

Dominion Midstream Partners, LP
Form S-1
March 28, 2014
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As filed with the Securities and Exchange Commission on March 28, 2014

Registration No. 333-

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM S-1
REGISTRATION STATEMENT

UNDER

THE SECURITIES ACT OF 1933

Dominion Midstream Partners, LP

(Exact Name of Registrant as Specified in Its Charter)

Delaware
(State or Other Jurisdiction of
Incorporation or Organization)

4922
(Primary Standard Industrial

46-5135781
(I.R.S. Employer

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Classification Code Number)

Identification Number)

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Richmond, Virginia 23219

(804) 819-2000

(Address, Including Zip Code, and Telephone Number, Including Area Code, of Registrant's Principal Executive Offices)

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Approximate date of commencement of proposed sale to the public:

As soon as practicable after this registration statement becomes effective.

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If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, as amended (the "Securities Act"), check the following box. "

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. "

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. "

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. "

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer " Accelerated filer "
 Non-accelerated filer (Do not check if a smaller reporting company) Smaller reporting company "

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	Proposed Maximum Aggregate Offering Price ⁽¹⁾⁽²⁾	Amount of Registration Fee
Common units representing limited partner interests	\$400,000,000.00	\$51,520.00

(1) Includes common units issuable upon exercise of the underwriters' option to purchase additional common units.

(2) Estimated solely for the purpose of calculating the registration fee pursuant to Rule 457(o) under the Securities Act.

The registrant hereby amends this registration statement on such date or dates as may be necessary to delay its effective date until the registrant shall file a further amendment which specifically states that this registration statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act or until the registration statement shall become effective on such date as the Securities and Exchange Commission, acting pursuant to said Section 8(a), may determine.

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The information in this preliminary prospectus is not complete and may be changed. We may not sell these securities until the registration statement filed with the Securities and Exchange Commission becomes effective. This preliminary prospectus is not an offer to sell these securities and we are not soliciting an offer to buy these securities in any jurisdiction where the offer or sale is not permitted.

Subject to Completion, dated March 28, 2014

PROSPECTUS

Dominion Midstream Partners, LP
Common Units
Representing Limited Partner Interests

This is the initial public offering of our common units representing limited partner interests. We are offering _____ common units. Prior to this offering, there has been no public market for our common units. We currently expect the initial public offering price to be between \$ _____ and \$ _____ per common unit. We intend to apply to list our common units on the New York Stock Exchange under the symbol DM.

Immediately following the closing of this offering, our sole cash flow generating asset will be a preferred equity interest in Dominion Cove Point LNG, LP.

Investing in our common units involves risks. Please read Risk Factors beginning on page 23.

These risks include the following:

Our preferred equity interest in Dominion Cove Point LNG, LP may not generate sufficient cash following the establishment of cash reserves and payment of costs and expenses, including cost reimbursements to our general partner and its affiliates, to enable us to pay the minimum quarterly distribution to our unitholders.

Unitholders have limited voting rights and are not entitled to elect our general partner or its directors, which could reduce the price at which our common units will trade.

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Dominion Resources, Inc. owns and controls our general partner, which has sole responsibility for conducting our business and managing our operations. Our general partner and its affiliates, including Dominion Resources, Inc., have conflicts of interest with us and limited duties, and they may favor their own interests to our detriment and that of our unitholders.

Unitholders will experience immediate and substantial dilution of \$ _____ per common unit.

There is no existing market for our common units, and a trading market that will provide you with adequate liquidity may not develop. The price of our common units may fluctuate significantly, and unitholders could lose all or part of their investment.

Our tax treatment depends on our status as a partnership for federal income tax purposes and not being subject to a material amount of entity-level taxation. If the Internal Revenue Service were to treat us as a corporation for federal income tax purposes, or if we become subject to entity-level taxation for state tax purposes, our cash available for distribution to unitholders would be substantially reduced.

Even if unitholders do not receive any cash distributions from us, they will be required to pay taxes on their share of our taxable income.

In order to comply with applicable Federal Energy Regulatory Commission (the "FERC") rate-making policies, we require an owner of our common units to be an Eligible Holder. Eligible Holders are individuals or entities whose U.S. federal income tax status (or lack thereof) is not reasonably likely to have a material adverse effect on the rates that can be charged to customers with respect to assets that are subject to regulation by the FERC or a similar regulatory body. If you are not an Eligible Holder, you will not be entitled to receive distributions or allocations of income or loss on your common units and your common units will be subject to redemption.

In addition, we qualify as an emerging growth company as defined in Section 2(a)(19) of the Securities Act and, as such, are allowed to provide in this prospectus more limited disclosures than an issuer that would not so qualify. Furthermore, for so long as we remain an emerging growth company, we will qualify for certain limited exceptions from investor protection laws such as the Sarbanes-Oxley Act of 2002 and the Investor Protection and Securities Reform Act of 2010. Please read Risk Factors and Summary Emerging Growth Company Status.

	Per Common Unit	Total
Public Offering Price	\$	\$
Underwriting Discount ⁽¹⁾	\$	\$
Proceeds to Dominion Midstream Partners, LP (before expenses)	\$	\$

⁽¹⁾ Excludes a structuring fee of _____ % of the gross proceeds of this offering, including the gross proceeds from any exercise of the underwriters' option to purchase additional units, payable to Barclays Capital Inc. and Citigroup Global Markets Inc. Please read Underwriting.

The underwriters may purchase up to an additional _____ common units from us at the public offering price, less the underwriting discount, within 30 days from the date of this prospectus to cover over-allotments.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

The underwriters expect to deliver the common units to purchasers on or about _____ through the book-entry facilities of The Depository Trust Company.

BarclaysCitigroup

Prospectus dated _____, 2014

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Cove Point LNG Facility Lusby, Maryland

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You should rely only on the information contained in this prospectus, any free writing prospectus prepared by or on behalf of us or any other information to which we have referred you in connection with this offering. We have not, and the underwriters have not, authorized any other person to provide you with information different from that contained in this prospectus. Neither the delivery of this prospectus nor sale of our common units means that information contained in this prospectus is correct after the date of this prospectus. This prospectus is not an offer to sell or solicitation of an offer to buy our common units in any circumstances under which the offer or solicitation is unlawful.

