

October 8, 2015

Mr. Thomas F. Farrell, President
Dominion Resources, Inc.
120 Tredegar Street
Richmond, Virginia 23219

Re: CPF No. 1-2013-1026

Dear Mr. Farrell:

Enclosed please find the Final Order issued in the above-referenced case. It withdraws a single allegation of violation against your subsidiary, Dominion Transmission, Inc., along with the associated civil penalty. Therefore, this case is now 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. Brian C. Sheppard, Vice President, Pipeline Operations, Dominion Transmission, Inc., 925 White Oaks Boulevard, Bridgeport, West Virginia 26330
Ms. Jacqueline Wilson, Counsel, Dominion Transmission, Inc., 925 White Oaks Boulevard, Bridgeport, West Virginia 26330
Ms. Lois M. Henry, Senior Counsel, Dominion Resources, Inc., 120 Tredegar Street, Richmond, Virginia 23219
Ms. Susan A. Olenchuk, Counsel for Dominion Transmission, Inc., VanNess Feldman, 1050 Thomas Jefferson Street, NW, Washington, D.C. 20007
Mr. Byron Coy, P.E., Director, Eastern Region, OPS

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

**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.,)	
a subsidiary of Dominion Resources, Inc.,)	CPF No. 1-2013-1026
)	
Respondent.)	
)	

FINAL ORDER

On January 10-13, 2012, pursuant to 49 U.S.C. § 60117, representatives of the West Virginia Public Service Commission (WV PSC), acting as agent for the Pipeline and Hazardous Materials Safety Administration (PHMSA), Office of Pipeline Safety (OPS), conducted an on-site pipeline safety inspection of the facilities and records of Dominion Transmission, Inc. (DTI or Respondent), relating to the company’s Cornwell and Chelyan operating areas, as well as its Cornwell and LL Tonkin compressor stations, all located in West Virginia. DTI is the interstate gas transmission subsidiary of Dominion Resources, Inc., and operates 7,800 miles of pipeline in Ohio, West Virginia, Pennsylvania, New York, Maryland and Virginia.¹

As a result of the inspection, by letter dated November 20, 2013, the Director, Eastern Region, OPS (Director), issued to Respondent a Notice of Probable Violation and Proposed Civil Penalty (Notice), which also included a warning pursuant to 49 C.F.R. § 190.205. In accordance with 49 C.F.R. § 190.207, the Notice proposed finding that DTI had violated 49 C.F.R. § 192.605(a) and assessing a civil penalty of \$30,400 for the alleged violation. The warning item required no further action, but warned the operator to correct the probable violation or face future potential enforcement action.

On December 4, 2013, Respondent requested the case file and an extension of time to respond to the Notice. On December 13, 2013, PHMSA granted DTI’s requests. By letter dated January 16, 2014, DTI contested the allegation of violation, sought elimination or reduction of the proposed penalty, and requested a hearing. On May 16, 2014, DTI withdrew its request for a hearing. By letter dated June 6, 2014, DTI then submitted a formal response to the Notice (Response). Respondent continued to contest the allegation of violation, offered additional information in response to the Notice, and requested that the proposed civil penalty be eliminated.

¹ See <https://www.dom.com/corporate/what-we-do/natural-gas/dominion-transmission-inc>.

FINDING 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. § 192.605(a), 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.

The Notice alleged that Respondent violated 49 C.F.R. § 192.605(a) by failing to follow its own manual of written procedures for conducting operations and maintenance activities and for emergency response. Specifically, the Notice alleged that DTI failed to lock the isolation valves on two suction scrubber relief valves located at the Cornwell Compressor Station, as required by the company's procedure, *SOP 210/02, Pressure Limiting, Regulating and Compressor Stations – Inspections and Tests, Revision Date 08/01/2011, Section VI Paragraph A.2 (SOP 210/02)*. The Notice references this procedure, which states:

*“The final inspection should include the following...
Restoration of all locking and security devices to proper position...
NOTE:...Isolation valves under relief devices should be secured in the open position in a manner that prevents operation by unauthorized personnel.”*

The Notice alleged that two unlocked isolation valves were observed on two suction scrubber valves during the WV PSC inspection, in violation of this procedure. The valves were locked by DTI after the inspection.

In its Response, DTI acknowledged that the isolation valves in question were not locked at the time of the inspection, but argued that it was not a violation of § 192.605(a). DTI presented three arguments: (1) that OPS had not shown that DTI failed to comply with its procedure delineated in *SOP 210/02*; (2) that the pertinent language in *SOP 210/02* was permissive, not mandatory; and (3) that no other regulation required DTI to lock the isolation valves.

Taking these in reverse order, in determining whether Respondent violated 49 C.F.R. § 192.605(a), I do not consider it relevant whether a PHMSA regulation requires locks on isolation valves; the regulation involved here, § 192.605(a), pertains solely to whether the company followed its own procedure regarding the securing of isolation valves.

Upon consideration of all the evidence, I am convinced that *SOP 210/02* itself does not itself require that all isolation valves be kept “secured in an open position in a manner that prevents operation by unauthorized personnel.” Clearly, the intent of this language is that isolation valves under relief devices should be secured in an open position to “prevent operation by unauthorized personnel.” Here, the word “should” unmistakably implies a duty, not a mere suggestion, that such valves be kept from being operated by someone who lacks the authority to open or close them.

However, such intent is arguably offset by the company’s own *Regulator & Over-Pressure Protection Inspection* form,² which asks the question: “How are valves that could affect the proper operation of this device protected from unauthorized operation?” Three response options are provided on the company’s valve inspection form: “Chain/Lock,” “Locked Fence,” or “Locked Building.” The question and the three alternative answers clearly suggest there are alternative means of protecting the valves from improper operation. When the company’s procedure and the form are considered together, I am not convinced that *SOP 210/02* requires the isolation valves at issue in this case to always be secured in an open position.

While DTI’s procedure, particularly when read in conjunction with the form, is ambiguous and should be clarified, I cannot find by a preponderance of the evidence that the company failed to follow *SOP 210/02* in this particular instance. Accordingly, after considering all of the evidence and the legal issues presented, I order that Item 1 and the associated civil penalty be withdrawn.

WARNING ITEM

With respect to Item 2, the Notice alleged a probable violation of Part 192 but did not propose a civil penalty or compliance order for this item. Therefore, this is considered a warning item. The warning was for:

49 C.F.R. § 192.751 (**Item 2**) — Respondent’s alleged failure to take steps to minimize the danger of accidental ignition of gas in any structure or area where the presence of gas constitutes a hazard of fire or explosion.

If OPS finds a violation of this provision in a subsequent inspection, Respondent may be subject to future enforcement action.

² Response, at Exhibit D.

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

Date Issued