

Exhibit No. DCP-23



Dominion Cove Point LNG, LP
120 Tredegar Street
Richmond, VA 23219
Mailing Address: P.O. Box 26532
Richmond, VA 23261

March 1, 2004

FILED
OFFICE OF THE
SECRETARY
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FEDERAL ENERGY
REGULATORY COMMISSION

Ms. Magalie Roman Salas, Secretary
Federal Energy Regulatory Commission
888 First Street, N.E.
Washington, D.C. 20426

Re: Dominion Cove Point LNG, LP, Docket No. RP04-197-000

Dear Ms. Salas:

Pursuant to Section 4 of the Natural Gas Act and Section 154.7 of the Commission's Regulations, 18 C.F.R. § 154.7 (2003), Dominion Cove Point LNG, LP ("Cove Point") submits for filing an original and six copies of the following revised tariff sheets for inclusion in its FERC Gas Tariff, Original Volume No. 1:

Fourth Revised Sheet No. 10
Fourth Revised Sheet No. 205

Cove Point requests an effective date of April 1, 2004 for its proposed tariff sheets.

Statement of Nature, Reason, and Basis for Filing

The instant filing is submitted pursuant to Section 1.41 of the General Terms and Conditions ("GT&C") of Cove Point's FERC Gas Tariff which requires Cove Point to annually adjust its fuel retainage percentages to be effective each April 1. Accordingly, Cove Point proposes to adjust its fuel retainage percentages, as described more fully herein and as supported by the attached workpapers. Further, Cove Point is also proposing additional tariff modifications which will allow its retainage percentages to be more closely aligned with actual operations since the reactivation of import service in August 2003.

Cove Point is proposing the following changes:

1. Fuel Retainage for Storage Services

Currently, Cove Point assesses retainage under its storage service rate schedules, LTD-1, LTD-2, FPS-1, FPS-2 and FPS-3, ("Storage Services"), by retaining 1% on injections and 2% on withdrawals. Cove Point is now proposing that retainage requirements for its Storage Services Rate Schedules be assessed only on injections. This proposed methodology was used prior to reactivation. When Cove Point reactivated the LNG terminal in August 2003, fuel retainage was changed to require retainage on both injections and withdrawals as was established by the

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January 2001 Settlement. This change resulted in customers being unable to match their maximum withdrawal and transportation quantities on each day of withdrawal service, because the Maximum Daily Peaking Quantity ("MDPQ") under a customer's FPS contract equals the Maximum Firm Transportation Quantity ("MFTQ") under that customer's FTS contract. With a 2% retainage requirement on the MDPQ, the maximum receipt quantity that can be transported is effectively reduced by the 2% withdrawal percentage. Similarly, Rate Schedule LTD-1 customer's contracts have a Maximum Daily Delivery Quantity ("MDDQ") that is equal to the MFTQ under the customer's FTS contract. The proposal to retain fuel only on storage injections will provide Storage Service customers with the ability to match their maximum withdrawal and transportation quantities on each day of withdrawal service.

Service under Rate Schedule FPS is also subject to an additional fuel assessment for quantities of gas remaining in storage after April 15, as described in Section 5(h) of Rate Schedule FPS ("Section 5(h) Retainage").¹ Section 5(h) Retainage was previously based on the estimated fuel required to liquefy the boil-off associated with customer balances remaining after the withdrawal season for re-injection into storage. However, pursuant to Section 5.4(d) of Rate Schedule LTD-1, all boil-off gas is allocated on a daily basis to Rate Schedule LTD-1 customers and must be transported from the storage facility, which causes no liquefaction of boil-off gas associated with storage carryover balances to be undertaken. Hence, the basis for the previous methodology for calculating a retainage percentage for storage carryover balances is no longer applicable.

While the operational basis for using the existing methodology for calculating the storage carryover retainage percentage no longer applies, the impact of the boil-off associated with the FPS carryover balance must still be addressed. Effectively, the boil-off associated with FPS customers' storage carryover balance is allocated to LTD-1 customers. Cove Point believes that it is appropriate to assess a Section 5(h) Retainage percentage based on a methodology that has the effect of placing LTD-1 shippers in a similar position to that which would have occurred if they had not been allocated boil-off associated with FPS customers' storage carryover balance. This outcome only occurs if it is assumed that the FPS customers completely withdraw their storage inventory and then subsequently re-inject the carryover balance, resulting in additional retainage upon injection. Therefore, Cove Point is proposing to use the injection fuel retainage percentage for the Section 5(h) Retainage, which will also have the effect of minimizing the impact of the FPS carryover balance boil-off on LTD-1 shippers.

Cove Point is proposing a retainage percentage of 2.8% of injections for all Storage Service. The calculations supporting the retainage percentage for Storage Services are described and detailed in Appendix A. In addition, as discussed above the retainage percentage for Section 5(h) will be equal to the applicable injection rate or 2.8% as proposed. The changes proposed herein are reflected on Sheet No. 10.

¹ Section 5(h) of Rate Schedule FPS-1, FPS-2, FPS-3 provides: "If Buyer has not withdrawn all quantities of LNG in storage at the end of the Withdrawal Season, then Operator shall retain as Retainage a quantity of LNG equal to Buyer's Liquefied Gas Balance on April 16 multiplied by the applicable Retainage percentage."

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2. Fuel Retainage for Transportation Services

Cove Point is proposing to continue the existing 0.0% retainage percentage for its transportation services under Rate Schedules FTS and ITS ("Transportation Service"), as reflected on Sheet No. 10. The calculations supporting the retainage percentage for Transportation Services are described and detailed in Appendix B.

3. Other Tariff Changes

Cove Point is also proposing to clarify Section 1.41 of the GT&C (Sheet No. 205) regarding the timing, basis and applicability of filings made pursuant to that section. Specifically, consistent with past and current practice, Cove Point is proposing language to clearly state that the annual retainage filing to be made on or before March 1 for effectiveness on April 1 will reconcile quantities for the annual period ending December 31 of the prior year and establish prospective rates based on the annual period ending December 31 of the current year. Furthermore, filings to adjust the retainage percentage other than the annual filing will reconcile the twelve-month period ending three months prior to the proposed effective date and establish prospective rates for the subsequent twelve-month period.

Cove Point respectfully requests that the Commission approve these tariff sheets, as filed. As required by Section 154.7(a)(9) of the Commission's Regulations, Cove Point hereby moves to place the proposed tariff sheets into effect upon their acceptance by the Commission in this proceeding.

Materials Submitted with Filing

In accordance with the applicable provisions of the Commission's regulations, Cove Point is submitting the following materials:

- (1) a redlined version of the proposed tariff sheets, as required by Section 154.201(a);
- (2) its proposed tariff sheets on the enclosed 3-1/2" diskette, with the file name TF030104.ASC in accordance with Section 385.2011(b);
- (3) a Form of Notice for this filing suitable for publication in the Federal Register, as required by Section 154.209; and
- (4) a second 3-1/2" diskette, with an electronic copy of its Form of Notice, labeled Notice.ASC.

Posting, Certification of Service and Service on Cove Point

Copies of this filing are being sent via first-class mail or e-mail to Cove Point's customers and to all interested state commissions. Copies are also available for public inspection

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during regular business hours, at Cove Point's principal offices at 120 Tredegar Street,
Richmond, Virginia.

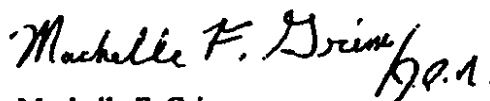
Please address communications and notices concerning this filing to the following Cove
Point representatives:

Machelle F. Grim, Manager
Regulatory & Pricing
Dominion Transmission, Inc.
120 Tredegar Street
Richmond, VA 23219

Margaret H. Peters
Senior Counsel
Dominion Resources Services, Inc.
120 Tredegar Street
Richmond, VA 23219

Please do not hesitate to telephone Dan Verdun at (804) 819-2980 with any questions or
should you require any additional information.

Respectfully submitted,

A handwritten signature in cursive script that reads "Machelle F. Grim" followed by a stylized flourish or initials.

Machelle F. Grim
Manager, Regulatory & Pricing
Dominion Transmission, Inc.

Enclosures

UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

Dominion Cove Point LNG, LP)

Docket No. RP04-_____

NOTICE OF PROPOSED CHANGES IN FERC GAS TARIFF
(March __, 2004)

Take notice that on March 1, 2004, Dominion Cove Point LNG, LP (Cove Point) tendered for filing as part of its FERC Gas Tariff, Original Volume No. 1, the following tariff sheets:

Fourth Revised Sheet No. 10
Fourth Revised Sheet No. 205

Cove Point requests an effective date of April 1, 2004 for its proposed tariff sheets.

The purpose of this filing is to revise the applicable retainage percentages for service provided and clarify its tariff regarding the timing of future filings to revise retainage percentages.

Any person desiring to be heard or to protest said filing should file a motion to intervene or protest with the Federal Energy Regulatory Commission, 888 First Street, N.E., Washington, D.C. 20426, in accordance with Rules 211 and 214 of the Commission's Rules of Practice and Procedure (18 C.F.R. §§ 385.211, 385.214). All such motions or protests must be filed in accordance with Section 154.210 of the Commission's regulations. Protests filed with the Commission will be considered by it in determining the appropriate action to be taken, but will not serve to make the protestants parties to the proceeding. Any person wishing to become a party must file a motion to intervene.

