criteria, I assess Respondent a civil penalty of \$16,800 for violation of 49 C.F.R. § 192.709.

Item 4: The Notice proposed a civil penalty of \$36,800 for Respondent's violation of 49 C.F.R. § 192.739, for failing to perform inspections and tests at intervals not exceeding 15 months on each of the operator's pressure limiting station, relief device, and pressure regulating station.

DTI requested the reduction of the civil penalty associated with Item 4, because the Notice misidentified the Stateline Compressor Station fuel gas bypass relief valve as a relief device subject to § 192.739. Respondent stated that the fuel gas bypass relief valve for the Stateline Compressor Station is a secondary form of protection, personally operated by DTI employees, and not subject to the inspection and test requirements of § 192.739.

PHMSA agrees with Respondent's contention that there were only two (2) instances of the violation, rather than three (3). Therefore, the civil penalty should be reduced. DTI did not present any further argument or evidence supporting a reduction in the civil penalty. Regular inspection of all pressure limiting stations, relief devices, and pressure regulating stations—as well as any associated equipment—is necessary to prevent overpressure at compressor stations. Overpressure at compressor stations could lead to pipeline failures and safety risks to the public. Accordingly, having reviewed the record and considered the assessment criteria, I assess Respondent a reduced civil penalty of \$35,900 for the two violations of 49 C.F.R. § 192.739. This penalty reflects a reduction of \$900, which reflects the incremental reduction for this one violation.

Item 5: The Notice proposed a civil penalty of \$30,500 for Respondent's violation of 49 C.F.R. § 192.743, for failing to determine, at intervals not exceeding 15 months and at least once each calendar year, that the pressure relief devices at pressure limiting stations and pressure regulating stations had sufficient capacity to protect the facilities to which they are connected.

DTI requested the reduction of the civil penalty associated with Item 5 because the testing requirements under § 192.743 did not apply to three of the five devices listed in the Notice. PHMSA agrees with the statement that there were only two (2) instances of the violation, rather than five (5). Therefore, the civil penalty should be reduced. DTI did not present any further argument or evidence supporting a reduction in the civil penalty.

The proper design of overpressure protection, including all pressure limiting stations, relief devices, and pressure regulating stations, is necessary to prevent the failure of pipeline facilities.

Ultimately, the failure of pipeline facilities could cause damage through the downstream pipeline system, exposing DTI's customers and the public to increased safety risks. Accordingly, having reviewed the record and considered the assessment criteria, I assess Respondent a reduced civil penalty of \$27,800 for the two violations of 49 C.F.R. § 192.743. This penalty reflects three reductions of \$900, which reflects the incremental reduction for this one violation.

In summary, having reviewed the record and considered the assessment criteria for each of the Items cited above, I assess Respondent a total civil penalty of **\$191,500**.

Payment of the civil penalty must be made within 20 days of receipt of this Final Order. Federal regulations (49 C.F.R. § 89.21(b)(3)) require this payment be made by wire transfer, through the Federal Reserve Communications System (Fedwire), to the account of the U.S. Treasury. Detailed instructions are contained in the enclosure. Questions concerning wire transfers should be directed to: Financial Operations Division (AMZ-341), Federal Aviation Administration, Mike Monroney Aeronautical Center, P.O. Box 269039, Oklahoma City, OK 73125; (405) 954-8893.

Failure to pay the \$191,500 civil penalty will result in accrual of interest at the current annual rate in accordance with 31 U.S.C. § 3717, 31 C.F.R. § 901.9, and 49 C.F.R. § 89.23. Pursuant to those same authorities, a late penalty charge of six percent (6%) per annum will be charged if payment is not made within 110 days of service. Furthermore, failure to pay the civil penalty may result in referral of the matter to the Attorney General for appropriate action in a United States District Court.