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Industry and Market Data	

This prospectus includes industry data and forecasts that we obtained from industry publications and surveys, public filings and internal company sources. Industry publications and surveys and forecasts generally state that the information contained therein has been obtained from sources believed to be reliable, but there can be no assurance as to the accuracy or completeness of the included information. Statements as to our market position and market estimates are based on independent industry publications, government publications, third-party forecasts, management's estimates and assumptions about our markets and our internal research. While we are not aware of any misstatements regarding the market, industry or similar data presented herein, such data involve risks and uncertainties and are subject to change based on various factors, including those discussed under the headings "Forward-Looking Statements" and "Risk Factors" in this prospectus.

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Trademarks and Trade Names

We own or have rights to various trademarks, service marks and trade names that we use in connection with the operation of our business. This prospectus may also contain trademarks, service marks and trade names of third parties, which are the property of their respective owners. Our use or display of third parties' trademarks, service marks, trade names or products in this prospectus is not intended to, and should not be read to, imply a relationship with or endorsement or sponsorship of us. Solely for convenience, the trademarks, service marks and trade names referred to in this prospectus may appear without the ®, TM or SM symbols, but such references are not intended to indicate, in any way, that we will not assert, to the fullest extent under applicable law, our rights or the right of the applicable licensor to these trademarks, service marks and trade names.

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SUMMARY

*This summary highlights information contained elsewhere in this prospectus. You should read the entire prospectus carefully, including the historical and pro forma financial statements and the notes to those financial statements, before investing in our common units. The information presented in this prospectus assumes an initial public offering price of \$ _____ per common unit (the mid-point of the price range set forth on the cover page of this prospectus) and, unless otherwise indicated, that the underwriters' option to purchase additional common units is not exercised. You should read *Risk Factors* for information about important risks that you should consider before buying our common units.*

*References in this prospectus to *Cove Point*, *the Predecessor*, *our predecessor*, and *we*, *our*, *us*, *our partnership* or like terms when used in a historical context refer to Dominion Cove Point LNG, LP, which is our predecessor for accounting purposes, and when used in the present tense or prospectively, *Dominion Midstream*, *we*, *our*, *us* or like terms refer to Dominion Midstream Partners, LP and its wholly-owned subsidiary, *Cove Point GP Holding Company, LLC*. Unless the context otherwise requires, references in this prospectus to *Dominion* refer collectively to *Dominion Resources, Inc.* and its subsidiaries, other than us and *Cove Point*. We include a glossary of some of the terms used in this prospectus as Appendix C.*

Dominion Midstream Partners, LP

Overview

We are a growth-oriented Delaware limited partnership formed on March 11, 2014 by Dominion to initially own all of the outstanding preferred equity interests (the ***Preferred Equity Interest***) in Dominion Cove Point LNG, LP, a Delaware limited partnership (***Cove Point***), which owns liquefied natural gas (***LNG***) import, storage, regasification and transportation assets. We expect that our relationship with Dominion, which has substantial additional midstream assets, should provide us the opportunity over time to grow a portfolio of natural gas terminalling, processing, storage, transportation and related assets. Cove Point is the owner and operator of the Dominion Cove Point LNG Facility, an LNG import/regasification and storage facility located on the Chesapeake Bay in Lusby, Maryland (the ***Cove Point LNG Facility***), and approximately 136 miles of natural gas pipeline (the ***Cove Point Pipeline***) that connects the Cove Point LNG Facility to interstate natural gas pipelines. Cove Point is currently generating significant revenue and earnings from annual reservation payments under regasification, storage and transportation contracts with a portfolio of creditworthy counterparties, including affiliates of BP, Royal Dutch Shell and Statoil.

Cove Point is actively pursuing the development of natural gas export/liquefaction facilities (the ***Liquefaction Project*** and, together with the Cove Point Pipeline and the Cove Point LNG Facility, the ***Cove Point Facilities***) on land already owned by Cove Point, which is within the developed area of the existing Cove Point LNG Facility. The Liquefaction Project is expected to be completed and placed into service in late 2017. Liquefaction is the process by which natural gas is converted into LNG, which can be loaded into LNG vessels for export. U.S. exports of LNG are expected to increase substantially over the next decade, driven by an abundant supply of natural gas in the U.S., combined with projected growth in worldwide demand for natural gas and significantly higher prices globally, particularly in Asia. The Liquefaction Project's available capacity is fully contracted with two counterparties: (1) a joint venture between Sumitomo Corporation and Tokyo Gas Co., Ltd. and (2) a subsidiary of GAIL (India) Limited. Each contract is a long-term fixed reservation fee agreement with a 20-year term commencing on the date the Liquefaction Project is placed in service. Upon completion, the Liquefaction Project is expected to substantially increase the cash flows and income generated by Cove Point, in which we hold the Preferred Equity Interest.

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Dominion is the owner of all of the common equity interests in Cove Point and has indicated that it intends to provide the funding necessary for the development of the Liquefaction Project and other capital expenditures incurred by Cove Point. Dominion has granted us a right of first offer with respect to any future sale of its common equity interests in Cove Point, which should benefit from the expected increased cash flows and income associated with the Liquefaction Project upon its completion, and we may also acquire newly issued common equity or additional preferred equity interests in Cove Point.

Preferred Equity Interest

Immediately following the consummation of this offering, our sole cash flow generating asset will be the Preferred Equity Interest. The Preferred Equity Interest is a perpetual, non-convertible preferred equity interest entitled to the first \$50.0 million of annual cash distributions made by Cove Point (*Preferred Return Distributions*) so long as Cove Point has sufficient cash and undistributed Net Operating Income (determined on a cumulative basis from the closing of this offering) from which to make Preferred Return Distributions. Preferred Return Distributions will be made on a quarterly basis and will not be cumulative. *Net Operating Income* means Cove Point's gross revenues from operations minus its interest expense and operating expenses, but excluding depreciation and amortization, as determined for U.S. federal income tax purposes. Our Preferred Equity Interest is also entitled to a portion of Cove Point's cash distributions above a certain threshold. Please read Business Preferred Equity Interest.

We expect that Cove Point will generate cash and cumulative Net Operating Income in excess of that required to make Preferred Return Distributions through the expected completion of the Liquefaction Project in late 2017 and thereafter. We base our expectation on the existing long-term contracts with firm reservation charges for substantially all of the regasification and storage capacity of the Cove Point LNG Facility and all of the transportation capacity of the Cove Point Pipeline and the belief that the Liquefaction Project will commence operations in 2017. While we expect Cove Point's cash flows and Net Operating Income from its existing import contracts and associated transportation contracts to decrease as those contracts expire in 2017 and 2023, we expect the cash flows and Net Operating Income from the Liquefaction Project, once completed, to replace and substantially exceed Cove Point's cash flows and Net Operating Income from its existing import contracts and associated transportation contracts. Until the Liquefaction Project is completed, Cove Point will be prohibited from making a distribution on its common equity interests until it has a distribution reserve sufficient to pay two quarters of Preferred Return Distributions. We intend to cause Cove Point to fully fund such distribution reserve by December 31, 2016, but there can be no assurance that funds will be available or sufficient for such purpose or that Cove Point will have sufficient cash and undistributed Net Operating Income to permit it to continue to make Preferred Return Distributions after the expiration of certain of its contracts in 2017. We do not expect to cause Cove Point to make distributions on its common equity prior to the Liquefaction Project commencing commercial service.