This filing is available for public inspection at the Commission in the Public Reference Room. This filing may also be viewed on the Commission's website at <http://www.ferc.gov> using the "Documents & Filings - eLibrary" link. Enter the docket number excluding the last three digits in the docket number field to access the document. For assistance, please contact FERC Online Support at FERCOnlineSupport@ferc.gov or toll-free at 866-208-3676, or TTY, contact 202-502-8659. Comments and protests may be filed electronically via the Internet in lieu of paper. The Commission strongly encourages electronic filings. See, 18 C.F.R. 385.2001(a)(1)(iii) and the instructions on the Commission's web site under the "e-Filing" link.

Protest Date: March __, 2004

Magalie Roman Salas
Secretary

Exhibit No. DCP-23

Dominion Cove Point LNG, LP
FERC Gas Tariff
Original Volume No. 1

Fourth Revised Sheet No. 10
Superseding
Third Revised Sheet No. 10

CURRENTLY EFFECTIVE RATES FUEL RETAINAGE PERCENTAGES				
Retainage Percentages(1)	Injection	Withdrawal	Section 5(h)	Transportation
Rate Schedule FPS-1 (2) (3)	2.8%	0.0%	2.8%	
Rate Schedule FPS-2 (2) (3)	2.8%	0.0%	2.8%	
Rate Schedule FPS-3 (2) (3)	2.8%	0.0%	2.8%	
Rate Schedule LTD-1	2.8%	0.0%		
Rate Schedule LTD-2	2.8%	0.0%		
Rate Schedule FTS				0.0%
Rate Schedule ITS				0.0%
(1) Operator shall retain a quantity of natural gas equivalent to the stated percentage multiplied by the quantity of natural gas received for transportation, received for injection into storage, or received for withdrawal out of storage. The Retainage percentage is calculated based upon the actual transportation and storage fuel used in accordance with Section 1.41 of the General Terms and Conditions.				
(2) Fuel required for liquefaction will be allocated only to Rate Schedule FPS. The fuel required for liquefaction is calculated based upon the actual fuel used in accordance with Section 1.41 of the General Terms and Conditions.				
(3) The Section 5(h) retainage percentage will be equal to the otherwise applicable injection percentage during such time as Operator is providing service pursuant to Rate Schedule LTD-1.				

Issued by: Anne E. Bomar, Managing Director-Rates & Regulation

Issued on: March 1, 2004

Effective on: April 1, 2004

Exhibit No. DCP-23

Dominion Cove Point LNG, LP
FERC Gas Tariff
Original Volume No. 1

Fourth Revised Sheet No. 205
Superseding
Third Revised Sheet No. 205

GENERAL TERMS AND CONDITIONS
(Continued)

1. DEFINITIONS (Continued)

- 1.41 "Retainage": The quantity of Natural Gas or LNG that Buyer shall provide and Operator shall retain from quantities of Natural Gas or LNG received by Operator from Buyer under all Rate Schedules, as described below, for Operator's fuel use and lost and unaccounted for quantities. The standard fuel calculation using the retainage (fuel) percentage shall be:

$$\frac{\text{delivery quantity}}{1 - (\text{retainage percentage})} = \text{delivery quantity} + \text{retainage quantity}$$

$$\left(\frac{\quad}{100} \right)$$

The Retainage under Section 4 of Rate Schedules PTS, FPS-1, FPS-2 and FPS-3, Section 3 of LTD-1 and LTD-2, and Section 5 of ITS shall be assessed as a percentage of the total quantities of Natural Gas or LNG received from Buyers under such Rate Schedules for fuel used in plant operations (including fuel for liquefaction) and lost and unaccounted for quantities. The Retainage collected during each Contract Year under Section 4 of Rate Schedules FPS-1, FPS-2 and FPS-3 shall not exceed twenty and one-half percent (20.5%) of Buyer's deliveries during the Contract Year and, as applicable under Section 5(h) of Rate Schedules FPS-1, FPS-2 and FPS-3, twenty and one-half percent (20.5%) of Buyer's Liquefied Gas Balance on April 16.

The Retainage percentages shall be established initially by Operator based upon Operator's best estimate of anticipated operating requirements. NAREB Standard 1.3.28 provides that: "For current in-kind fuel reimbursement procedures, fuel rates shall be made effective only at the beginning of the month." Accordingly, Operator shall adjust the Retainage percentages annually by filing with the Commission on or before March 1 to become effective April 1 or, if operating or other conditions require, at such other times as Operator in its reasonable discretion determines an adjustment is required to prevent excessive over or under recovery of Retainage, such adjustment to become effective on the first day of the month occurring no earlier than thirty (30) days after filing. Each Retainage filing to become effective on April 1 shall establish revised percentages based upon Operator's estimate of operating requirements for the succeeding twelve (12) month period ending December 31 of the filing year, as adjusted for quantities retained either over or under actual quantities required by Operator during the preceding twelve (12) months ending December 31 of the prior year. Filings made to become effective on the first of a month other than April shall be based upon Operator's estimate of operating requirements for the twelve (12) month period ending nine (9) months after the proposed effective date, as adjusted for quantities retained either over or under actual quantities required by Operator during the twelve (12) month period ending three (3) months prior to the proposed effective date.

Upon termination of service under each firm Rate Schedule, Buyer shall deliver to Operator at Buyer's Receipt Point, Buyer's pro rata share of under-recovered Retainage quantities from the effective date of Operator's most recent adjustment filing through the date of termination or, as the case may be, Operator shall provide Buyer at Buyer's Delivery Point, Buyer's pro rata share of any excess quantities retained by Operator from the effective date of Operator's most recent adjustment filing through the date of termination. Operator's currently effective Retainage percentages shall be posted on Operator's EBB.

Issued by: Anne E. Bomar, Managing Director-Rates & Regulation

Issued on: March 1, 2004

Effective on: April 1, 2004

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Dominion Cove Point LNG, LP
Original Volume No. 1

Fourth Revised Sheet No. 10
Third Revised Sheet No. 10
Effective: August 18, 2003
Issued: August 19, 2003
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CURRENTLY EFFECTIVE RATES
FUEL RETAINAGE FACTORS & PERCENTAGES

Retainage Factors (1)

	Injection	Withdrawal	Section 5(h)
Rate Schedule FPS-1 (2)	1.0%	2.0%	2.6%
Rate Schedule FPS-2 (2)	1.0%	2.0%	2.6%
Rate Schedule FPS-3 (2)	1.0%	2.0%	2.6%
Rate Schedule FPS	0.0%	0.0%	
Rate Schedule ITS	0.0%	0.0%	
Rate Schedule LTD-1	1.0%	2.0%	
Rate Schedule LTD-2	1.0%	2.0%	

Percentages (1)

	Injection	Withdrawal	Section 5(h)	Transportation
Rate Schedule FPS-1 (2) (3)	2.8%	0.0%	2.8%	
Rate Schedule FPS-2 (2) (3)	2.8%	0.0%	2.8%	
Rate Schedule FPS-3 (2) (3)	2.8%	0.0%	2.8%	
Rate Schedule LTD-1	2.8%	0.0%		
Rate Schedule LTD-2	2.8%	0.0%		
Rate Schedule FPS				0.0%
Rate Schedule ITS				0.0%

- (1) Operator shall retain a quantity of natural gas equivalent to the stated percentage factor multiplied by the quantity of natural gas received for ~~transportation or storage~~. ~~Retainage transportation, received for injection into storage, or received for withdrawal out of storage.~~ The Retainage percentage is calculated based upon the actual transportation ~~and storage~~ fuel used in accordance with Section 1.41 of the General Terms and Conditions.
- (2) Fuel required for liquefaction will be allocated only to Rate Schedule FPS. The fuel required for liquefaction is calculated based upon the actual fuel used in accordance with Section 1.41 of the General Terms and Conditions.
- (3) ~~The Section 5(h) retainage percentage will be equal to the otherwise applicable injection percentage during such time as Operator is providing service pursuant to Rate Schedule LTD-1.~~

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Dominion Cove Point LNG, LP
Original Volume No. 1

Fourth Revised Sheet No. 205
Third Revised Sheet No. 205
Effective: September 10, 2003
Issued: August 11, 2003
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GENERAL TERMS AND CONDITIONS
(Continued)

1. DEFINITIONS (Continued)

- 1.41 "Retainage": The quantity of Natural Gas or LNG that Buyer shall provide and Operator shall retain from quantities of Natural Gas or LNG received by Operator from Buyer under all Rate Schedules, as described below, for Operator's fuel use and lost and unaccounted for quantities. The standard fuel calculation using the retainage (fuel) percentage shall be:

$$\frac{\text{delivery quantity}}{1 - (\text{retainage percentage})} = \text{delivery quantity} - \text{retainage quantity}$$

$$\left(\frac{\text{delivery quantity}}{100} \right)$$

The Retainage under Section 4 of Rate Schedules PTS, FPS-1, FPS-2 and FPS-3, Section 3 of LTD-1 and LTD-2, and Section 5 of ITS shall be assessed as a percentage of the total quantities of Natural Gas or LNG received from Buyers under such Rate Schedules for fuel used in plant operations (including fuel for liquefaction) and lost and unaccounted for quantities. The Retainage collected during each Contract Year under Section 4 of Rate Schedules FPS-1, FPS-2 and FPS-3 shall not exceed twenty and one-half percent (20.5%) of Buyer's deliveries during the Contract Year and, as applicable under Section 5(h) of Rate Schedules FPS-1, FPS-2 and FPS-3, twenty and one-half percent (20.5%) of Buyer's Liquefied Gas Balance on April 16.

