



U.S. Department
of Transportation

**Pipeline and Hazardous
Materials Safety
Administration**

1200 New Jersey Avenue, SE
Washington, D.C. 20590

NOV 2 2007

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

Mr. Shawn A. Miller
Compliance Engineer
Dominion Transmission, Inc.
445 West Main Street
Clarksburg, WV 26301

Docket No. PHMSA-2006-26528

Dear Mr. Miller:

On April 15, 2005, Mr. Martin C. Schwoeble of Dominion Transmission, Inc. (DTI) wrote to the Pipeline and Hazardous Materials Safety Administration (PHMSA) requesting a waiver of compliance from PHMSA's pipeline safety regulation 49 CFR 192.611 for a segment of the DTI TL-465 pipeline in Prince William County, Virginia. The regulation requires confirmation or revision of the maximum allowable operating pressure (MAOP) of a pipeline segment where the class location has changed.

PHMSA is granting this waiver through a special permit, which is enclosed with this letter. This special permit allows DTI to continue to operate the DTI TL-465 pipeline in the special permit segment at the current MAOP of 1,250 pounds per square inch gauge (psig). This special permit has conditions and limitations and provides some relief from the Federal pipeline safety regulations for DTI while ensuring that pipeline safety is not compromised.

My staff would be pleased to discuss this special permit or any other regulatory matter with you. Florence Hamn, Director of Regulations (202-366-4595), may be contacted on regulatory matters and Alan Mayberry, Acting Director of Engineering and Emergency Support (202-366-5124), may be contacted on technical matters specific to this special permit.

Sincerely,

Jeffrey D. Wiese
Associate Administrator
for Pipeline Safety

Enclosure (Special Permit)

U.S. DEPARTMENT OF TRANSPORTATION
PIPELINE AND HAZARDOUS MATERIALS SAFETY ADMINISTRATION
SPECIAL PERMIT

Docket Number: PHMSA-2006-26528
Pipeline Operator: Dominion Transmission, Inc. (DTI)
Date Requested: April 15, 2005
Code Section(s): 49 CFR 192.611

Grant of Special Permit:

The Pipeline and Hazardous Materials Safety Administration (PHMSA) grants this special permit to Dominion Transmission, Inc. (DTI) waiving compliance from 49 CFR 192.611 for a segment of the TL-465 natural gas transmission pipeline where a change has occurred from a Class 1 Location to a Class 3 Location near the Braemar housing development in Prince William County, VA. This special permit allows DTI to continue to operate the pipeline segment at its current maximum allowable operating pressure (MAOP) of 1,250 pounds per square inch gauge (psig). The Federal pipeline safety regulations in 49 CFR 192.611 require natural gas pipeline operators to confirm or revise the MAOP of a pipeline segment after a change in class location.

This special permit, which is subject to the conditions and limitations set forth below, applies to the TL-465 "*special permit segment*" and "*special permit inspection area*" defined as follows:

- *Special permit segment* - 5,722 feet, survey station 395+79 to survey station 453+01.
- *Special permit inspection area* - the area that extends 220 yards on each side of the centerline along the entire length of the TL-465 pipeline from the Loudoun, Virginia, measurement and regulation facility (M&R) to the Quantico, Virginia, M&R facility. [Note: The *special permit inspection area* extends approximately 19.6 miles upstream and 7.5 miles downstream of the ends of the *special permit segment*.]

PHMSA grants this special permit based on the findings set forth in the "*Special Permit Analysis and Findings*" document, which can be read in its entirety in Docket No. PHMSA-2006-26528 in the Federal Docket Management System (FDMS) located on the internet at www.Regulations.gov.

