



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

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West Trenton, NJ 08628
609.989.2171

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

OVERNIGHT EXPRESS DELIVERY

May 1, 2015

Brian Sheppard
VP, Pipeline Operations
Dominion Transmission, Inc.
445 West Main Street
Clarksburg, WV 26302-2450

CPF 1-2015-1009

Dear Mr. Sheppard:

On June 19, 2013, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA), Office of Pipeline Safety, pursuant to Chapter 601 of 49 United States Code inspected Dominion Transmission, Inc.'s Tyler Road Metering and Regulating Station in Clearfield, Pennsylvania.

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

1. §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.

Dominion Transmission Inc. (DTI) failed to produce documentation to show that the pressure relief valves at the Tyler Road Metering & Regulating Station (Station), located in Clearfield, PA were tested to document that the set points were set to relieve at the correct pressure, consistent with the pressure limits of §192.201(a). This test verification is required during each calendar year, at intervals not to exceed 15 months per §192.739(a)(3).

During the inspection, the PHMSA inspector visited the Station located in Clearfield, PA. The PHMSA inspector discussed the facility operation with DTI, and reviewed drawings and records for the Station. DTI described the Station as a receiving point from an EOG production line. EOG Resources (EOG) is a production operator, not subject to DOT/PHMSA oversight. According to DTI, overpressure protection (OPP) for the Station is provided by pressure relief valves in the EOG piping upstream of the Station, and by Shafer Valve Operating System "Slam Shut" Valves "C" and "F" located downstream of the TK-5261 Run #1 and TK-5362 Run #2 measurement skids operated by DTI.

The PHMSA inspector asked to see the OPP test records for the relief valves, and from February 27 through December 24, 2014, PHMSA and DTI corresponded via email as follows:

1. February 27, 2014: PHMSA email to DTI "... As we discussed, DTI relies on EOG to guarantee the MAOP would not be exceeded without benefit of verifying EOG's equipment or maintenance. I believe you could still satisfy my concerns if you can document that the line pressure, considering EOG's compression capability, will not exceed the MAOP at the inlet to your M&R piping. . ."
2. March 3, 2014: DTI replied to PHMSA email that "EOG has the following over pressure protection for the Tyler Road master meter facility. The facility began operations in November of 2010 and the listed safety devices have been in operation since startup.
 1. Pressure relief valve located at the sales point set at 1000 psi.
 4. Pressure relief valves on process equipment upstream of meter station set at 1440 psi
3. November 24, 2014: PHMSA email to DTI "With respect to the Tyler Road Meter Station, you provided a drawing, dated February 11, 2014. Please provide the corresponding drawing(s) for the same facility which depicts the Tyler Road Meter Station for the period 1/1/2009 through July 1, 2013. On the drawing(s), please label the devices utilized for overpressure protection (OPP), and, if applicable, provide the test data for the OPP for years 2010 through 2013."
4. December 24, 2014: DTI email response to PHMSA: "Attached are the drawings that demonstrate the Tyler Road M&R facility as it was when you audited the site in June 2013. The C and F valves were originally the slam shut OPP devices. The last drawing is the most current drawing and it shows the D and K valves as the slam shut OPP devices. There is no capacity calculation test data for the slam shut OPP devices."

DTI could not provide records to demonstrate that either the pressure relief valves in the EOG piping or the Shafer valves in the DTI piping had been tested from the start of operations in November 2010 to the date of the inspection on June 19, 2013. DTI did not have records for any tests conducted in 2011 and 2012.

Proposed Civil Penalty

Under 49 United States Code, § 60122, you are subject to a civil penalty not to exceed \$200,000 per violation per day the violation persists up to a maximum of \$2,000,000 for a related series of violations. For violations occurring prior to January 4, 2012, the maximum penalty may not exceed \$100,000 per violation per day, with a maximum penalty not to exceed \$1,000,000 for a related series of violations. The Compliance Officer has reviewed the circumstances and

supporting documentation involved in the above probable violation and has recommended that you be preliminarily assessed a civil penalty of \$27,500 as follows:

| <u>Item number</u> | <u>PENALTY</u> |
|--------------------|----------------|
| 1 | \$27,500 |

Proposed Compliance Order

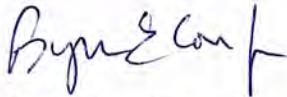
With respect to item 1, pursuant to 49 United States Code § 60118, the Pipeline and Hazardous Materials Safety Administration proposes to issue a Compliance Order to Dominion Transmission, Inc. Please refer to the *Proposed Compliance Order*, which is enclosed and made a part of this Notice.

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. All material you submit in response to this enforcement action may be 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.

In your correspondence on this matter, please refer to **CPF 1-2015-1009**, and for each document you submit, please provide a copy in electronic format whenever possible.

Sincerely,



Byron Coy, PE
Director, Eastern Region
Pipeline and Hazardous Materials Safety Administration

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 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 DTI's failure to retain records of the testing on overpressure protection devices at the Tyler Road Metering and Regulating Station in Clearfield, PA, DTI shall provide the following:
 - A. Provide P&I drawing(s) of the station, identifying the overpressure protection devices that DTI employs or has employed to protect DTI-operated piping from April 12, 2014 to March 31, 2015.
 - B. Explain how the devices satisfy the requirements of §192.199 and §192.201, giving particular attention to the requirement of §192.201(a)(2)(i).
 - C. Provide copies of records demonstrating compliance with §192.739(a)(1)-(4).
2. Please forward the material and information, requested in Item 1 within 30 days of the issuance of the Final Order.
3. 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 Coy, PE, 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.