Cove Point

Overview

Cove Point's operations currently consist of LNG import and storage services at the Cove Point LNG Facility and the transportation of domestic natural gas and regasified LNG to Mid-Atlantic markets via the Cove Point Pipeline. Following binding commitments from counterparties, Cove Point has requested regulatory approval to operate the Cove Point LNG Facility as a bi-directional facility, able to import LNG and vaporize it as natural gas or to liquefy domestic natural gas and export it as LNG.

Table of Contents**Operations***Import/Storage/Regasification Facilities*

The Cove Point LNG Facility includes an offshore pier, LNG storage tanks, regasification facilities and associated equipment required to (i) receive imported LNG from tankers, (ii) store LNG in storage tanks, (iii) regasify LNG and (iv) deliver regasified LNG to the Cove Point Pipeline. The Cove Point LNG Facility has an operational peak regasification capacity of approximately 1,800 MDT/day and an aggregate LNG storage capacity of 695,000 cubic meters of LNG, or approximately 14.6 Bcfe, all of which is currently fully contracted. In addition, the Cove Point LNG Facility has an existing liquefier (unrelated to the Liquefaction Project) capable of liquefying approximately 15 MDT/day of natural gas. This liquefaction capacity is primarily used to liquefy natural gas received from domestic customers that store LNG in our tanks for use during peak periods of natural gas demand.

Cove Point currently provides services under (i) long-term agreements with three LNG import shippers (the **Import Shippers**) for an aggregate of 1,000 MDT/day of firm and off-peak regasification capacity, and (ii) long-term agreements for an aggregate 204 MDT/day of firm capacity with four local distribution companies that receive firm peaking services (the **Storage Customers**), whereby the Storage Customers deliver domestic natural gas to the Cove Point LNG Facility to be liquefied and stored during the summer for withdrawal on a limited number of days at peak times during the winter. Cove Point also has an additional 800 MDT/day of regasification capacity committed under a separate agreement with Statoil Natural Gas, LLC (**Statoil**), one of the Import Shippers. Although the Cove Point LNG Facility is not currently receiving any LNG import shipments (other than to maintain the facility in a cryogenic state), its customers are required to pay fixed monthly charges, regardless of whether they use the amount of capacity they have paid to reserve at the Cove Point LNG Facility. Following the expiration of certain Cove Point regasification and transportation contracts with Statoil in 2017, the resulting available storage and transportation capacity will be utilized in connection with the Liquefaction Project. Please read **Business About Cove Point Operations Cove Point's Import/Storage/Regasification Facilities**. The following table sets forth certain details of Cove Point's long-term agreements with its customers related to its import/storage/regasification facilities and existing liquefier.

Cove Point Import Shippers / Storage Customers

	Contract Expiration	Annual Reservation Payments⁽¹⁾ (in thousands)
Import Shipper		
BP Energy Company	8/18/2023	\$ 23,948
Shell NA LNG, Inc.	8/18/2023	23,948
Statoil	8/18/2023	23,948
Statoil ⁽²⁾	5/1/2017	117,673
Storage Customer⁽³⁾		
Atlanta Gas Light Company	4/15/2015	2,006
Public Service Company of North Carolina, Incorporated	4/15/2021	727
Virginia Natural Gas, Inc.	4/15/2016	291
Washington Gas Light Company	4/15/2015	1,028
Washington Gas Light Company	8/31/2018	857
Total (subject to rounding)		\$ 194,425

(1) These reservation payments are subject to potential changes at January 1, 2017 because Cove Point is required to file its next rate case with the FERC in 2016. However, reservation payments identified in note 3 below are not subject to change.

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- (2) Statoil's maximum daily delivery quantity under this contract will decrease commencing January 1, 2017, in advance of contract expiration on May 1, 2017, resulting in total anticipated reservation payments of approximately \$10.7 million in 2017.
- (3) Several of these contracts are subject to evergreen provisions and may be renewed.

Pipeline Facilities

The Cove Point Pipeline is a 36-inch diameter bi-directional underground, interstate natural gas pipeline that extends approximately 88 miles from the Cove Point LNG Facility to interconnections with pipelines owned by Transcontinental Gas Pipe Line Company, LLC (*Transco*) in Fairfax County, Virginia, Columbia Gas Transmission LLC (*Columbia*) and Dominion Transmission, Inc. (*DTI*), an indirect wholly-owned subsidiary of Dominion. Both the Columbia and DTI interconnections are located in Loudoun County, Virginia. In 2009, the original pipeline was expanded to include a 36-inch diameter loop that extends approximately 48 miles, roughly seventy-five percent (75%) of which is parallel to the original pipeline.

Cove Point offers open-access transportation services, including firm transportation, off-peak firm transportation and interruptible transportation, with cost-based rates and terms and conditions that are subject to the jurisdiction of the FERC. Firm transportation services are generally provided based on a reservation-based fee that is designed to recover Cove Point's fixed costs and earn a reasonable return. Cove Point also provides certain incrementally priced, firm transportation services that are associated with expansion projects. Cove Point's firm transportation customers (the *Firm Transportation Customers*) are required to pay fixed monthly fees, regardless of whether they use their reserved capacity. The Cove Point Pipeline serves as the primary method of transportation of natural gas supplies to or from the Cove Point LNG Facilities. The following table sets forth certain details of Cove Point's existing agreements with its customers related to its firm and off-peak transportation services.