Conditions:

PHMSA grants this special permit subject to the following conditions:

- 1) DTI shall continue to operate the *special permit segment* at or below its existing MAOP of 1,250 psig.
- 2) DTI must incorporate the *special permit segment* into its written integrity management program (IMP) as a “covered segment” in a “high consequence area (HCA)” per § 192.903, except for the reporting requirements contained in § 192.945. The *special permit segment* included in this special permit need not be included in DTI's IMP baseline assessment plan.
- 3) DTI must perform a close interval survey (CIS) of the TL-465 pipeline along the entire length of the *special permit inspection area* not later than one year after the grant of this special permit and remediate any areas of inadequate cathodic protection. A CIS and remediation need not be performed if a CIS and remediation have been performed on the TL-465 pipeline along the entire length of the *special permit inspection area* less than six years prior to the grant of this special permit. If factors beyond DTI's control prevent the completion of the CIS and remediation within one year, a CIS and remediation must be completed as soon as practicable and a letter justifying the delay and providing the anticipated date of completion must be submitted to the Director, PHMSA Eastern Region not later than one year after the grant of this special permit.
- 4) DTI must perform ongoing periodic CIS of the *special permit segment* at the applicable reassessment interval(s) for a “covered segment” determined in accordance with § 192.939.
- 5) DTI must perform a Direct Current Voltage Gradient (DCVG) survey of the *special permit segment* not later than one year of the grant of this special permit to verify the pipeline coating conditions and to remediate any integrity issues in the *special permit segment*. If factors beyond DTI's control prevent the completion of the DCVG survey and remediation within one year, a DCVG and remediation must be performed as soon as practicable and a letter justifying the delay and providing the anticipated date of completion must be submitted to the Director, PHMSA Eastern Region not later than one year after the grant of this special permit.
- 6) DTI must perform a stress corrosion cracking direct assessment (SCCDA) of the TL-465 pipeline along the entire length of the *special permit inspection area* according to the requirements of § 192.929 not later than one year of the grant of this special permit.

- 7) DTI must submit the DCVG, CIS and SCCDA findings including remediation actions in a written report to the Director, PHMSA Eastern Region, not later than two years after the grant of this special permit.
- 8) DTI must amend applicable sections of its operations and maintenance (O&M) manual(s) to incorporate the inspection and reassessment intervals by in-line inspection (ILI) of the TL-465 pipeline along the entire length of the *special permit inspection area* at a frequency consistent with 49 CFR 192, Subpart O.
- 9) DTI must amend applicable sections of its O&M manual(s) to incorporate the inspection and reassessment intervals by CIS of the TL-465 *special permit segment* at a frequency consistent with 49 CFR 192, Subpart O.
- 10) The assessments of the TL-465 pipeline along the entire length of the *special permit inspection area* using ILI must conform to the required maximum reassessment intervals specified in § 192.939.
- 11) DTI must schedule future reassessment dates for the TL-465 pipeline along the entire length of the *special permit inspection area* according to § 192.939 by adding the required time interval to the previous assessment date.
- 12) DTI must ensure its damage prevention program incorporates the applicable best practices of the Common Ground Alliance (CGA) within the *special permit inspection area*.
- 13) DTI must give sufficient notice to the Director, PHMSA Eastern Region to enable him to observe any or all special permit related activities in the *special permit inspection area*.
- 14) DTI must determine and provide certification that all inspections and activities associated with this special permit will not impact or defer any of the operator's assessments for HCAs under 49 CFR 192, Subpart O, particularly those associated with the most significant 50 percent.
- 15) Within three months following the grant of this special permit and annually thereafter, DTI must report the following to the Director, PHMSA Eastern Region:
 - a) The economic benefits of the special permit to DTI. This should address both the costs avoided from not replacing the pipe and the added costs of the inspection program (required for the initial report only).
 - b) In the first annual report, fully describe how the public benefits from energy availability. This should address the benefits of avoided disruptions as a consequence of pipe replacement and the benefits of maintaining system capacity. Subsequent reports must indicate any changes to this initial assessment.