The Retainage percentages shall be established initially by Operator based upon Operator's best estimate of anticipated operating requirements. NAESB Standard 1.3.28 provides that: "For current in-kind fuel reimbursement procedures, fuel rates shall be made effective only at the beginning of the month." Accordingly, Operator shall adjust the Retainage percentages annually by filing with the Commission on or before March 1 to become effective April 1 or, if operating or other conditions require, at such other times as Operator in its reasonable discretion determines an adjustment is required to prevent excessive over or under recovery of Retainage, such adjustment to become effective on the first day of the month occurring no earlier than thirty (30) days after filing. Each Retainage filing to become effective on April 1 shall establish revised percentages based upon Operator's estimate of operating requirements for the succeeding twelve (12) month period ending December 31 of the filing year, as adjusted for quantities retained either over or under actual quantities required by Operator during the preceding twelve (12) months. months ending December 31 of the prior year. Filings made to become effective on the first of a month other than April shall be based upon Operator's estimate of operating requirements for the twelve (12) month period ending nine (9) months after the proposed effective date, as adjusted for quantities retained either over or under actual quantities required by Operator during the twelve (12) month period ending three (3) months prior to the proposed effective date.

Upon termination of service under each firm Rate Schedule, Buyer shall deliver to Operator at Buyer's Receipt Point, Buyer's pro rata share of under-recovered Retainage quantities from the effective date of Operator's most recent adjustment filing through the date of termination or, as the case may be, Operator shall provide Buyer at Buyer's Delivery Point, Buyer's pro rata share of any excess quantities retained by Operator from the effective date of Operator's most recent adjustment filing through the date of termination. Operator's currently effective Retainage percentages shall be posted on Operator's EBB.

Appendix A
Tanker Discharging and Peaking Services
Explanation/Support
For
Fuel Retainage Percentage

Detailed Explanation of Retainage Calculations for Tanker Discharging and Peaking Storage Services

Overview:

Appendix A sets forth the calculation of Cove Point's proposed retainage percentage for LNG Tanker Discharging Services (LTD) and Firm Peaking Services (FPS) (collectively "Storage Services"). The proposed Storage Services retainage percentage is based on the reconciliation of the annual period ended December 31, 2003 and the estimation of storage activity and associated gas usage for 2004.

Appendix A:

The reconciliation of the annual period ended December 31, 2003 is set forth on Lines 1 through 28. First, the quantity of gas used and unaccounted for in storage operations was calculated ("Storage Gas Used"). The Storage Gas Used quantity of 2,118,553 Dth (Line 12) was derived by comparing the gas balance in storage as of January 1, 2003 (Line 3), as adjusted for activity during 2003 (Lines 4 through 6), to the storage balance as of December 31, 2003 (Line 10).

Next, the quantity of gas retained from customers during 2003 was calculated ("Storage Gas Retained"). The 2,028,152 Dth (Line 21) of Storage Gas Retained includes FPS carryover gas (Line 16), FPS injections and withdrawals (Lines 17 and 18) and LTD injections and withdrawals (Lines 19 and 20). The Storage Gas Used (Line 12) was then compared to the Storage Gas Retained (Line 21) to calculate the under retained quantity of 90,401 Dth (Line 23) for 2003. The 2003 under retained quantity was then added to the 2002 under retained balance of 523,572 Dth (Line 26) to calculate a cumulative under recovered balance of 613,973 Dth at the end of 2003 (Line 28).

The proposed storage retainage percentage of 2.8% (Line 39) was calculated by dividing the storage gas retainage requirement for 2004 (Line 35) by the total estimated storage activity for 2004 (Line 37).

Appendix A-1:

Appendix A-1, which supports the calculations contained in Appendix A, sets forth the detailed monthly Cove Point storage activity during 2003. The measured deliveries to (Line 4) or from (Line 8) storage, as well as gas capitalized as part of reactivation (Line 9) are added to the beginning storage balance (Line 2) to derive the calculated storage balance (Line 10). This quantity is then compared with the measured storage balance (Line 12) to derive the Storage Gas Used (Line 14) in providing Storage Services. The Storage Gas Retained from FPS carryover, FPS injections/withdrawals and LTD injections/withdrawals are set forth on Appendix A-1 (Lines 17 through 21). The monthly quantity of under/(over) retained gas (Line 25) is the difference between the Storage Gas Used (Line 14) and the Storage Gas Retained (Line 22). In addition, the cumulative under/(over) retained balance for 2003, starting with the under retained balance at the end of 2002, is provided (Line 27).

Appendix A-2:

Appendix A-2 details the derivation of the estimated storage gas used for 2004 and the estimated storage activity for 2004 shown on Appendix A (Lines 33 and 37). As described in the filing letter, Cove Point is proposing to assess all retainage requirements on quantities nominated for injection by LTD and FPS customers. Therefore, Cove Point estimated the storage gas usage for 2004 based on estimated storage activity related to injection nominations for LTD and FPS services.

The estimated injection nominations for LTD service were developed based on historical experience following reactivation in August 2003. Specifically, the estimated monthly nominations for injection (Line 2) were developed based on the average monthly LTD quantities nominated for injection during the September 2003 through December 2003 period. The estimated LTD injection nominations were then multiplied by the storage gas used and unaccounted for percentage (Line 6) during the September 2003 through December 2003 period to calculate the estimated storage gas usage associated with LTD service (Line 7).

The estimated injection nominations of 1,110,960 Dth (Line 12) for FPS service were developed based on the expectation that customers will inject quantities sufficient to completely fill their contractual capacity (Line 10), as adjusted for carryover quantities consistent with historical experience in 2002 and 2003 (Line 11). Similar to LTD service, the estimated FPS injection nominations (Line 12) were multiplied by the storage gas used and unaccounted for percentage (Line 14) during the September 2003 through December 2003 period to calculate the estimated storage gas usage associated with FPS service (Line 15).

The injection nominations (Lines 4 and 12) are then summed to calculate the total storage activity (Line 17) shown on Appendix A (Line 37). Likewise, the estimates of storage gas usage (Lines 7 and 15) are summed to calculate total estimated storage gas usage (Line 17) shown on Appendix A (Line 33).

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Dominion Cove Point LNG, LP
Calculation of the Storage Retainage Percentage
Applicable to Rate Schedules LTD and FPS
Effective April 1, 2004
(Quantities in Dth)

Appendix A

Line	Description	Reference	Detail (1)	Total (2)
1	<u>Storage Gas Used</u>			
2				
3	Beginning Storage Tanks Balance	App. A-1, Col. 14, Ln. 2	1,987,100	
4	Total Gas Delivered to Storage	App. A-1, Col. 14, Ln. 4	67,481,182	
5	Total Gas Delivered from Storage	App. A-1, Col. 14, Ln. 8	(64,560,178)	
6	Capitalized Gas for Reactivation	App. A-1, Col. 14, Ln. 9	172,195	
7				
8	Calculated Storage Tanks Balance on 12/31/2003	Ln. 3 + Ln. 4 + Ln. 5 + Ln. 6		5,080,299
9				
10	Measured Storage Tanks Balance on 12/31/2003	App. A-1, Col. 14, Ln. 12		2,961,746
11				
12	Storage Gas Used	Line 8 - Line 10		2,118,553
13				
14	<u>Storage Gas Retained</u>			
15				
16	FPS - Carryover	App. A-1, Col. 14, Ln. 17	(9,105)	
17	FPS - Injections	App. A-1, Col. 14, Ln. 18	(97,997)	
18	FPS - Withdrawals	App. A-1, Col. 14, Ln. 19	-	
19	LTD - Injections	App. A-1, Col. 14, Ln. 20	(658,832)	
20	LTD - Withdrawals	App. A-1, Col. 14, Ln. 21	(1,262,218)	
21	Storage Gas Retained			(2,028,152)
22				
23	Under/(Over) Retained Storage Gas for 2003	Line 12 + Line 21		90,401
24				
25	<u>Under/(Over) Retained Storage Gas</u>			
26	Beginning Balance of Under/(Over) Retained Gas at 12/31/2002	App. A-1, Col. 1, Ln. 27		523,572
27				
28	Total Under/(Over) Retained Storage Gas at 12/31/2003	Line 23 + Line 26		613,973
29				
30				
31	<u>Calculation of Storage Retainage Percentage</u>			
32				
33	Estimated Storage Gas Usage for 2004	App. A-2, Col. 3, Ln. 17		4,668,568
34				
35	Storage Gas Retainage Requirement for 2004	Line 28 + Line 33		5,282,481
36				
37	Total Estimated Storage Activity for 2004	App. A-2, Col. 2, Ln. 17		189,728,784
38				
39	Proposed Storage Retainage Percentage	Line 35/Line 37		2.8%

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Producers Care Point L.P., LP
Monthly Storage Activity
For the Annual Period Ended 12/31/2003
(Quantities in Bbls)