Cove Point Pipeline Transportation Customers

Transportation Customer	Contract Expiration ⁽¹⁾	Annual Reservation Payments ⁽²⁾ (in thousands)
Atlanta Gas Light Company	4/15/2015	\$ 363
BP Energy Company	8/18/2023	1,434
Public Service Company of North Carolina, Incorporated	4/15/2021	132
Sempra Energy Trading LLC	5/31/2016	126
Shell NA LNG, Inc.	8/18/2023	1,434
Statoil	8/18/2023	1,434
Statoil ⁽³⁾	5/1/2017	32,430
Virginia Natural Gas, Inc.	4/15/2016	53
Virginia Power Services Energy Corp., Inc.	4/30/2025	1,565
Washington Gas Light Company	4/15/2015	263
Washington Gas Light Company	8/31/2018	263
Washington Gas Light Company	4/30/2025	5,764
Total (subject to rounding)		\$ 45,260

- (1) Several of these contracts are subject to evergreen provisions and may be renewed.
- (2) These reservation payments are subject to potential changes at January 1, 2017 because Cove Point is required to file its next rate case with the FERC in 2016. However, reservation payments identified in note 3 below are not subject to change.
- (3) Statoil's maximum firm transportation quantity will decrease commencing January 1, 2017, in advance of contract expiration on May 1, 2017, resulting in anticipated reservation payments of approximately \$2.2 million in 2017.

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Export/Liquefaction Facilities

Cove Point is in the process of developing the Liquefaction Project, which will consist of one LNG train with a design nameplate outlet capacity of 5.25 Mtpa. Under normal operating conditions and after accounting for maintenance downtime and other losses, the firm contracted capacity for LNG loading onto ships, which we refer to in this prospectus as available capacity, will be approximately 4.6 Mtpa (0.66 Bcfe/d). Cove Point has authorization from the United States Department of Energy (*DOE*) to export up to 0.77 Bcfe/d (approximately 5.75 Mtpa) should the liquefaction facilities perform better than expected. Once completed, the Liquefaction Project will enable the Cove Point LNG Facility to liquefy domestically produced natural gas and export it as LNG. The Liquefaction Project will be constructed on land already owned by Cove Point, which is within the developed area of the existing Cove Point LNG Facility, and will be integrated with a number of the facilities that are currently operational. Domestic natural gas will be delivered to the Cove Point LNG Facility through the Cove Point Pipeline for liquefaction and will be exported as LNG.

Cove Point has executed service contracts for the Liquefaction Project with two counterparties, each of which has contracted for fifty-percent (50%) of the available capacity. The two counterparties are: (1) ST Cove Point, LLC, a joint venture of Sumitomo Corporation, a Japanese corporation that is one of the world's leading trading companies, and Tokyo Gas Co., Ltd., a Japanese corporation that is the largest natural gas utility in Japan; and (2) GAIL Global (USA) LNG LLC, a wholly-owned indirect U.S. subsidiary of GAIL (India) Limited, one of the largest government-linked natural gas companies in India (together, the *Export Customers*). These Export Customers have each entered into a 20-year agreement for the planned liquefaction and export services. In addition, each of the Export Customers has entered into a pipeline precedent agreement for an accompanying 20-year service agreement for firm transportation on the Cove Point Pipeline. Cove Point will provide terminal services for the Export Customers as a tolling service, and the Export Customers will be responsible for procuring their own natural gas supplies and transporting such supplies to or from the Cove Point LNG Facilities. Following the completion and initial startup phase of the Liquefaction Project, Cove Point anticipates that total revenues, including reservation charges on the Cove Point Pipeline, will be in excess of \$800 million per year.

The Liquefaction Project will utilize existing storage tanks at the Cove Point LNG Facility to store LNG produced by the liquefaction facilities. Total installed storage capacity is 695,000 cubic meters of LNG, or approximately 14.6 Bcfe of gas. The Export Customers together will have firm access to 6.8 Bcfe of the existing storage capacity, which will be made available upon the expiration of one of Cove Point's import contracts with Statoil on May 1, 2017, with the balance of existing capacity available for Cove Point's Import Shippers and Storage Customers. Subject to receipt of regulatory approvals, Cove Point intends to commence construction of the Liquefaction Project in the third quarter of 2014 in order to place the Liquefaction Project facilities in service during late 2017.

The total costs of developing the Liquefaction Project are estimated to be \$3.4 billion to \$3.8 billion, excluding financing costs. Through December 31, 2013, Cove Point incurred \$347.5 million of development costs associated with the Liquefaction Project. Dominion has indicated that it intends to provide the funding necessary for the remaining development costs for the Liquefaction Project, but it is under no obligation to do so. We intend to cause Cove Point to use the net proceeds contributed to it in connection with this offering to fund a portion of development and construction costs associated with the Liquefaction Project.

Cove Point's Pipeline Facilities Associated with the Liquefaction Project

The existing Cove Point Pipeline will transport natural gas to the Cove Point LNG Facility for liquefaction pursuant to contracts with the Exports Customers described above. The three major pipelines that interconnect with the Cove Point Pipeline access several other interstate pipelines, allowing domestically produced natural gas available for export to be sourced from numerous producing regions across North America.

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In connection with the Liquefaction Project, pressure on the Cove Point Pipeline may be increased to enable Cove Point to meet both the existing and proposed firm contractual obligations, and Cove Point therefore expects to construct additional compression and related facilities in order to move the gas delivered to the Cove Point Pipeline to the Cove Point LNG Facility for liquefaction. Subject to receipt of regulatory approvals, Cove Point intends to commence construction of these additional Cove Point Pipeline facilities in 2016 for placement in service during late 2017.

Liquefaction Project Regulatory and Other Proceedings

Prior to being able to export LNG, Cove Point must receive approvals from the DOE to export the commodity, from the FERC to construct and operate the facilities, and from the Public Service Commission of Maryland (the **Maryland Commission**) to construct the power generation facilities at the Cove Point LNG Facility. In October 2011, the DOE granted approval for the export of up to 1.0 Bcfe/d of natural gas to countries that have or will enter into a Free Trade Agreement (**FTA**) for trade in natural gas (the **FTA Authorization**). In September 2013, the DOE also granted approval for the export of up to 0.77 Bcfe/d of natural gas to countries that do not have an FTA for trade in natural gas (the **Non-FTA Authorization**). The FTA Authorization and Non-FTA Authorization have 25- and 20-year terms, respectively. Cove Point may not treat the volumes authorized for export pursuant to the FTA Authorization and the Non-FTA Authorization as additive to one another.

In April 2013, Cove Point filed its application with the FERC requesting authorization to construct, modify and operate the Liquefaction Project, as well as enhance the Cove Point Pipeline. In April 2013, Cove Point also filed an application with the Maryland Commission requesting authorization to construct a generating station in connection with the Liquefaction Project. These proceedings are currently pending and awaiting approvals from the regulatory agencies.

