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CERTIFIED MAIL

August 31, 2015

Mr. Byron Coy, P.E
Director, Eastern Region
Pipeline and Hazardous Materials Safety Administration
820 Bear Tavern Road, Suite 103
West Trenton, NJ 08628

RE: CPF 1-2015-1012 Notice of Probable Violation and Proposed Compliance Order

Dear Mr. Coy,

This letter is the formal response by Dominion Transmission, Inc. (DTI) to Notice of Probable Violation (NOPV) CPF 1-2015-1012 and Proposed Compliance Order, dated June 5, 2015 and received by DTI on June 10, 2015. Items 1 through 3, and 5 through 7 were addressed promptly by DTI when identified. Per the response below, DTI has proposed that Item 4 be superseded by a Consent Agreement (a draft of which has been furnished, accompanying this response). Additionally, DTI has performed a review of the procedures associated with these items, and developed (and conveyed) guidance internally in order to raise awareness of these issues, and prevent their re-occurrence.

1. §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.

DTI failed to follow its O&M procedures by failing to secure three isolation valves under three separate relief valves at regulator station XS-2138 Cross in the open position. Also note the requirements of Part 192.199(h). DTI Procedure 210-02 Pressure Regulation revised 10152012 Page 10, section VI (A) 2,

states in part that "isolation valves under relief devices should be secured in the open position in a manner that prevents operation by unauthorized personnel."

During the field inspection, the WV PSC inspector visited the regulator station and noted that the isolation valves under relief devices 002, 005, and 007 were in the open position but not locked or secured in the open position in a manner that prevents operation by unauthorized personnel. The relief valves were the primary means of over protection. The regulator station was not fenced in.

The WV PSC inspectors took photographs of the three unlocked isolation valves 002, 005, and 007 at regulator station XS-2138 Cross.

DTI Response:

DTI promptly acted after this issue was identified as a concern by the WV PSC Inspector. DTI installed locks on the three isolation valves to prevent unauthorized operation. In order to prevent re-occurrence, additional follow-up with DTI personnel and facilities was conducted as referenced above.

2. §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.

DTI failed to follow its O&M procedure by failing to verify the proper position of an isolation valve under a relief device at Regulator station XS 1847 (White Day).

DTI Procedure 210-02 Pressure Regulation revised 10152012 Page 10 section VI (A) 1 states that the final aspect of the inspection should include the following: "Verification for proper position for all valves ..."

During the field inspection, the WVPSC inspector visited the regulator station and noted that an isolation valve under relief valve 003 was locked in the closed position. According to DTI, the last relief valve inspection was performed in August 2013. The isolation valve should have been in the open position. Also note the requirements of 192.199(h).

WV PSC inspectors took photographs of the isolation valve in the closed position under relief device 003. DTI did not offer an estimation of when the last time the isolation valve under relief device 003 was locked in the open position.

DTI Response:

DTI promptly acted after this issue was identified as a concern by the WV PSC Inspector. Prior to the WV PSC inspectors leaving the facility, DTI personnel immediately opened the isolation valve and

reinstalled the lock to prevent unauthorized operation. This regulation station is scheduled for replacement with a worker-monitor regulator configuration, which will eliminate the need for the relief valve. In order to prevent re-occurrence, additional follow-up with DTI personnel and facilities was conducted as referenced above.

3. §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.

DTI failed to follow its O&M procedure by failing to protect an emergency valve from unauthorized operation or damage.

DTI Procedure *Section:390/Valve Inspection and Maintenance SOP:01/Transmission, Storage, and Jurisdictional Gathering Pipelines* section IV (B) 2 states "An inspection shall not be considered complete unless the valve and valve operator are readily accessible and protected from unauthorized operation and damage (i.e. lock and/or chain of valve wheels and operator systems, wrench/wheel operator removed and locked in another location, . . .

During the inspection, the WV PSC observed and photographed that emergency valve 664B, located outside of the compressor station fencing, was not protected from unauthorized operation. Neither the ESD air supply valve, nor the power gas valve was locked and the handles had not been removed and locked in another location.

DTI stated that they had no reason why the valve was not secured.

DTI Response:

DTI promptly acted after this issue was identified as a concern by the WV PSC Inspector. Prior to the WV PSC inspectors leaving the facility, DTI personnel immediately installed chains and locks on the ESD air supply and power gas valves to prevent unauthorized operation. In order to prevent re-occurrence, additional follow-up with DTI personnel and facilities was conducted as referenced above.