Appendix A-1

Line	Description	Jan-03 (1)	Feb-03 (2)	Mar-03 (3)	Apr-03 (4)	May-03 (5)	Jun-03 (6)	Jul-03 (7)	Aug-03 (8)	Sep-03 (9)	Oct-03 (10)	Nov-03 (11)	Dec-03 (12)	2003 (13)
1	Storage Gas Used													
2	Beginning Storage Tank Balance	1,881,188	697,297	394,789	234,419	295,283	211,364	218,168	288,883	357,830	1,678,343	1,838,799	2,366,718	1,997,188
3	Gas Delivered to Storage													
4	Total Gas Delivered to Storage	36,716	71,247	16,227	279	1,266	9,363	66,666	3,123,664	15,173,346	15,313,308	16,398,443	77,278,363	97,491,152
5	Gas Withdrawn from Storage													
6	Gas Delivered from Storage (Reinjection)	(1,386,666)	(163,794)	-	-	-	-	(945)	(2,168,341)	(11,273,632)	(14,567,397)	(17,348,735)	(19,988,967)	(63,794,682)
7	End-of Gas Delivered from Storage	(81,381)	(96,497)	(61,363)	(48,763)	(41,689)	(66,381)	(188,992)	(317,289)	(284,517)	(299,691)	(294,717)	(244,816)	(1,888,686)
8	Total Gas Delivered from Storage	(1,386,725)	(163,792)	(61,363)	(48,763)	(41,689)	(66,381)	(188,992)	(317,289)	(284,517)	(299,691)	(294,717)	(244,816)	(1,888,686)
9	Operational Use for Reinjection							172,110						172,110
10	Calculated Storage Tank Balance	794,544	618,879	346,643	295,933	716,149	716,740	716,397	716,886	1,971,646	3,314,109	3,768,988	3,364,118	3,688,399
11														
12	Measured Storage Tank Balance	1,997,188	697,297	394,789	234,419	295,283	211,364	218,168	288,883	357,830	1,678,343	1,838,799	2,366,718	2,997,188
13														
14	Storage Gas Used	62,384	191,118	12,344	49	3,763	1,077	24,582	428,248	384,384	397,259	436,357	486,389	2,118,233
15														
16	Storage Gas Balance													
17	FFS - Chryseus	-	-	-	(9,146)	-	-	-	-	-	-	-	-	(9,146)
18	FFS - Ingersoll	-	-	-	-	(17,972)	(16,814)	(26,378)	(3,148)	(1,379)	(633)	-	-	(97,989)
19	FFS - Wabashville	-	-	-	-	-	-	-	-	-	-	-	-	-
20	LTD - Ingersoll	-	-	-	-	-	-	-	(26,116)	(1,263,397)	(1,198,322)	(1,086,876)	(1,098,899)	(896,832)
21	LTD - Wabashville	-	-	-	-	-	-	-	(66,811)	(242,647)	(249,346)	(272,764)	(244,438)	(1,368,215)
22	Storage Gas Returned	-	-	-	(9,269)	(17,972)	(16,814)	(26,378)	(74,379)	(271,871)	(448,399)	(277,524)	(695,317)	(2,898,123)
23														
24	Storage Gas Used (Total)													
25	Monthly	62,384	191,118	12,344	(9,269)	(14,748)	(18,797)	(2,874)	166,787	(71,378)	(20,849)	(186,687)	(67,138)	98,681
26														
27	Total Gas Used	521,673	965,778	284,949	997,198	386,134	273,844	962,389	386,491	968,139	897,636	792,289	687,169	963,970

Exhibit No. DCP-23

Shuttlow Creek Plant LP/LP
 Estimation of Storage Activity and Gas Usage for 2004
 (Continued to 2004)

Appendix A-3

Line	Description	Subtotal	Estimated Injection Reservations (1)	Estimated Used and Unaccounted For Gas (2)
1	Estimated Injection Reservations - LTR Receipt			
2	Monthly Reservations for Injection	State 1, Col. 5, Line 20	15,718,152	
3	No. of Months	Line 2 * Line 1	12	
4	Estimated Annual Injection Reservations			188,617,824
5				
6	Storage Gas Used and Unaccounted For Percentage	State 1, Col. 5, Line 20	2.0%	
7	Estimated Storage Gas Usage	Line 4 * Line 6		4,661,172
8				
9	Estimated Injection Reservations - FFS Receipt			
10	Customer Contract Capacity	State 2, Col. 5, Line 53	1,400,000	
11	Estimated Capacity at 4/1/2004	Line 10 * Line 11	1,310,900	
12	Estimated Injection Reservations 4/1/2004 through 12/31/2004			
13				
14	Storage Gas Used and Unaccounted For Percentage	State 1, Col. 5, Line 20	2.0%	
15	Estimated Storage Gas Usage	Line 12 * Line 14		27,237
16				
17	Total Estimated Storage Activity and Gas Usage for 2004		188,758,794	4,688,409

Notes:

1/ Fuel-Description Storage Gas Used and Unaccounted For

Description	2003 (1)	2004 (2)	2005 (3)	2006 (4)	Amount (5)
LTD Injection Reservations (App. A-1, Line 20)	178,240	178,232	180,070	180,069	177,382
Refueling Percentage (Based Revised Sheet No. 10)	1.0%	1.0%	1.0%	1.0%	
LTD Question Reservations for Injection	11,004,317	11,012,307	11,006,975	11,008,911	11,718,152
FFS Injection Reservations (App. A-1, Line 10)	1,378	433	-	-	382
Refueling Percentage (Based Revised Sheet No. 10)	1.0%	1.0%	1.0%	1.0%	
FFS Question Reservations for Injection	137,238	43,399	-	-	43,382
LTD and FFS Question Reservations (Line 20 + Line 32)	11,004,375	11,075,330	11,006,975	11,008,911	11,761,434
Storage Gas Used (App. A-1, Line 14)	201,201	202,229	436,367	436,369	202,825
Storage Gas Used and Unaccounted For Percentage (Line 20, Line 15)					2.0%

2/ Estimated FFS Customer Reservations

Description	2003 (1)	2004 (2)	Amount (3)
FFS Customer Reservations at Beginning of Year	1,758,339	1,439,695	
FFS Customer Reservations at 4/1/04	975,270	204,327	
Customer Reservations Carryover Percentage (Line 46, Line 46)	26.3%	19.8%	33.3%
FFS Customer Reservations as of 1/1/2004			1,622,280
Estimated FFS Customer Reservations 4/1/2004 (Line 20 + Line 21)			1,622,280

Appendix B
Transportation Service
Explanation/Support
For
Fuel Retainage Percentage

Detailed Explanation of Retainage Calculation for Transportation Services

Overview

Appendix B sets forth the calculation of Cove Point's proposed transportation retainage percentage for firm and interruptible transportation services, FTS and ITS, respectively (or "Transportation Services"). The proposed Transportation Services retainage percentage is based on the reconciliation of the annual period ended December 31, 2003 and the estimation of transportation activity and associated gas usage for 2004.

Appendix B

The reconciliation of the annual period ended December 31, 2003 is set forth on Lines 1 through 18. First, the quantity of gas used and unaccounted for in transportation operations was calculated ("Transportation Gas Used"). The Transportation Gas Used quantity of 85,739 Dth (Line 12) was derived by taking the linepack balance in the pipeline as of January 1, 2003 (Line 2), adding the gas delivered to and from the pipeline during 2003 (Lines 4 and 6) to derive a calculated linepack balance (Line 8), and then comparing this to the ending linepack balance at December 31, 2003 (Line 10).

Next, the quantity of gas retained from transportation customers ("Transportation Gas Retained") during 2003 (Line 16) was calculated. The Transportation Gas Used (Line 12) was then compared to the Transportation Gas Retained (Line 16) to calculate the over recovery during 2003 of 130,507 Dth (Line 18).

The 2003 over recovery (Line 18) is used as an offset against the estimated transportation gas usage for 2004 (Line 23) to determine the transportation gas retainage requirement for 2004 (Line 25). Cove Point's estimate of transportation activity and associated gas usage in 2004 is detailed in Appendix B-2.

The proposed transportation retainage percentage (Line 29) was calculated by dividing the estimated transportation gas required for retainage (Line 25) by the estimated transportation quantity for 2004 (Line 27).

Appendix B-1

Appendix B-1, which supports the calculations contained in Appendix B, sets forth the detailed monthly transportation activity on the Cove Point Pipeline during 2003. The measured delivery quantities to and from the pipeline (Lines 10 and 18) are added to the beginning linepack balance (Line 2) to derive the calculated linepack balance (Line 20). The calculated linepack balance is then compared with the ending linepack balance (Line 22) to derive the Transportation Gas Used (Line 24). The Transportation Gas Retained (Line 28) was then compared with the Transportation Gas Used (Line 24) to determine the under/(over) retained quantity (Line 32).

Appendix B-2

Appendix B-2 provides detailed support for the determination of the estimated transportation gas usage for 2004 and the estimated transportation activity for 2004 included on Appendix B (Lines 23 and 27).

The estimated transportation activity for 2004 was derived based on historical experience during 2003, adjusted for incremental activity anticipated as a result of the resumption of LNG imports. First, the base transportation quantity for 2004 was established using actual 2003 experience (Line 5). Next, the anticipated incremental activity for 2004 was estimated based on an extrapolation of historical experience. Specifically, an incremental eight months of activity, similar to that experienced during 2003 after the resumption of LNG import service, was estimated (Line 10). The transportation gas used and unaccounted for percentage derived for the September 2003 through December 2003 period (Line 14) was then applied to the estimated transportation nominations for 2004 (Lines 5 and 10) to calculate the estimated transportation gas usage for 2004 (Line 18).

The transportation nominations (Lines 5 and 10) are then summed to calculate the total estimated transportation activity (Line 18) shown on Appendix B (Line 27). Similarly, the estimated transportation gas usage (Line 18) is shown on Appendix A (Line 23).