Business Strategies

Our primary business objective is to generate stable and growing cash flows, which will enable us to maintain and increase our cash distributions per unit over time. We intend to accomplish this objective by executing the following strategies:

Pursue accretive acquisitions from Dominion. We intend to seek opportunities to expand our initial asset base primarily through accretive acquisitions from Dominion. Dominion has granted us a right of first offer with respect to any future sale of its common equity interests in Cove Point, and we may also acquire newly issued common or additional preferred equity interests in Cove Point. Furthermore, Dominion has granted us a right of first offer with respect to any future sale of its indirect ownership interest in Blue Racer Midstream, LLC (**Blue Racer**), which is a growing midstream company focused on the Utica Shale formation. In addition, we believe Dominion will offer us opportunities to acquire other midstream assets that it may acquire or develop in the future or that it currently owns. We believe that Dominion's economic relationship with us incentivizes it to offer us acquisition opportunities, although it is under no obligation to do so. Please read [Our Relationship with Dominion](#).

Pursue third-party acquisitions and organic growth opportunities. We also intend to grow our business by pursuing strategic acquisitions from third parties and, as we acquire additional assets, future organic growth opportunities at those acquired assets. Our third-party growth strategy will include assets both within the existing geographic footprint of Dominion's natural gas-related businesses and potentially in new areas.

Focus on long-term, stable cash flows. We intend to pursue future growth opportunities, whether through our relationship with Dominion, third-party acquisitions or organic growth opportunities, that provide long-term, stable cash flows.

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Capitalize on Dominion's midstream experience in the Utica and Marcellus Shale formations. We intend to capitalize on Dominion's midstream experience in the high growth areas of the Utica and Marcellus Shale formations. Dominion's experience in these shale formations, as well as its extensive footprint, could potentially provide significant growth opportunities.

Competitive Strengths

We believe we are well positioned to execute our business strategies based on the following competitive strengths:

Our affiliation with Dominion. We believe that Dominion, one of the nation's largest producers and transporters of energy and the ultimate owner of our general partner, all of our incentive distribution rights (*IDRs*) and a % limited partner interest in us, is motivated to promote and support the successful execution of our primary business objective through, for example, the following:

Cove Point acquisition opportunities: Dominion will retain all of the common equity interests in Cove Point immediately following the consummation of this offering and Dominion has granted us a right of first offer with respect to any future sale of these common equity interests. We may also acquire newly issued common equity interests in Cove Point or additional preferred equity interests in Cove Point in the future, which should benefit from the expected increase in cash flows and income associated with the Liquefaction Project upon its completion, provided that any issuances of additional equity interests in Cove Point would require both our and Dominion's approval.

Other existing Dominion midstream assets: Dominion has granted us a right of first offer with respect to any future sale of its indirect ownership interest in Blue Racer. Furthermore, Dominion owns and operates a large portfolio of midstream natural gas assets. We believe Dominion will offer us opportunities to acquire additional midstream assets that it currently owns, although it is under no obligation to do so.

Future Dominion acquisition opportunities: One of the drivers from Dominion's overall capital investment program is the future construction of infrastructure to handle the increase in natural gas production from the Marcellus and Utica Shale formations. We believe Dominion will offer us the opportunity to acquire additional midstream assets it constructs or acquires in the future, although it is not obligated to do so.

Significant industry and management expertise: Through our relationship with Dominion, we will have access to a significant pool of management talent, strong commercial relationships throughout the energy industry and the broad operational, commercial, technical, risk management and administrative infrastructure of Dominion. We believe this access will, among other things, enhance the execution of our expansion and acquisition strategies. Our management team includes many senior employees of Dominion with extensive experience in the energy industry.

Stable cash flows underpinned by long-term, fixed-fee contracts. The cash flow attributable to our Preferred Equity Interest is underpinned by long-term agreements with counterparties that are creditworthy entities or whose obligations are guaranteed by creditworthy entities. These counterparties are obligated to make fixed reservation or similar payments, regardless of whether such customers use the amount of capacity that they have reserved with respect to the Cove Point Facilities.

Strategic location within the developed area of existing facilities. We believe that the Liquefaction Project's location within the developed area of the existing Cove Point LNG Facility provides significant cost advantages for Cove Point by allowing Cove Point to utilize the existing marine facilities, interconnecting pipelines, storage capacity and other infrastructure.

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Financial flexibility and strong capital structure. At the consummation of this offering, we will not have any outstanding indebtedness and will have an undrawn borrowing capacity of \$300 million under our credit facility with Dominion, allowing us to competitively pursue acquisitions and future organic growth opportunities.

Our competitive strengths are subject to a number of risks and competitive challenges. Please read **Risk Factors** **Risks Inherent in Our Ability to Generate Stable and Growing Cash Flows**, **Business Competitive Strengths** and **Business Competition**.

Risk Factors

An investment in our common units involves risks. You should carefully consider the risks described in **Risk Factors** and the other information in this prospectus before deciding whether to invest in our common units.

Management

We are managed and operated by the board of directors and executive officers of our general partner, Dominion Midstream GP, LLC, an indirect wholly-owned subsidiary of Dominion. Dominion will have the right to appoint all members of the board of directors of our general partner, including at least three directors meeting the independence standards established by the New York Stock Exchange (*NYSE*). At least one of our independent directors will be appointed prior to the date our common units are listed for trading on the NYSE. Our unitholders will not be entitled to elect our general partner or its directors or otherwise directly participate in our management or operations. For more information about the executive officers and directors of our general partner, please read **Management**.

Cove Point's general partner, which will be our wholly-owned subsidiary, will control Cove Point, subject to specified approval rights maintained by Dominion in connection with its ownership of common equity interests in Cove Point. We will manage the business and affairs of Cove Point's general partner.

Our Relationship with Dominion

We view our relationship with Dominion as a significant competitive strength. We believe this relationship will provide us with potential acquisition opportunities from a broad portfolio of existing midstream assets that meet our strategic objectives, as well as access to personnel with extensive technical expertise and industry relationships. Dominion has granted us a right of first offer with respect to any future sale of its common equity interests in Cove Point. We may also acquire newly issued common equity or additional preferred equity interests in Cove Point in the future, provided that any issuances of additional equity interests in Cove Point would require both our and Dominion's approval. Any additional equity interests that we acquire in Cove Point would allow us to participate in the significant growth in cash flows and income expected following the completion of the Liquefaction Project. In addition, acquisition opportunities may arise from future midstream pipeline, terminalling, processing, transportation and storage assets acquired or constructed by Dominion.

