

COMMONWEALTH OF VIRGINIA
STATE CORPORATION COMMISSION
AT RICHMOND, JANUARY 20, 2016

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COMMONWEALTH OF VIRGINIA, *ex rel.*

STATE CORPORATION COMMISSION

v.

CASE NO. URS-2015-00634

DOMINION TRANSMISSION, INC.,
Defendant

ORDER OF SETTLEMENT

The federal pipeline safety statutes found at 49 U.S.C. § 60101 *et seq.* require the Secretary of Transportation ("Secretary") to establish minimum federal safety standards for the transportation of gas and pipeline facilities. The Secretary is further authorized to delegate to an appropriate state agency the authority to prescribe safety standards and enforce compliance with such standards over gas pipeline facilities used for intrastate transportation.

The State Corporation Commission ("Commission") has been designated as the appropriate state agency for the Commonwealth of Virginia ("Virginia") to prescribe and enforce compliance with standards for gas pipeline facilities used for intrastate transportation. In Case No. PUE-1989-00052, the Commission adopted Parts 191, 192, 193, and 199 of Title 49 of the Code of Federal Regulations to serve as minimum gas pipeline safety standards ("Safety Standards") in Virginia.¹ The Commission is authorized to enforce the Safety Standards for natural gas facilities under § 56-257.2 B of the Code of Virginia ("Code"), which allows the Commission to impose the fines and penalties authorized therein.

¹ *Commonwealth of Virginia, At the relation of the State Corporation Commission, Ex Parte, In the matter of adopting gas pipeline safety standards and reporting procedures for public service corporations providing gas service under Commission jurisdiction through transmission and distribution facilities located and operated within the Commonwealth of Virginia and granting other authorizations pertaining to the Gas Pipeline Safety Program*, Case No. PUE-1989-00052, 1989 S.C.C. Ann. Rept. 312, Order Vacating Previous Order and Adopting Standard Regulations and Procedures Pertaining to Gas Pipeline Safety in Virginia (July 6, 1989).

The Commission's Division of Utility and Railroad Safety is charged with the investigation of each jurisdictional gas company's compliance with the Safety Standards; has conducted various inspections of records, construction, operation, and maintenance activities involving Dominion Transmission, Inc. ("Company" or "DTI"), the Defendant, and alleges that:

(1) The Company is a person within the meaning of § 56-257.2 B of the Code.

(2) The Company violated the Commission's Safety Standards by failing on 14 occasions to follow its Standard Operating Procedures, Section 230.4.II. B., developed to comply with 49 C.F.R. §§ 192.625 and 192.709, by not sampling odorant levels every two months to ensure the proper concentration of odorant was maintained in its pipeline, in violation of 49 C.F.R. § 192.605 (a)..

The Company neither admits nor denies these allegations but admits to the Commission's jurisdiction and authority to enter this Order.

As an offer to settle all matters arising from the allegations made against it, the Company shall pay to the Commonwealth of Virginia the amount of Fourteen Thousand Dollars (\$14,000), which shall be paid contemporaneously with the entry of this Order. The payment shall be made by check payable to the Treasurer of Virginia and directed to the attention of the Director, Division of Utility and Railroad Safety, State Corporation Commission, P.O. Box 1197, Richmond, Virginia 23218-1197.

NOW THE COMMISSION, finding sufficient basis herein for the entry of this Order and in reliance on the Defendant's representations and undertakings set forth above, is of the opinion and finds that the offer of compromise and settlement set forth above should be accepted.

Accordingly, IT IS ORDERED THAT:

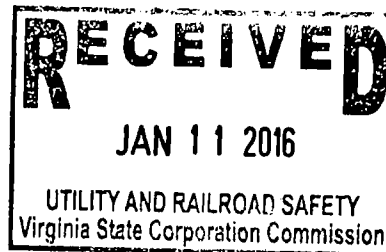
(1) The captioned case shall be docketed and assigned Case No. URS-2015-00634.

(2) Pursuant to the authority granted to the Commission by § 12.1-15 of the Code, the offer of compromise and settlement made by DTI is hereby accepted.

(3) Pursuant to § 56-257.2 B of the Code, the Company shall pay to the Commonwealth of Virginia the amount of Fourteen Thousand Dollars (\$14,000), which shall be paid contemporaneously with the entry of this Order.

(4) This case is hereby dismissed.

AN ATTESTED COPY hereof shall be sent by the Clerk of the Commission to:
Brian C. Sheppard, Vice President Pipeline Operations, Dominion Transmission, Inc., 925 West Oaks Boulevard, Bridgeport, West Virginia 26330; and the Commission's Office of General Counsel; Office of the Commission Comptroller; and Division of Utility and Railroad Safety



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Defendant

ADMISSION AND CONSENT

The Defendant, Dominion Transmission, Inc., admits the jurisdiction of the Commission as to the party and subject matter hereof and, without admitting or denying the allegations made herein by the Division of Utility and Railroad Safety, hereby consents to the form, substance, and entry of the foregoing Order of Settlement. The Defendant acknowledges that the Order of Settlement entered herein is a public record and is subject to review by the public.

The Defendant further states that no offer, tender, threat or promise of any kind has been made by the Commission or by any member, officer, agent or representative thereof in consideration of this Admission and Consent.

Date: 12-21-2015

Dominion Transmission, Inc.

By: Brian C. Stappard

Title: V.P. Pipeline Operations