Exhibit No. DCP-23

Dominion Cove Point LNG, LP
Calculation of the Transportation Retainage Percentage
Applicable to Rate Schedules FTS and ITS
Effective April 1, 2004
(Quantities in Dth)

Appendix B

Line	Description	Reference	Detail (1)	Total (2)
1	Transportation Gas Uses			
2	Beginning Linepack Balance at 1/1/2003	App. B-1, Col. 13, Ln. 2	167,189	
3				
4	Total Gas Delivered to Pipeline	App. B-1, Col. 13, Ln. 10	82,175,279	
5				
6	Total Gas Delivered from Pipeline	App. B-1, Col. 13, Ln. 18	<u>(82,031,288)</u>	
7				
8	Calculated Linepack Balance at 12/31/2003	Line 2 + Line 4 + Line 6		311,180
9				
10	Ending Linepack Balance at 12/31/2003	App. B-1, Col. 13, Ln. 22		<u>225,441</u>
11				
12	Transportation Gas Used	Line 8 - Line 10		85,739
13				
14				
15	Transportation Gas Retainage			
16	Transportation Gas Retained	App. B-1, Col. 13, Ln. 28		<u>(216,246)</u>
17				
18	Total Under/(Over) Retained Gas at 12/31/2003	Line 12 + Line 16		<u>(130,507)</u>
19				
20				
21	Calculation of Transportation Retainage Percentage			
22				
23	Estimated Transportation Gas Usage for 2004	App. B-2, Col. 3, Ln. 18		<u>82,761</u>
24				
25	Total Transportation Gas Retainage Requirement for 2004	Line 18 + Line 23		<u>(47,746)</u>
26				
27	Total Estimated Transportation Activity for 2004	App. B-2, Col. 2, Ln. 18		<u>202,053,666</u>
28				
29	Proposed Transportation Retainage Percentage	Line 33/Line 35		<u>8.8%</u>

Exhibit No. DCP-23

San Joaquin Hills Pipeline LP
Monthly Transportation Activity
For the Annual Period Ended 12/31/03
(Continued in 002)

Appendix B-1

Line	Description	Jan-03 (1)	Feb-03 (2)	Mar-03 (3)	Apr-03 (4)	May-03 (5)	Jun-03 (6)	Jul-03 (7)	Aug-03 (8)	Sep-03 (9)	Oct-03 (10)	Nov-03 (11)	Dec-03 (12)	Total (13)
1	Transportation Gas Used													
2	Beginning Inventory Balance	367,199	145,148	177,268	148,893	164,843	188,849	185,840	184,816	178,439	241,896	217,887	241,899	167,369
3														
4	Gas Delivered to Pipelines													
5	Gas Delivered to Pipelines at Intermediate or VDOT, W's & D's	2,664,138	2,614,818	1,568,218	1,487,218	2,241,148	2,122,148	2,464,412	1,562,889	976,728	149	1	-	17,611,184
6														
7	Gas Delivered to Pipeline from Storage	1,284,644	241,716	-	-	-	-	846	2,388,144	11,271,127	14,581,247	17,248,718	15,388,847	62,794,492
8														
9	Gas Delivered to Pipeline from Storage	81,281	81,281	81,281	81,281	81,281	81,281	81,281	81,281	81,281	81,281	81,281	81,281	1,000,000
10	Total Gas Delivered to Pipeline	4,149,881	3,739,885	1,648,499	1,568,499	2,322,429	2,203,429	2,445,293	4,122,312	11,332,408	14,662,528	17,329,999	15,470,130	68,715,676
11														
12	Gas Delivered from Pipelines													
13	Gas Delivered from Pipelines at Intermediate or VDOT, W's & D's	(116,344)	-	-	-	-	-	-	(1,488,294)	(1,348,794)	(11,283,688)	(12,488,494)	(1,747,688)	(44,888,878)
14														
15	Gas Delivered from Pipelines at Other Intermediate	(1,166,666)	(1,666,666)	(1,594,379)	(1,481,214)	(2,388,749)	(2,198,661)	(2,588,844)	(2,788,884)	(2,711,479)	(2,379,118)	(1,487,287)	(4,666,666)	(38,888,878)
16														
17	Gas Delivered from Pipelines for Plant Operations	(16,466)	(21,277)	(16,277)	(17)	(1,266)	(16,466)	(16,466)	(11,677)	(147,811)	(1,338,581)	(271,478)	(166,264)	(1,297,882)
18	Total Gas Delivered from Pipelines	(133,476)	(238,944)	(1,610,656)	(1,498,214)	(2,389,815)	(2,214,815)	(2,605,310)	(4,328,232)	(11,536,125)	(14,769,881)	(12,769,881)	(16,524,552)	(66,086,760)
19														
20	Calculated Inventory Balance	161,468	167,312	168,888	170,711	162,344	173,322	165,713	134,749	234,377	241,347	241,348	223,347	141,888
21														
22	Ending Inventory Balance	168,468	173,312	168,888	170,711	162,344	173,322	165,713	134,749	234,377	241,347	241,348	223,347	141,888
23														
24	Transportation Gas Used	32,748	8,214	34,318	81,678	145,928	145,784	18,746	(25,648)	611	22,718	1,711	(1,768)	38,718
25														
26														
27	Transportation Gas Delivered	(46,478)	(168,814)	(173,218)	(146,448)	(18,747)	(17,648)	(78,888)	0	0	0	0	0	(238,748)
28														
29	Transportation Gas Delivered													
30	Monthly	(17,768)	(17,388)	(1,688)	(1,228)	(15,478)	(28,168)	(27,288)	(28,688)	411	22,718	1,711	(1,768)	(168,888)
31														
32	Year To Date	(17,768)	(20,668)	(15,128)	(18,888)	(28,118)	(75,788)	(184,884)	(154,884)	(174,378)	(128,518)	(128,887)	(228,887)	

Exhibit No. DCP-23

Donelson Cove Point LNG, LP
 Estimation of Transportation Activity and Gas Usage for 2004
 (Excessive to Bids)

Appendix B-3

Line	Description	Reference	Byline (1)	Estimated Transportation Numbers (2)	Estimated Used and Unaccounted For Gas (3)
1	Transportation Quantity for 2004				
2	Gas Delivered from Pipelines at Interceptors w/ TOPL, TCS & DTI	App B-1, Col. 13, Line 13	44,389,367		
3	Gas Delivered from Pipelines at Other Interceptors	App B-1, Col. 13, Line 13	33,833,817		
4					
5	Transportation Quantity for 2004			68,423,184	
6					
7	Estimated Interceptor Transportation for 2004				
8	Average Monthly LTD Withdrawal Activity	Note 14, Col. 5, Line 39	15,382,534		
9	Additional Monthly in 2004 without LTD Service Activity				
10	Intercepted Transportation Activity Associated with LTD Service for 2004	Line 8 * Line 9		121,836,370	
11					
12	Estimated Gas Used for Transportation for 2004				
13					
14	Transportation Gas Used and Unaccounted For Percentage	Note 24, Col. 5, Line 62	8.07%		
15	Estimated Transportation Gas Usage	(Line 5 * Line 10) * Line 14			32,764
16					
17					
18	Total Estimated Transportation Activity and Gas Usage for 2004			68,423,184	32,764
19					

Notes:

1. Post-Receipt/LTD Transportation Activity

Description	Jan-04 (1)	Feb-04 (2)	Mar-04 (3)	Apr-04 (4)	Average (5)
LTD - Withdrawals (App. A-1, Line 31)	242,447	294,544	317,784	324,428	294,801
Withdrawal Storage Percentage (Fixed Revised Sheet No. 10)	2.0%	2.0%	2.0%	2.0%	2.0%
Monthly LTD Withdrawal Activity (Line 27 * Line 28)	13,122,344	14,577,177	17,889,712	16,221,694	15,382,534

2. Post-Receipt/LTD Transportation Gas Used and Unaccounted For

Description	Jan-04 (1)	Feb-04 (2)	Mar-04 (3)	Apr-04 (4)	Average (5)
Transportation Gas Used (App. B-1, Line 34)	611	23,733	1,711	11,708	34,177
Gas Delivered from Pipelines at Interceptors w/ TOPL, TCS & DTI (App. B-1, Line 13)	9,348,785	11,363,888	12,488,994	9,747,680	43,897,134
Gas Delivered from Pipelines at Other Interceptors (App. B-1, Line 13)	3,211,472	2,875,132	4,787,387	5,823,232	13,821,348
Gas Delivered from Pipelines at Interceptors (Line 36 + Line 37)	11,560,257	14,239,020	17,276,381	15,570,912	57,821,582
Transportation Gas Used and Unaccounted For Percentage (Line 34/Line 49)					8.04%

Dominion Cove Point LNG, LP
120 Tredegar Street
Richmond, VA 23219
Mailing Address: P.O. Box 26532
Richmond, VA 23261



ORIGINAL

April 15, 2004

Ms. Magalie Roman Salas, Secretary
Federal Energy Regulatory Commission
888 First Street, N.E.
Washington, D.C. 20426

FILED
OFFICE OF THE
SECRETARY
2004 APR 15 PM 3:14
REC'D

Re: Dominion Cove Point LNG, LP
Compliance Filing
Docket No. RP04-197-001 ✓

Dear Ms. Salas:

Pursuant to Section 4 of the Natural Gas Act and Section 154.7 of the Commission's Regulations, 18 C.F.R. § 154.7 (2003), and the Commission's "Order Accepting and Suspending Tariff Sheets Subject to Conditions" issued March 31, 2004 in the above captioned docket, Dominion Cove Point LNG, LP (Cove Point) submits for filing an original and six copies of the following revised tariff sheet for inclusion in its FERC Gas Tariff, Original Volume No. 1:

Substitute Fourth Revised Sheet No. 10

Cove Point requests an effective date of April 1, 2004 for its proposed tariff sheet.

Statement of Nature, Reason, and Basis for Filing

The purpose of this filing is to comply with the Commission's order issued March 31, 2004 in Docket No. RP04-197-000 (March 31 Order)¹. On March 1, 2004, Cove Point filed to adjust its fuel retainage percentages pursuant to Section 1.41 of the General Terms and Conditions (GT&C) of its FERC Gas Tariff. In its March 31 Order, the Commission accepted Cove Point's filing, suspended it for a nominal period, subject to refund and certain conditions.

Cove Point now submits this filing to comply with the four directives in the March 31 Order as follows:

1. The Commission determined that it was more reasonable to base the 2004 storage gas usage projection on 18,000,000 Dth/month, which equates to an annual estimate of 216,000,000 Dth. (March 31 Order at ¶24) Cove Point has reflected this change on Revised

¹ Dominion Cove Point LNG, LP, 106 FERC ¶61,339 (2004).