Dominion, headquartered in Richmond, Virginia, is one of the nation's largest producers and transporters of energy. Dominion's strategy is to be a leading provider of electricity, natural gas and related services to customers primarily in the eastern region of the U.S. Dominion's portfolio of assets includes approximately 23,600 MW of generating capacity, 10,900 miles of natural gas transmission, gathering and storage pipelines, 21,900 miles of gas distribution pipelines, exclusive of service lines, 6,400 miles of electric transmission lines and 57,000 miles of electric distribution lines. Dominion presently serves utility and retail energy customers in 15 states and operates one of the nation's largest underground natural gas storage systems, with approximately

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947 Bcf of storage capacity. Dominion's portfolio of midstream pipeline, terminalling, processing, transportation and storage assets includes both its indirect ownership interest in Blue Racer, which is described in more detail below, and the assets and operations of Dominion Gas Holdings, LLC. Dominion Gas Holdings, LLC consists of (i) The East Ohio Gas Company d/b/a Dominion East Ohio, a regulated natural gas distribution operation, (ii) DTI, an interstate natural gas transmission pipeline company, and (iii) Dominion Iroquois, Inc. (***Dominion Iroquois***), which holds a 24.72% general partner interest in Iroquois Gas Transmission System L.P.

Blue Racer is a joint venture between Dominion and Caiman Energy II, LLC (***Caiman***), a midstream energy company focused on the design, construction, operation and acquisition of midstream assets. Blue Racer was formed to provide midstream services to natural gas producers operating in the Utica Shale formation in Ohio and portions of Pennsylvania, and is an equal partnership between Dominion and Caiman, with Dominion contributing midstream assets, including both gathering and processing assets, and Caiman contributing up to \$800 million in equity capital commitments. Midstream services offered by Blue Racer include gathering, processing, fractionation, and natural gas liquids transportation and marketing. Blue Racer is expected to leverage Dominion's existing presence in the Utica region with significant additional new capacity designed to meet producer needs as the development of the Utica Shale formation increases.

Following the consummation of this offering, Dominion will be our largest unitholder, holding common units (approximately % of all outstanding) and subordinated units (100% of all outstanding), and will own our general partner and 100% of our IDRs. As a result of its significant ownership interests in us, we believe Dominion will be motivated to support the successful execution of our business strategies and will provide us with acquisition opportunities, although it is under no obligation to do so. Dominion views us as a significant part of its growth strategy, and we believe that Dominion will be incentivized to contribute or sell additional assets to us and to pursue acquisitions jointly with us in the future. However, Dominion will regularly evaluate acquisitions and dispositions and may, subject to compliance with our right of first offer with respect to Cove Point and Blue Racer, elect to acquire or dispose of assets in the future without offering us the opportunity to participate in those transactions. Moreover, following the consummation of this offering, Dominion will continue to be free to act in a manner that is beneficial to its interests without regard to ours, which may include electing not to present us with future acquisition opportunities. Please read Conflicts of Interest and Fiduciary Duties.

Summary of Conflicts of Interest and Fiduciary Duties

Our general partner has a contractual duty to manage us in a manner that it believes is not adverse to our interest. However, the officers and directors of our general partner also have duties to manage our general partner in a manner beneficial to Dominion, the owner of our general partner. Dominion and its affiliates are not prohibited from engaging in other business activities, including those that might be in direct competition with us. In addition, Dominion may compete with us for investment opportunities and may own an interest in entities that compete with us. As a result, conflicts of interest may arise in the future between us or our unitholders, on the one hand, and Dominion and our general partner, on the other hand.

Our partnership agreement limits the liability of, and replaces the fiduciary duties that would otherwise be owed by, our general partner to our unitholders. Our partnership agreement also restricts the remedies available to our unitholders for actions that might otherwise constitute a breach of duties by our general partner or its directors or officers. Our partnership agreement also provides that affiliates of our general partner, including Dominion and Blue Racer, are not restricted in competing with us and have no obligation to present business opportunities to us. By purchasing a common unit, the purchaser agrees to be bound by the terms of our partnership agreement, and each unitholder is treated as having consented to various actions and potential conflicts of interest contemplated in the partnership agreement that might otherwise be considered a breach of fiduciary or other duties under Delaware law.

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For a more detailed description of the conflicts of interest and duties of our general partner and its directors and officers, please read **Conflicts of Interest and Fiduciary Duties**. For a description of other relationships with our affiliates, please read **Certain Relationships and Related Transactions**.

Principal Executive Offices

Our principal executive offices are located at 120 Tredegar Street, Richmond, Virginia 23219, and our telephone number is (804) 819-2000. Our website address will be <http://www. .com>. We intend to make our periodic reports and other information filed with or furnished to the United States Securities and Exchange Commission (the **SEC**) available, free of charge, through our website, as soon as reasonably practicable after those reports and other information are electronically filed with or furnished to the SEC. Information on our website or any other website is not incorporated by reference into this prospectus and does not constitute a part of this prospectus.

Emerging Growth Company Status

We are an emerging growth company as defined in the Jumpstart Our Business Startups Act (the **JOBS Act**). For as long as we are an emerging growth company, unlike other public companies, we will not be required to:

provide three years of audited financial statements and management's discussion and analysis of financial conditions and results of operations;

provide five years of selected financial data;

provide an auditor's attestation report on management's assessment of the effectiveness of our system of internal control over financial reporting pursuant to Section 404(b) of the Sarbanes-Oxley Act of 2002;

comply with any new requirements adopted by the Public Company Accounting Oversight Board (the **PCAOB**), requiring mandatory audit firm rotation or a supplement to the auditor's report in which the auditor would be required to provide additional information about the audit and the financial statements of the issuer;

comply with any new audit rules adopted by the PCAOB after April 5, 2012, unless the SEC determines otherwise;

provide certain disclosure regarding executive compensation required of larger public companies; or

obtain unitholder approval of any golden parachute payments not previously approved.

We will cease to be an emerging growth company upon the earliest of:

when we have \$1.0 billion or more in annual revenues;

when we have at least \$700 million in market value of our common units held by non-affiliates;

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when we issue more than \$1.0 billion of non-convertible debt over a three-year period; or

the last day of the fiscal year following the fifth anniversary of this offering.

In addition, Section 107 of the JOBS Act also provides that an emerging growth company can take advantage of the extended transition period provided in Section 7(a)(2)(B) of the Securities Act for complying with new or revised accounting standards. In other words, an emerging growth company can delay the adoption of certain accounting standards until those standards would otherwise apply to private companies. However, we are choosing to opt out of such extended transition period and, as a result, will comply with new or revised

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accounting standards on the relevant dates on which adoption of such standards is required for non-emerging growth companies. Section 107 of the JOBS Act provides that our decision to opt out of the extended transition period for complying with new or revised accounting standards is irrevocable.