- c) The number of new residences, other structures intended for human occupancy and public gathering areas built within the *special permit inspection area*.
 - d) Any new integrity threats identified during the previous year and the results of any ILI or direct assessments performed during the previous year in the *special permit inspection area*.
 - e) Any reportable incident, any leak normally indicated on the DOT Annual Report and all repairs on the pipeline that occurred during the previous year in the *special permit inspection area*.
 - f) Any on-going damage prevention initiatives affecting the *special permit inspection area* and a discussion of the success of the initiatives.
 - g) Any mergers, acquisitions, transfer of assets, or other events affecting the regulatory responsibility of the company operating the pipeline.
- 16) At least one cathodic protection (CP) pipe-to-soil test station must be located within each HCA with a maximum spacing between test stations of one-half mile within an HCA. In cases where obstructions or restricted areas prevent test station placement, the test station must be placed in the closest practical location. This requirement applies to any HCA within the *special permit inspection area*.
- 17) If any annual CP test station readings on the TL-465 pipeline within the *special permit inspection area* fall below 49 CFR 192, Subpart I requirements, remediation must occur within six months and include a CIS on each side of the affected test station to the next test station and identified corrosion system modifications to ensure corrosion control. If factors beyond DTI's control prevent the completion of remediation within six months, remediation must be completed as soon as practicable and a letter justifying the delay and providing the anticipated date of completion must be submitted to the Director, PHMSA Eastern Region not later than one year after the grant of this special permit.
- 18) Anomaly Evaluation and Repair:
- a) General: DTI must account for ILI tool tolerance and corrosion growth rates in scheduled response times and repairs.
 - b) Dents: DTI must repair dents to the TL-465 pipeline in the *special permit inspection area* in accordance with § 192.933.
 - c) Repair Criteria: Repair criteria apply to anomalies located on the TL-465 pipeline within the *special permit inspection area* when they have been excavated and investigated in accordance with §§ 192.485 and 192.933 as follows:

- i) *Special permit segment* - repair any anomaly with a failure pressure ratio (FPR) less than or equal to 1.39 for pipe operating at up to 72 percent of SMYS and any anomaly greater than 50 percent of pipe wall thickness.
 - ii) *Special permit inspection area* - the response time must be in accordance with 49 CFR 192, Subpart O, the applicable edition of the American Society of Mechanical Engineers Standard B31.8S, *Managing System Integrity of Gas Pipelines* (ASME B31.8S) and DTI's Integrity Management Program.
- d) Response Time for ILI Results: The following guidelines provide the required timing for excavation and investigation of anomalies based on ILI results. Reassessment by ILI will "reset" the timing for anomalies not already investigated and/or repaired. DTI must evaluate ILI data by using either the ASME Standard B31G, *Manual for Determining the Remaining Strength of Corroded Pipelines* (ASME B31G), or the modified B31G (0.85dL) for calculating the predicted FPR to determine anomaly responses.
- i) *Special permit segment*:
 - Immediate response: FPR equal to or less than 1.1 and anomalies equal to and greater than 80 percent of pipe wall thickness;
 - 1-year response: pipe operating up to 72 percent of SMYS - FPR equal to or less than 1.39 and anomalies equal to and greater than 60 percent of pipe wall thickness;
 - Scheduled response: pipe operating up to 72 percent of SMYS - FPR greater than 1.39 and anomalies less than 60 percent of pipe wall thickness.
 - ii) *Special permit inspection area*: The response time must be in accordance with 49 CFR 192, Subpart O, ASME B31.8S (applicable edition) and DTI's Integrity Management Program.
- 19) PHMSA may extend the original *special permit segment* to include contiguous segments of the TL-465 pipeline up to the limits of the *special permit inspection area* pursuant to the following conditions. DTI must:
- a. Provide at least 90 days advanced notice to the Director, PHMSA Eastern Region and PHMSA Headquarters of a requested extension of the TL-465 *special permit segment* based on actual class location change and include a schedule of inspections and of any anticipated remedial actions. If PHMSA Headquarters makes a written objection before the effective date of the requested special permit segment extension (90 days from receipt of the above notice), the requested special permit extension does not become effective.

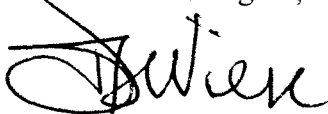
- b. Complete all inspections and remediation of the proposed special permit segment extension to the extent required of the original TL-465 *special permit segment*.
- c. Apply all the special permit conditions and limitations included herein to all future extensions.

Limitations:

PHMSA has the sole authority to make all determinations on whether DTI has complied with the specified conditions. Should DTI fail to comply with any conditions of this special permit, or should PHMSA determine this special permit is no longer appropriate or that this special permit is inconsistent with pipeline safety, PHMSA may revoke this special permit and require DTI to comply with the regulatory requirements of 49 CFR 192.611.

AUTHORITY: 49 U.S.C. 60118 (c)(1) and 49 CFR 1.53.

Issued in Washington, DC on NOV 2 2007.



Jeffrey D. Wiese,

Associate Administrator for Pipeline Safety