②

Disks/omtr/oc

Ms. Magalie Roman Salas, Secretary
 April 15, 2004
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Appendix A-2, Lines 2-4, which flows through to Revised Appendix A, Line 37 and results in a reduction in the storage retainage percentage to 2.7%.²

The Commission in its Order permitted the rates to take effect on April 1, 2004, subject to refund. Cove Point proposes to satisfy this refund obligation through the normal operation of the fuel tracking mechanism. If the Commission accepts this lower 2.7% storage retainage percentage rate, the currently effective 2.8% fuel retainage volumes collected to date will be considered as an offset against the actual fuel costs incurred by Cove Point in determining the fuel retainage percentages in the next fuel filing.

2. The Commission also directed Cove Point to explain the 348,707 Dth underage of gas retained during the month of August 2003. (March 31 Order at ¶26) The August 2003 underage is a function of the 428,246 Dth of storage gas used during the month. Therefore, as detailed on Attachment A to this filing, Cove Point provides the following to explain the August 2003 storage gas use that in turn created the identified underage:

- The average storage gas used as a percentage of sendout for the months of September through December 2003 is 2.63%. Using this average, the expected storage gas use from the customer gas delivered from storage for the month of August is 60,487 Dth. (Attachment A, Lines 1 through 8)
- The September through December average storage gas used as a percentage of sendout, however, is not an accurate representation of the actual storage gas use experienced in August 2003. The plant fuel use percentage experienced in August 2003 was significantly higher and reflects one-time variations that stem directly from the start-up of the Cove Point facilities.

In August 2003, the vaporizers were not burning fuel as efficiently as possible, thereby contributing to the higher storage gas used. To determine how this contributed to the increased storage gas usage, Cove Point identified that the plant fuel use percentage for August 2003 was at 4.18%. As shown on Attachment A, this calculation takes into account an estimated 50,000 Dth of unmeasured gas usage attributed to measurement facilities that were not fully operational during August 2003 and the 1,601,209 Dth of sendout associated with the reactivation cargo. Cove Point then adjusted the plant fuel use of 4.18% to include average losses of .37%, resulting in a total storage gas used as a percentage of sendout of 4.55% for the month of August 2003. (Attachment A, Page 1, Lines 19 through 25) As explained earlier, the expected storage gas use for the August 2003 customer sendout is based on the average use percentage for the months of September through December 2003 of 2.63%. However, taking into account the higher August plant use (an 1.92% increase over the average September through December rate), the incremental storage

² In its answer, Cove Point indicated that this change would result in a 0.04% reduction. The rounding effect of this adjustment results in a 0.1% reduction in the retainage rates.

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April 15, 2004
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gas used attributable to the customers' deliveries out of storage during August 2003 amounts to 44,239 Dth. (Attachment A, Page 1, Lines 25-30)

While the total storage gas used percentage is higher than the percentages in the succeeding months, Cove Point's primary objective in August 2003 was to first reactivate the facilities in a safe and timely manner. Upon successful reactivation, Cove Point promptly worked towards increasing the fuel efficiency of the vaporizers, as illustrated by the reduction in the average plant use percentages for the months September through December 2003 to 2.26%. (Attachment A, Page 2, Line 19)

- As indicated above, before Cove Point could be opened for imports, a commissioning ship delivered a partial load of liquefied natural gas to cool the facility's pier and import pipelines to the required minus 260 degrees Fahrenheit. Part of this cargo was also used to test the vaporizers. While the reactivation cargo is not shown in the fuel tracker filing because it is not customer gas, significant storage gas use is attributable to this cargo. Approximately 1.6 MMDth of the reactivation cargo was ultimately vaporized and resulted in storage gas usage of approximately 72,897 Dth, which is calculated based on the August storage gas used percentage discussed above. (Attachment A, Page 1, Lines 33-38)
- The first commercial cargo that arrived at Cove Point experienced a three-day delay in unloading, which resulted in the ship consuming LNG boil-off while at dock for the extended period. In addition, due to a mechanical equipment malfunction during unloading of the commercial cargo, LNG entered the vapor system and required vapor venting. Attachment A, Page 1, Lines 41 through 47 reflects the expected tank balance after unloading of the August commercial cargo, adjusted to account for send-out, boil-off and deliveries from the Cove Point pipeline. However, the tank balance after unloading based on actual measurement was lower than the expected balance by 110,580 Dth. This difference reflects the loss due to the events associated with the unloading of the first commercial cargo at Cove Point, thereby contributing to the increased storage gas use.
- Prior to reactivation, the plant heel of one of the tanks needed to be replaced in the amount of 12,000 Dth. (Attachment A, Page 1, Lines 52-54)
- In order to reactivate, Cove Point performed various preparedness functions throughout the month of August to ensure a safe startup and commissioning. These functions, which resulted in fuel usage, included activities for overall plant preparation and commissioning for startup, such as process purging/filling preparations for equipment startup; implementation of commissioning procedures, and repairs of leaks requiring clearing of piping and re-inventory of system; equipment testing and preparedness on all piping, compressors, pumps, tanks, and vessels; calibration of all plant pressure, level, temperature and flow transmitters; and training required for necessary personnel. Cove Point did not measure the fuel used

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April 15, 2004
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for each of these startup activities, but believes that the approximately 128,000 Dth is a reasonable estimate.

Cove Point believes that the above explanations fully and adequately explain the reasons for the abnormally high fuel usage for the month of August 2003. In light of the significant undertaking associated with the reactivation of a 20-year mothballed facility, the one-time nonrecurring incremental fuel costs associated with the start-up of this facility is not unreasonable. Further, the recovery of these costs is consistent with its fuel tracker tariff mechanism in that it was fuel used in plant operations and lost and unaccounted for activities.

3. On Sheet No. 10, Cove Point has revised Note (1) to its Currently Effective Rates-Fuel Retainage Percentage to remove the phrase "withdrawal out of storage" from the explanatory language, as required by the March 31 Order at ¶27.

4. The Commission at ¶30 ordered Cove Point to explain in detail, with numerical examples, why it should be able to assess the Section 5(h) retainage charge. The purpose of the Section 5(h) retainage charge is to recognize that the FPS customers' failure to turn their inventories requires the resultant boil-off to be managed. Previously, this was done through re-injecting the remaining inventory back into storage. Because the gas had to be processed through the liquefier, the fuel used to re-liquefy the gas served as the basis for the Section 5(h) retainage charge and also provided the FPS shippers with the incentive to turn the inventory to minimize the boil-off. With the reactivation of the import terminal, the burden of managing the boil-off relating to the FPS inventory is shifted to the LTD-1 shippers, because the LTD-1 shippers are required, by the tariff, to nominate all boil-off on a daily basis. The LTD-1 shippers effectively are placed with the burden of a mandatory nomination that requires them to take a portion of their inventory whether they want to or not. Without the Section 5(h) retainage charge, the FPS customers have no incentive to turn their inventories by the end of the storage season because they are no longer responsible for the boil-off management relating to their own inventories, thereby increasing the burden for LTD-1 shippers. Attachment B illustrates the impacts associated with the FPS carryover gas. Line 10 shows that additional burden related to the boil-off from the FPS carryover that is placed on the LTD-1 shippers. Line 15 shows that the FPS customers could effectively enjoy a lower retainage burden for the subsequent storage season if the proposed Section 5(h) retainage is not imposed, while Line 19 shows that the retainage burden for FPS shippers would be equal to the amount that would have been incurred if the FPS shippers completely turned their storage inventory. This additional retainage will benefit the LTD-1 shippers, who are now managing the boil-off relating to the FPS shippers' inventory, through an increased contribution to the fuel tracker by FPS shippers.

Cove Point respectfully requests that the Commission approve these tariff sheets, as filed. As required by Section 154.7(a)(9) of the Commission's Regulations, Cove Point hereby moves to place the proposed tariff sheet into effect on April 1, 2004.

Ms. Magalie Roman Salas, Secretary
April 15, 2004
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Materials Submitted with Filing

In accordance with the applicable provisions of the Commission's regulations, Cove Point is submitting the following materials:

- (1) a redlined version of the proposed tariff sheet, as required by Section 154.201(a).
- (2) a 3-1/2" diskette, with the file name "TF041504.ASC", in accordance with Section 385.2011(b) The information contained in the diskette is the same as that reflected in the paper copies of Cove Point's proposed tariff sheet.
- (3) a Form of Notice for this filing suitable for publication in the Federal Register, as required by Section 154.209.
- (4) a second 3-1/2" diskette, with an electronic copy of its Form of Notice, labeled Notice.ASC.

Posting, Certification of Service and Service on Cove Point

Copies of this compliance filing are being mailed to all parties on the official service list. Copies are also available for public inspection during regular business hours, at Cove Point's principal offices in Richmond, Virginia.

Please address communications and notices concerning this filing to the following Cove Point representatives:

Machelle F. Grim, Manager
Regulatory & Pricing
Dominion Transmission, Inc.
120 Tredegar Street
Richmond, VA 23219
(tel) 804-819-2806

Margaret H. Peters,
Senior Counsel
Dominion Resources Services, Inc.
120 Tredegar Street
Richmond, VA 23219
(tel) 804-819-2277

Please do not hesitate to telephone me with any questions or should you require any additional information.

Respectfully submitted,



Machelle F. Grim
Manager, Regulatory & Pricing
Dominion Transmission, Inc.