Formation Transactions and Partnership Structure

We are a Delaware limited partnership formed on March 11, 2014 by Dominion to own and hold the Preferred Equity Interest and the general partner interest in Cove Point.

In connection with the closing of this offering, the following will occur:

Dominion will contribute the general partner interest in Cove Point and a portion of the Preferred Equity Interest to us, and we will contribute such interests to our wholly-owned subsidiary, Cove Point GP Holding Company, LLC (*Cove Point Holdings*);

we will issue to our general partner the IDRs, which entitle the holder to increasing percentages, up to a maximum of 50.0%, of the cash we distribute in excess of \$ per unit per quarter;

we will issue to Dominion common units and subordinated units;

we will receive gross proceeds of \$ million from the issuance and sale of common units to the public at an assumed initial offering price of \$ per common unit;

we will use \$ million of the proceeds from this offering to pay underwriting discounts, a structuring fee totaling \$ million and estimated offering expenses of \$ million;

we will use \$ million of the proceeds from this offering to make, through Cove Point Holdings, a contribution to Cove Point in exchange for the remaining portion of the Preferred Equity Interest; and

we will enter into a new \$300 million credit facility with Dominion, which will be undrawn at the closing of this offering. Please read Management's Discussion and Analysis of Financial Condition and Results of Operations Liquidity and Capital Resources Outstanding Indebtedness; Dominion Credit Facility.

We have granted the underwriters a 30-day option to purchase up to an aggregate of additional common units. Any net proceeds received from the exercise of this option will be distributed to Dominion. If the underwriters do not exercise this option in full or at all, the common units that would have been sold to the underwriters had they exercised the option in full will be issued to Dominion for no additional consideration at the expiration of the option period. Accordingly, the exercise of the underwriters' option will not affect the total number of common units outstanding.

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Organizational Structure

The following diagram depicts Dominion Midstream's simplified organizational and ownership structure immediately after giving effect to this offering.

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Dominion Midstream	
Public Common Units	% ⁽¹⁾
Interests of Dominion:	
Common Units	% ⁽¹⁾
Subordinated Units	%
General Partner Interest	0.0% ⁽²⁾
Incentive Distribution Rights	⁽³⁾
	100.0%

⁽¹⁾ Assumes the underwriters do not exercise their option to purchase additional common units and such additional common units are issued to Dominion.

⁽²⁾ Our general partner owns a non-economic general partner interest in us. Please read *How We Make Distributions to Our Partners* General Partner Interest.

⁽³⁾ IDRs represent a variable interest in distributions and thus are not expressed as a fixed percentage. Please read *How We Make Distributions to Our Partners* Incentive Distribution Rights. Distributions with respect to the IDRs will be classified as distributions with respect to equity interests. IDRs will be issued to our general partner, which is wholly-owned by Dominion.

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THE OFFERING

Common units offered to the public _____ common units.
_____ common units if the underwriters exercise their option to purchase additional common units in full.

Units outstanding after this offering _____ common units and _____ subordinated units for a total of _____ limited partner units. The exercise of the underwriters' option will not affect the total number of common units outstanding. Please read _____ Formation Transactions and Partnership Structure.

Use of proceeds We intend to use the estimated net proceeds of approximately \$ _____ million from this offering (based on an assumed initial offering price of \$ _____ per common unit, the mid-point of the price range set forth on the cover page of this prospectus), after deducting the estimated underwriting discounts, structuring fee and offering expenses, to make, through Cove Point Holdings, a contribution to Cove Point in exchange for a portion of the Preferred Equity Interest.

If the underwriters exercise their option to purchase additional common units in full, the additional net proceeds will be approximately \$ _____ million (based on an assumed initial offering price of \$ _____ per common unit, the mid-point of the price range set forth on the cover page of this prospectus). The net proceeds from any exercise of such option will be used to make a distribution to Dominion. Please read Use of Proceeds.

Cash distributions Within 60 days after the end of each quarter, we expect to make a cash distribution to holders of our common units and subordinated units. We expect to make a minimum quarterly distribution of \$ _____ per common unit and subordinated unit (\$ _____ per common unit and subordinated unit on an annualized basis) to the extent we have sufficient cash after the establishment of cash reserves and the payment of fees and expenses, including payments to our general partner and its affiliates. For the first quarter that we are publicly traded, we will pay a prorated distribution covering the period after the consummation of this offering through _____, 2014 based on the actual length of that period.

The board of directors of our general partner will adopt a policy pursuant to which distributions for each quarter will be paid to the extent we have sufficient cash after establishment of cash reserves and payment of fees and expenses, including payments to our general partner and its affiliates. Our ability to pay the minimum quarterly distribution is subject to various restrictions and other factors described in more detail under the caption Cash Distribution Policy and Restrictions on Distributions.

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Our partnership agreement generally provides that we will distribute cash each quarter during the subordination period in the following manner:

first, to the holders of common units, until each common unit has received the minimum quarterly distribution of \$ _____ plus any arrearages from prior quarters;

second, to the holders of subordinated units, until each subordinated unit has received the minimum quarterly distribution of \$ _____ ; and

third, to all the holders of common and subordinated units, pro rata, until each has received a distribution of \$ _____ .

If cash distributions to our unitholders exceed \$ _____ per unit on all common and subordinated units in any quarter, our unitholders and our general partner, as the holder of our IDRs, will receive distributions according to the following percentage allocations:

Total Quarterly Distribution Target Amount	Marginal Percentage Interest in Distributions	
	Unitholders	General Partner (as holder of IDRs)
above \$ _____ up to \$ _____	85.0%	15.0%
above \$ _____ up to \$ _____	75.0%	25.0%
above \$ _____	50.0%	50.0%

We refer to the additional increasing distributions to our general partner as *incentive distributions*. Please read [How We Make Distributions to Our Partners Incentive Distribution Rights](#).

The amount of pro forma distributable cash flow generated during the year ended December 31, 2013 would have been sufficient to allow us to pay the full minimum quarterly distribution on all common units and subordinated units.

We believe that, based on our estimated distributable cash flow as described under the caption [Cash Distribution Policy and Restrictions on Distributions](#), we will have sufficient distributable cash flow to pay the minimum quarterly distribution of \$ _____ per unit on all common and subordinated units for the twelve months ending March 31, 2015.

However, we do not have a legal or contractual obligation to pay distributions quarterly or on any other basis or at the minimum quarterly distribution rate or at any other rate, and there is no guarantee that we will pay distributions to our unitholders in any quarter. Please read [Cash Distribution Policy and Restrictions on Distributions](#).