COMPLIANCE ORDER

The Notice proposed a compliance order with respect to Item 2 in the Notice for its violation of 49 C.F.R. § 192.605. Under 49 U.S.C. § 60118(a), each person who engages in the transportation of gas or who owns or operates a pipeline facility is required to comply with the applicable safety standards established under chapter 601. Pursuant to the authority of 49 U.S.C. § 60118(b) and 49 C.F.R. § 190.217, Respondent is ordered to take the following actions to ensure compliance with the pipeline safety regulations applicable to its operations:

1. With respect to the violation of § 192.605 (**Item 2**), Respondent must provide documentation that substantiates that all the drips in the Oakford Fifth Sands and Murrysville Storage Pools that can currently be blown down have been blown down within the time period between 180 days prior to and 180 days after the date of the Final Order. This documentation must be submitted within 210 days of the date of the Final Order.
2. With respect to the violation of § 192.605 (**Item 2**), Respondent must develop and execute a plan to find, make accessible, and modify as needed for drip blowing operations, all drips that have not been blown within the past calendar year. The plan must be submitted within 60 days of the date of the Final Order and executed within 365 days of the Final Order.

3. Respondent must submit the results of the Compliance Order items above to the Director, Eastern Region, Office of Pipeline Safety, Pipeline and Hazardous Materials Safety Administration, 820 Bear Tavern Road, Suite 306, West Trenton, NJ 08628.
4. Respondent must maintain documentation of the safety improvement costs associated with fulfilling this Compliance Order and submit the total to Director, Eastern Region, Pipeline and Hazardous Materials safety Administration. Respondent must report costs 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.

The Director may grant an extension of time to comply with any of the required items upon a written request timely submitted by the Respondent and demonstrating good cause for an extension.

Failure to comply with this Order may result in the administrative assessment of civil penalties not to exceed \$100,000 for each violation for each day the violation continues or in referral to the Attorney General for appropriate relief in a district court of the United States.

WARNING ITEMS

With respect to Items 6, 7, and 8, the Notice alleged probable violations of Part 192 but did not propose a civil penalty or compliance order for these items. Therefore, they are considered to be warning items. The warnings were for:

49 C.F.R. § 192.225 (**Item 6**) – Respondent’s alleged failure to retain and follow a qualified welding procedure. Specifically, Respondent’s failure to produce written welding repair procedures, and completing welding repairs without having a copy of qualified welding procedures on-site.

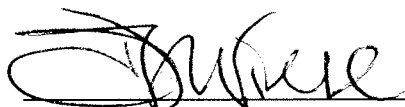
49 C.F.R. § 195.402(a) (**Item 7**) – Respondent’s alleged failure to determine if each section of its transmission line between line valves have blowdown valves with adequate capacity to be blown down as rapidly as practicable. Specifically, Respondent’s failure to determine if the 36” transmission line being installed for the Cove Point, MD expansion project would have adequate capacity to be blown down as rapidly as practicable.

49 C.F.R. § 192.163 (**Item 8**) – Respondent’s alleged failure to conform its electrical equipment to the National Electrical Code. Specifically, Respondent’s transformers were not tied into a continuous grounding circuit in explosion-proof boxes, in accordance with the National Electrical Code.

In its Response, DTI contested several of the warning items and presented information showing that it had taken certain actions to address the cited items. Since these are warning items, no findings are made as to whether the evidence of the alleged conduct proves a violation occurred. Pursuant to 49 C.F.R. § 190.205, however, Respondent is advised to correct such conditions as

necessary to ensure compliance with the cited safety regulations. If PHMSA finds a violation of these provisions in a subsequent inspection, Respondent may be subject to future enforcement action.

Under 49 C.F.R. § 190.215, Respondent has a right to submit a petition for reconsideration of this Final Order. If submitted, a petition for reconsideration must be sent to: Associate Administrator, Office of Pipeline Safety, PHMSA, 1200 New Jersey Avenue, SE, East Building, 2nd Floor, Washington, DC 20590, with a copy sent to the Office of Chief Counsel, PHMSA, at the same address. PHMSA will accept petitions received no later than 20 days after receipt of this Final Order by the Respondent, provided it contains a brief statement of the issue(s) and meet all other requirements of 49 C.F.R. § 190.215. The filing of a petition automatically stays the payment of any civil penalty assessed. All other terms of the order, including any required corrective action, shall remain in full force and effect unless the Associate Administrator, upon request, grants a stay. The terms and conditions of this Final Order are effective upon service in accordance with 49 C.F.R. § 190.5.



Jeffrey D. Wiese
Associate Administrator
for Pipeline Safety

DEC 3 0 2010

Date Issued