Enclosures

UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

Dominion Cove Point LNG, LP)

Docket No. RP04-197-001

NOTICE OF PROPOSED CHANGES IN FERC GAS TARIFF
(April __, 2004)

Take notice that on April 15, 2004, Dominion Cove Point LNG, LP (Cove Point) tendered for filing as part of its FERC Gas Tariff, Original Volume No. 1, the following tariff sheet:

Substitute Fourth Revised Sheet No. 10

Cove Point requests an effective date of April 1, 2004 for its proposed tariff sheet.

The purpose of this filing is to comply with the Commission's Order dated March 31, 2004, which accepted, subject to certain conditions, Cove Point's annual fuel retainage adjustment filing, which was filed pursuant to Section 1.41 of the General Terms And Conditions of its FERC Gas Tariff.

Any person desiring to be heard or to protest said filing should file a motion to intervene or protest with the Federal Energy Regulatory Commission, 888 First Street, N.E., Washington, D.C. 20426, in accordance with Rules 211 and 214 of the Commission's Rules of Practice and Procedure (18 C.F.R. §§ 385.211, 385.214). All such motions or protests must be filed in accordance with Section 154.210 of the Commission's regulations. Protests filed with the Commission will be considered by it in determining the appropriate action to be taken, but will not serve to make the protestants parties to the proceeding. Any person wishing to become a party must file a motion to intervene.

This filing is available for review at the Commission in the Public Reference Room or may be viewed on the Commission's website at <http://www.ferc.gov> using the eLibrary link. Enter the docket number excluding the last three digits in the docket number field to access the document. For assistance, please contact FERC Online Support at FERCOnlineSupport@ferc.gov or toll-free at (866) 208-3676, or TTY, contact (202) 502-8659. The Commission strongly encourages electronic filings. See, 18 CFR 385.2001(a)(1)(iii) and the instructions on the Commission's web site under the e-Filing link.

Protest Date: April __, 2004

Magalie Roman Salas
Secretary

Exhibit No. DCP-23

Dominion Cove Point LNG, LP
 FERC Gas Tariff
 Original Volume No. 1

Substitute Fourth Revised Sheet No. 10
 Superseding
 Third Revised Sheet No. 10

CURRENTLY EFFECTIVE RATES FUEL RETAINAGE PERCENTAGES				
Retainage Percentages(1)	Injection	Withdrawal	Section 5(h)	Transportation
Rate Schedule FPS-1 (2)(3)	2.7%	0.0%	2.7%	
Rate Schedule FPS-2 (2)(3)	2.7%	0.0%	2.7%	
Rate Schedule FPS-3 (2)(3)	2.7%	0.0%	2.7%	
Rate Schedule LTD-1	2.7%	0.0%		
Rate Schedule LTD-2	2.7%	0.0%		
Rate Schedule PTS				0.0%
Rate Schedule ITS				0.0%
<p>(1) Operator shall retain a quantity of natural gas equivalent to the stated percentage multiplied by the quantity of natural gas received for transportation or received for injection into storage. The Retainage percentage is calculated based upon the actual transportation and storage fuel used in accordance with Section 1.41 of the General Terms and Conditions.</p> <p>(2) Fuel required for liquefaction will be allocated only to Rate Schedule FPS. The fuel required for liquefaction is calculated based upon the actual fuel used in accordance with Section 1.41 of the General Terms and Conditions.</p> <p>(3) The Section 5(h) retainage percentage will be equal to the otherwise applicable injection percentage during such time as Operator is providing service pursuant to Rate Schedule LTD-1.</p>				

Issued by: Anne E. Bomar, Managing Director-Rates & Regulation

Issued on: April 15, 2004

Effective on: April 1, 2004

Filed to comply with order of the Federal Energy Regulatory Commission, Docket No. RP04-197-000, issued March 31, 2004, 06 FERC ¶ 61,339

Exhibit No. DCP-23

Dominion Cove Point LNG, LP
Original Volume No. 1

Substitute Fourth Revised Sheet No. 10
Fourth Revised Sheet No. 10
Effective: April 1, 2004
Issued: March 1, 2004
Page 1 of 1

CURRENTLY EFFECTIVE RATES
FUEL RETAINAGE PERCENTAGES

Retainage Percentages (1)

	Injection	Withdrawal	Section 5(h)	Transportation
	-----	-----	-----	-----
Rate Schedule FPS-1 (2) (3)	3.0%	0.0%	3.8%2.7%	0.0%
2.7%				
Rate Schedule FPS-2 (2) (3)	3.0%	0.0%	3.8%2.7%	0.0%
2.7%				
Rate Schedule FPS-3 (2) (3)	3.0%	0.0%	3.8%2.7%	0.0%
2.7%				
Rate Schedule LTD-1	3.0%2.7%	0.0%		
Rate Schedule LTD-2	3.0%2.7%	0.0%		
Rate Schedule FTS				0.0%
Rate Schedule ITS				0.0%

- (1) Operator shall retain a quantity of natural gas equivalent to the stated percentage multiplied by the quantity of natural gas received for ~~transportation, transportation or received for injection into storage, or received for withdrawal out of storage.~~ The Retainage percentage is calculated based upon the actual transportation and storage fuel used in accordance with Section 1.41 of the General Terms and Conditions.
- (2) Fuel required for liquefaction will be allocated only to Rate Schedule FPS. The fuel required for liquefaction is calculated based upon the actual fuel used in accordance with Section 1.41 of the General Terms and Conditions.
- (3) The Section 5(h) retainage percentage will be equal to the otherwise applicable injection percentage during such time as Operator is providing service pursuant to Rate Schedule LTD-1.

Exhibit No. DCP-23

Decision Cove Point LNG, LP
Calculation of the Storage Retainage Percentage
Applicable to Rate Schedules LTD and FPS
Effective April 1, 2004
(Quantities in Dth)

Revised Appendix A

Line	Description	Reference	Detail (1)	Total (2)
1	<u>Storage Gas Used</u>			
2				
3	Beginning Storage Tanks Balance	App. A-1, Col. 14, Ln. 2	1,987,100	
4	Total Gas Delivered to Storage	App. A-1, Col. 14, Ln. 4	67,481,182	
5	Total Gas Delivered from Storage	App. A-1, Col. 14, Ln. 8	(64,560,178)	
6	Capitalized Gas for Reactivation	App. A-1, Col. 14, Ln. 9	172,195	
7				
8	Calculated Storage Tanks Balance on 12/31/2003	Ln. 3 + Ln. 4 + Ln. 5 + Ln. 6		5,080,299
9				
10	Measured Storage Tanks Balance on 12/31/2003	App. A-1, Col. 14, Ln. 12		2,961,746
11				
12	Storage Gas Used	Line 8 - Line 10		2,118,553
13				
14	<u>Storage Gas Retained</u>			
15				
16	FPS - Carryover	App. A-1, Col. 14, Ln. 17	(9,105)	
17	FPS - Injections	App. A-1, Col. 14, Ln. 18	(97,997)	
18	FPS - Withdrawals	App. A-1, Col. 14, Ln. 19	-	
19	LTD - Injections	App. A-1, Col. 14, Ln. 20	(658,832)	
20	LTD - Withdrawals	App. A-1, Col. 14, Ln. 21	(1,262,218)	
21	Storage Gas Retained			(2,028,152)
22				
23	Under/(Over) Retained Storage Gas for 2003	Line 12 + Line 21		90,401
24				
25	<u>Under/(Over) Retained Storage Gas</u>			
26	Beginning Balance of Under/(Over) Retained Gas at 12/31/2002	App. A-1, Col. 1, Ln. 27		523,572
27				
28	Total Under/(Over) Retained Storage Gas at 12/31/2003	Line 23 + Line 26		613,973
29				
30				
31	<u>Calculation of Storage Retainage Percentage</u>			
32				
33	Estimated Storage Gas Usage for 2004	App. A-2, Col. 3, Ln. 17		5,342,280
34				
35	Storage Gas Retainage Requirement for 2004	Line 28 + Line 33		5,956,253
36				
37	Total Estimated Storage Activity for 2004	App. A-2, Col. 2, Ln. 17		217,110,960
38				
39	Proposed Storage Retainage Percentage	Line 35/Line 37		2.7%

Exhibit No. DCP-23

Revised Appendix A-2

Danish Creek Plant LINC LP
Estimation of Storage Activity and Gas Usage for 2004
(Quantities in Dbs)

Line	Description	Refers to	Detail (1)	Estimated Injection Nominations (2)	Estimated Used and Unaccounted For Gas (3)
1	Estimated Injection Nominations - LTD Service				
2	Monthly Nominations for Injection		18,000,000		
3	No. of Months		12		
4	Estimated Annual Injection Nominations			216,000,000	
5					
6	Storage Gas Used and Unaccounted For Percentage				
7	Estimated Storage Gas Usage		2.46%		5,314,943
8					
9	Estimated Injection Nominations - FPS Service				
10	Customer Contract Capacity		1,440,000		
11	Estimated Carryover at 4/1/04		(379,040)		
12	Estimated Injection Nominations 4/1/04 through 12/14/04			1,110,960	
13					
14	Storage Gas Used and Unaccounted For Percentage				
15	Estimated Storage Gas Usage		2.46%		27,337
16					
17	Total Estimated Storage Activity and Gas Usage for 2004			217,119,960	5,342,280
18					

Notes:

1/ Post-Reactive Storage Gas Used and Unaccounted For

Description	Max-43 (1)	Max-43 (2)	Max-43 (3)	Max-43 (4)	Average (5)
LTD Injection Runnings (App. A-1, Line 20)	129,245	190,322	180,070	169,089	197,182
Residual Percentage (Third Revised Sheet No. 10)	1.0%	1.0%	1.0%	1.0%	
LTD Quantities Nominated for Injection	12,874,517	15,032,207	18,006,973	16,908,911	15,718,152
FPS Injection Runnings (App. A-1, Line 18)	1,379	433	-	-	302
Residual Percentage (Third Revised Sheet No. 10)	1.0%	1.0%	1.0%	1.0%	
FPS Quantities Nominated for Injection	137,854	43,349	-	-	45,302
LTD and FPS Quantities Nominated (Line 28 + Line 32)	13,062,375	15,075,556	18,006,973	16,908,911	15,763,454
Storage Gas Used/App. A-1, Line 14)	301,501	387,259	416,367	426,389	387,879
Storage Gas Used and Unaccounted For Percentage (Line 30 + Line 31)					2.46%

2/ Historical FPS Carryover Balances

Description	2003 (1)	2003 (2)	Average (3)
FPS Customer Balances at Beginning of Year	3,716,259	1,439,693	
FPS Customer Carryover at 4/1/04	975,270	284,537	
Customer Balances Carryover Percentage (Line 46/Line 44)	26.2%	19.8%	23.0%
FPS Customer Balance at 4/1/2004			1,432,500
Estimated FPS Customer Carryover 4/1/04 (Line 30 + Line 41)			379,040

3/ For the Commission's March 31, 2004 Order in Docket RP04-197-000

Exhibit No. DCP-23

Dominion Cove Point LNG, LP
Explanation of August Gas Use
(Quantities in Dth)

Attachment A
Page 1 of 2

Line	Description	Reference	Detail			Balance
			(1)	(2)	(3)	(4)
1	Total and Expected August 2003 Storage Gas Use					
2	Total Storage Gas Used - August 2003	Pg. 2, Col. 1, Ln. 16				428,246
3						
4						
5	Customer Gas Delivered From Storage (Sendout) - August 2003	Pg. 2, Col. 1, Ln. 8		2,300,341		
6	Average Storage Gas Used as % of Sendout (Sept - Dec)	Pg. 2, Col. 6, Ln. 18		2.63%		
7	Expected Storage Gas Use - August 2003	Line 5 * Line 6				(60,487)
8	Balance	Line 2 + Line 7				<u>367,759</u>
9						
10	Incremental Fuel Use - Plant Start-Up					
11	Plant Use Gas - August 2003	Pg. 2, Col. 1, Ln. 4	113,079			
12	Estimated Unmeasured Gas - August 2003	Note 1/	<u>50,000</u>			
13	Total August Plant Use	Line 11 + Line 12	163,079			
14						
15	Customer Gas Delivered From Storage (Sendout) - August 2003	Pg. 2, Col. 1, Ln. 8	2,300,341			
16	Plant Reactivation Cargo (Sendout) - August 2003	Note 1/	<u>1,601,209</u>			
17	Total Sendout	Line 15 + Line 16	3,901,550			
18						
19	Plant Use Gas as % of Total Sendout	Line 13/Line 17		4.18%		
20						
21	Storage Gas Use as % of Customer Sendout (Sept - Dec)	Pg. 2, Col. 6, Ln. 18	2.63%			
22	Plant Use as % of Sendout (Sept - Dec)	Pg. 2, Col. 6, Ln. 19	<u>2.26%</u>			
23	Non-Plant Use as % of Sendout	Line 21 - Line 22		0.37%		
24						
25	Plant/Non-Plant Start-Up Storage Gas Use % - August 2003	Line 19 + Line 23		4.55%		
26	Average Storage Gas Use as % of Sendout (Sept-Dec)	Pg. 2, Col. 6, Ln. 18		<u>2.63%</u>		
27	Incremental Storage Gas Use % - Plant Start-Up	Line 25 - Line 26			1.92%	
28	Customer Gas Delivered From Storage (Sendout) - August 2003	Pg. 2, Col. 1, Ln. 8		2,300,341		
29	Incremental Storage Gas Use due to Start-up Efficiency Issues	Line 27 * Line 28				(44,239)
30	Balance	Line 8 + Line 29				<u>323,521</u>
31						
32						
33	Plant Reactivation Cargo Fuel Use					
34						
35	Plant/Non-Plant Start-Up Storage Gas Use % - August 2003	Line 25		4.55%		
36	Plant Reactivation Cargo (Sendout) - August 2003	Line 16		<u>1,601,209</u>		
37	Start-Up Storage Gas Use for Plant Reactivation Cargo	Line 35 * Line 36				(72,897)
38	Balance	Line 30 + Line 37				<u>250,624</u>
39						
40	August Commercial Cargo					
41	Tank Balance prior to August Commercial Cargo Arrival	Note 1/	464,612			
42	August Commercial Cargo	Pg. 2, Col. 1, Ln. 5	<u>3,010,582</u>			
43	Calculated Tank Balance including August Commercial Cargo	Line 41 + Line 42		3,475,194		
44	Sendout During August Commercial Cargo Unloading	Note 1/		(314,069)		
45	Boil-Off During August Commercial Cargo Unloading	Note 1/		(43,537)		
46	Plant Use from CP Pipeline During Aug. Comm. Cargo Unloading	Note 1/		<u>16,619</u>		
47	Expected Tank Balance After Aug. Comm. Cargo Unloading	Sum of Ln. 43 to Ln.46			3,134,207	
48	Actual Tank Balance After Aug. Comm. Cargo Unloading	Note 1/			<u>3,023,627</u>	
49	Loss Due to Events Associated w/ Aug. Commercial Cargo	Line 47 - Line 48				(110,580)
50	Balance	Line 38 + Line 49				<u>140,044</u>
51						
52	Tank B Plant Heel					
53	Replacement of Tank B Plant Heel	Note 1/				(12,000)
54	Balance	Line 50 + Line 53				<u>128,044</u>
55						
56	Additional Start-Up Activities					
57	Various (e.g. transmitter calibration, preparedness testing,					
58	personnel training for safe/emergency operation,					
59	leak repair, etc.)	Note 1/				(128,044)
60	Balance	Line 54 + Line 59				<u>0</u>

Notes:

1/ See Explanation Provided in the Filing Letter

Exhibit No. DCP-23

Dominion Cove Point LNG, LP
Monthly Storage Activity
For the Period
8/1/2003 - 12/31/2003
(Quantities in Dcb)

Attachment A
Page 2 of 2

<u>Line</u>	<u>Description</u>	<u>Aug-03</u> (1)	<u>Sep-03</u> (2)	<u>Oct-03</u> (3)	<u>Nov-03</u> (4)	<u>Dec-03</u> (5)	<u>Send - Dec.</u> (6)
1	<u>Storage Gas Used</u>						
2	Beginning Storage Tanks Balance	280,035	357,820	1,670,343	1,826,910	2,264,538	
3	<u>Gas Delivered to Storage</u>						
4	Plant Use Gas from CP Pipeline	113,079	247,851	322,901	391,470	369,351	1,331,573
5	LTD Gas Delivered to Storage	3,010,582	12,924,317	15,032,207	18,006,973	16,909,011	
6	Total Gas Delivered to Storage	3,123,661	13,172,368	15,355,108	18,398,443	17,278,362	
7	<u>Gas Delivered from Storage</u>						
8	Gas Delivered from Storage (Sendout)	(2,300,341)	(11,273,827)	(14,351,597)	(17,269,735)	(15,909,947)	(59,005,106)
9	Boil-off Gas Delivered from Storage	(317,289)	(284,517)	(259,685)	(254,713)	(244,818)	
10	Total Gas Delivered from Storage	(2,617,630)	(11,558,344)	(14,611,282)	(17,524,448)	(16,154,765)	
11	Capitalized Gas for Reactivation						
12	Calculated Storage Tanks Balance	786,066	1,971,844	2,214,169	2,700,905	3,388,135	
13							
14	Measured Storage Tanks Balance	357,820	1,670,343	1,826,910	2,264,538	2,961,746	
15							
16	Storage Gas Used	428,246	301,501	387,259	436,367	426,389	1,551,516
17							
18	Storage Gas Used as % of Sendout 1/		2.67%	2.66%	2.53%	2.68%	2.63%
19	Plant Use as % of Sendout 2/		2.20%	2.22%	2.27%	2.32%	2.26%

Notes:

1/ Line 16 divided by Line 8

2/ Line 4 divided by Line 8

Exhibit No. DCP-23

Dominion Cove Point LNG, LP
Section 5(h) Example
(Quantities in Dth)

Attachment B
Page 1 of 1

<u>Ln.</u>	<u>Description</u>	<u>Reference</u>	<u>Scenario 1 w/ Carryover (1)</u>	<u>Scenario 2 w/o Carryover (2)</u>
1	FPS Customer Capacity		500,000	500,000
2	FPS Customer Withdrawals		400,000	500,000
3	Carryover (or Gas not Withdrawn)		100,000	0
4				
5	Estimated Boil-Off on Carryover	Note 1/	16.40%	16.40%
6				
7				
8	Boil-Off on Carryover		16,400	0
9				
10	Boil-Off LTD required to nominate (cost to LTD)		16,400	0
11				
12				
13	FPS injections required to fill capacity		400,000	500,000
14	Proposed Retainage Percentage		2.7%	2.7%
15	Benefit to LTD Shippers through Fuel Tracker		10,800	13,500
16				
17	Applicable Cove Point 5(h) Balance		100,000	0
18	Proposed Section 5(h) Charge (Compensation for Boil-Off)		2.7%	2.7%
19			2,700	0
20				
21	Benefit to LTD Shippers/Cost to FPS Shippers		13,500	13,500

Notes:

1/ See March 31, 2003 Dominion Cove Point LNG, LP Annual Retainage Filing. Percentage derived from Appendix A-2 by dividing Line 27 by Line 16.