4. §192.709 Transmission lines: Record keeping.

Each operator shall maintain the following records for transmission lines 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.

DTI Response:

A Draft Consent Agreement has been conveyed to PHMSA, Eastern Region, with the intent to supersede the inclusion of this item within the NOPV. For that reason, DTI respectfully requests the removal of this item from the Notice.

5. §192.731 Compressor stations: Inspection and testing of relief devices.

(a) Except for rupture discs, each pressure relieving device in a compressor station must be inspected and tested in accordance with §§192.739 and 192.743, and must be operated periodically to determine that it opens at the correct set pressure.

DTI failed to inspect and test each pressure relieving device in a compressor station in accordance with §192.739(a). §192.739(a) requires that each pressure limiting station, relief device (except rupture discs), and pressure regulating station and its equipment be subjected to inspections and tests at intervals not exceeding 15 months, but at least once each calendar year.

DTI failed to inspect and test thermal relief device #419 at the Racket Newberne station at least once per calendar year not exceeding 15 months. The relief device was installed 11/01/2009 and the first record of inspection and testing was 09/09/2013. The relief device was not inspected in 2010, 2011, or 2012.

When asked by PHMSA/WV PSC inspection team if DTI could supply a copy of the last 5 years of the relief device inspection records, a DTI representative stated that the relief device was only inspected twice, once on 09/09/2013 and once on 10/07/2013.

DTI Response:

DTI promptly acted after this issue was identified as a concern by the WV PSC Inspector. DTI completed an inspection of the relief valve and has completed annual inspections since this was first identified. In order to prevent re-occurrence, additional follow-up with DTI personnel and facilities was conducted as referenced above.

6. §192.743 Pressure limiting and regulating 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 consistent with the pressure limits of §192.201(a). This 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.

DTI failed to ensure that the relief capacity at regulator station XS-1719 Sylvester for relief devices 007 and 008, and at Regulator station XS-1709 Twilight for relief device 007, was sufficient.

The following information was taken from relief valve inspection reports.

XS-1719 Sylvester regulator station.

Relief valve 007 set point	relief valves were calculated at
2011 60 PSI	2011 35 PSI

2012	40 PSI	2012	35 PSI
2013	60 PSI	2013	35 PSI

Relief valve 008 set point		relief valves were calculated at	
2011	60 PSI	2011	35 PSI
2012	60 PSI	2012	35 PSI
2013	40 PSI	2013	35 PSI

XS-1709 Twilight regulator station.

Relief valve 007 set point		relief valve 007 was calculated at	
2011	40 PSI	2011	30 PSI
2012	60 PSI	2012	30 PSI
2013	60 PSI	2013	30 PSI

Relief device capacity must be calculated at the set point of the actual installed relief device. By example, if the set point is 60 psig, capacity calculations should be performed using 60 psig. DTI used the incorrect pressure in the calculation, thereby failing to meet the requirements of §192.743.

DTI Response:

DTI promptly acted after this issue was identified as a concern by the WVPSC Inspector. DTI recalculated the capacities of the relief valves with the correct setpoints. This situation did not represent a safety concern, as the lower set point value utilized in the capacity calculation would provide additional conservatism. In order to prevent re-occurrence, additional follow-up with DTI personnel and facilities was conducted as referenced above.

7. §192.751 Prevention of accidental ignition.

Each operator shall 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, including the following: When a hazardous amount of gas is being vented into open air, each potential source of ignition must be removed from the area and a fire extinguisher must be provided.

DTI failed 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. Specifically, DTI failed to tighten 6 bolts on the cover of an explosion proof box which contained the electrical switch for valve number 10 at the Racket Newberne compressor station, thus negating the explosion proof feature of the box.

WV PSC inspectors observed and photographed the loose bolts on the switch box. DTI's representative said that DTI had no idea how long the bolts were loose on the switch box for valve number 10.

DTI Response:

DTI promptly acted after this issue was identified as a concern by the WV PSC Inspector. Prior to the WV PSC inspectors leaving the facility, DTI personnel immediately tightened the bolts to secure the cover to the explosion-proof box. In order to prevent re-occurrence, additional follow-up with DTI

personnel and facilities was conducted as referenced above.

All issues identified by this NOPV and Proposed Compliance Order were promptly addressed and remediated upon identification by the Inspector. If you have any questions, or should require additional information, please do not hesitate to contact Kirk Wissmar at (304) 627-3369.

Respectfully,

Brian C. Sheppard
Vice President, Pipeline Operations
Dominion Transmission, Inc.