

**Docket No. RP06-\_\_\_\_**  
**Statement O**  
**Part 1**

**Dominion Cove Point LNG, LP**  
**System Map**

There have been no significant changes since the filing of the last FERC Form No. 2-A.

**Dominion Cove Point LNG, LP**  
**Major Expansions and Abandonments**

DCP filed its certificate application to construct new facilities and reactivate and operate its LNG import terminal in Docket Nos. CP01-76-000 and CP01-77-000. Contemporaneously, DCP also filed a rate settlement with its new LNG import customers and its existing firm peaking service customers in Docket No. RP01-217-000. In a related filing, in Docket No. CP01-156-000, Cove Point filed a request to construct and operate a 2.14-mile, 36-inch diameter lateral to connect DCP's mainline to the system of Transcontinental Gas Pipe Line Corporation. In October of 2001, the Commission issued an order granting the requested authorizations and approving the rate settlement for all but one customer who chose not to be a settling party. Eventually, all parties became parties to an amended settlement.

On August 15, 2003, the Commission authorized DCP to commence commercial operation of LNG import services at its reactivated terminal. A fifth LNG storage tank, which was part of the original certificate application, was placed into service on December 1, 2004. The total cost for reactivation of the terminal for import services was approximately \$243 million.

DCP has only one other major expansion, and no abandonments, since the current rates were established. In Docket No. CP03-74-000, DCP filed a Section 7(c) application, Cove Point East Project, to build two transmission function compressor stations to provide 445,000 Dth/d of additional firm transportation service from west to

east on DCP's system. The facilities were placed in service on April 29, 2005, and commercial operations commenced May 1, 2005. The total construction cost was approximately \$47,710,000.

**Dominion Cove Point LNG, LP**  
**System Design and Operation**

Dominion Cove Point LNG, LP (“DCP”) owns and operates the LNG Import Terminal in Lusby, Calvert County, Maryland and the Cove Point Pipeline facilities that extend approximately 88 miles from the terminal to interconnections with Transcontinental Gas Pipe Line Corporation (“Transco”) in Fairfax County, Virginia and with Columbia Gas Transmission Corporation (“Columbia”) and Dominion Transmission, Inc. (“DTI”) in Loudoun County, Virginia.

DCP’s facilities are designed to meet its firm service obligations, on an integrated basis. These service obligations take the form of firm transportation service entitlements, firm peaking service entitlements, and LNG tanker discharging service entitlements.

In 1994, the Commission authorized DCP to reactivate the mothballed onshore facilities and to construct a liquefaction unit for the purpose of storing domestic natural gas during the summer for use at peak times during the winter. DCP provides 10-day, 5-day and 3-day firm peaking services under Rate Schedules FPS-1, FPS-2, and FPS-3, respectively, and provides firm and interruptible transportation services under Rate Schedules FTS and ITS.

In 2001, DCP sought and obtained Commission authorization to construct new facilities and to reactivate and operate existing facilities to recommence LNG imports at the terminal. LNG terminaling services are provided to shippers importing LNG pursuant to Rate Schedules LTD-1 and LTD-2. DCP received its initial cargo of

imported LNG in August 2003. The two berths at the pier were also re-commissioned in August 2003.

In November 2003, DCP was authorized by the Commission to construct and operate two new compressor stations on the Cove Point Pipeline to provide additional west-to-east firm transportation capacity. In November 2004, the Commission authorized DCP to place in service the fifth LNG storage tank, with a capacity of 2.8 Billion cubic feet (Bcf), that was approved in the 2001 reactivation orders. Thus, the LNG Import Terminal has storage capacity of 7.8 Bcf and 1 MMDth/day of peak send-out capacity.

In design of its LNG terminal facilities, DCP utilizes individual performance characteristics that are tailored to specific units, depending upon the installation at issue. These performance characteristics may be furnished to DCP by the equipment manufacturer. The temperature of LNG for design purposes is generally assumed to be minus 259° F, for both winter and summer operations.

In design of its transmission facilities, DCP utilizes the typical fundamental flow equation. DCP utilizes the Colebrook-White method to arrive at a design solution to recognize the effects of friction in its design calculations. The flowing temperature of gas in the pipeline facilities is generally assumed to be 50° F for winter operations, and up to 70° F for summer operations. The pipeline flow efficiency is assumed to be 0.98 for new installations, and may be varied according to operating experience.

All LNG and transmission facilities are designed, constructed, tested and maintained in accordance with applicable regulations of the Federal Energy Regulatory

Commission, which are issued at Title 18 of the *Code of Federal Regulations*. DCP also complies with design and operations requirements established by regulations of the Department of Transportation, which are issued at Title 49 of the *Code of Federal Regulations*, and of the United States Coast Guard, issued at Title 43 of the *Code of Federal Regulations*.