Subordinated units

Dominion will initially own all of our subordinated units. The principal difference between our common units and subordinated units is that for any quarter during the subordination period, holders of the subordinated units will not be entitled to receive any distribution from operating surplus until the common units have received the minimum quarterly distribution from operating surplus for such quarter plus any arrearages

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in the payment of the minimum quarterly distribution from prior quarters. Subordinated units will not accrue arrearages.

Conversion of subordinated units

The subordination period will end if we satisfy any one of three tests set forth in our partnership agreement. The three tests are as follows:

(1) (i) we earn and pay aggregate amounts equal to at least the minimum quarterly distribution on the outstanding common and subordinated units for three consecutive, non-overlapping four-quarter periods, commencing with the three four-quarter periods ending June 30, 2018, and (ii) there are no outstanding arrearages on our common units;

(2) (i) the Liquefaction Project commences commercial service, (ii) we earn and pay aggregate amounts equal to at least the minimum quarterly distribution on the outstanding common and subordinated units for each of the two consecutive, non-overlapping four-quarter periods ending on December 31, 2016, (iii) for each completed quarter commencing after December 31, 2016, we pay aggregate amounts equal to at least the minimum quarterly distribution on the outstanding common and subordinated units, and (iv) there are no outstanding arrearages on our common units; and

(3) (i) we earn and pay an aggregate amount of at least 150% of the minimum quarterly distribution on the outstanding common and subordinated units and we earn the related distribution on the IDRs, for any four-quarter period commencing with the four-quarter period ending June 30, 2018, and (ii) there are no outstanding arrearages on our common units.

When the subordination period ends, all subordinated units will convert into common units on a one-for-one basis, and all common units will thereafter no longer be entitled to arrearages.

General partner's right to reset the target distribution levels

Our general partner, as the initial holder of our IDRs, will have the right, at any time when there are no subordinated units outstanding and we have made distributions at or above 150% of the minimum quarterly distribution for the prior four consecutive whole fiscal quarters, to reset the initial target distribution levels at higher levels based on our cash distributions at the time of the exercise of the reset election. If our general partner transfers all or a portion of our IDRs in the future, then the holder or holders of a majority of our IDRs will be entitled to exercise this right. Following a reset election, the minimum quarterly distribution will be adjusted to equal the distribution for the quarter immediately preceding the reset, and the target distribution levels will be reset to correspondingly higher levels based on the same percentage increases above the reset minimum quarterly distribution as the initial target distribution levels were above the minimum quarterly distribution.

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If the target distribution levels are reset, the holders of our IDRs will be entitled to receive common units. The number of common units to be issued will equal the number of common units that would have entitled the holders of our IDRs to an aggregate quarterly cash distribution for the quarter prior to the reset election equal to the distribution on the IDRs for the quarter prior to the reset election. Please read [How We Make Distributions to Our Partners](#) [IDR Holders](#) [Right to Reset Incentive Distribution Levels](#).

Issuance of additional units

Our partnership agreement authorizes us to issue an unlimited number of additional units without the approval of our unitholders. Please read [Units Eligible for Future Sale](#) and [The Partnership Agreement](#) [Issuance of Additional Interests](#).

Limited voting rights

Our general partner will manage and operate us. Unlike the holders of common stock in a corporation, our unitholders will have only limited voting rights on matters affecting our business. Our unitholders will have no right to elect our general partner or its directors on an annual or other continuing basis. Our general partner may not be removed except by a vote of the holders of at least $66\frac{2}{3}\%$ of the outstanding units, including any units owned by our general partner and its affiliates, voting together as a single class. Upon consummation of this offering, Dominion will own an aggregate of $\%$ of our outstanding units (or $\%$ of our outstanding units, if the underwriters exercise their option to purchase additional common units in full). This will give Dominion the ability to prevent the removal of our general partner. In addition, any vote to remove our general partner during the subordination period must provide for the election of a successor general partner by the holders of a majority of the common units and a majority of the subordinated units, voting as separate classes. This will provide Dominion the ability to prevent the removal of our general partner. Please read [The Partnership Agreement](#) [Voting Rights](#).

Limited call right

If at any time our general partner and its affiliates own more than 80% of the outstanding common units, our general partner has the right, but not the obligation, to purchase all of the remaining common units at a price equal to the greater of (1) the average of the daily closing price of the common units over the 20 trading days preceding the date three days before notice of exercise of the limited call right is first mailed and (2) the highest per-unit price paid by our general partner or any of its affiliates for common units during the 90-day period preceding the date such notice is first mailed. Please read [The Partnership Agreement](#) [Limited Call Right](#).

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Eligible Holders and redemption

Only Eligible Holders are entitled to own our units and to receive distributions or be allocated income or loss from us. Eligible Holders are individuals or entities whose U.S. federal income tax status (or lack thereof) has not or is not reasonably likely to have, as determined by our general partner, a material adverse effect on the rates that can be charged to our or Cove Point's customers with respect to assets that are subject to regulation by the FERC or a similar regulatory body.

We have the right (which we may assign to any of our affiliates), but not the obligation, to redeem all of the common units of any holder that is not an Eligible Holder or that has failed to certify or has falsely certified that such holder is an Eligible Holder. The purchase price for such redemption would be equal to the lesser of the holder's purchase price and the then-current market price of the units. The redemption price will be paid in cash or by delivery of a promissory note, as determined by our general partner.

Please read Description of the Common Units Transfer of Common Units and The Partnership Agreement Non-Taxpaying Holders; Redemption.

Estimated ratio of taxable income to distributions

We estimate that if you own the common units you purchase in this offering through the record date for distributions for the period ending December 31, you will be allocated, on a cumulative basis, an amount of federal taxable income for that period that will be less than % of the cash distributed to you with respect to that period. For example, if you receive an annual distribution of \$ per common unit, we estimate that your average allocable federal taxable income per year will be no more than approximately \$ per common unit. Thereafter, the ratio of allocable taxable income to cash distributions to you could substantially increase. Please read Material U.S. Federal Income Tax Consequences Tax Consequences of Unit Ownership for the basis of this estimate.

Material U.S. federal income tax consequences

For a discussion of the material U.S. federal income tax consequences that may be relevant to prospective unitholders who are individual citizens or residents of the U.S., please read Material U.S. Federal Income Tax Consequences.

Directed Unit Program

At our request, the underwriters have reserved up to 5% of the common units offered hereby for sale at the initial public offering price for officers, directors, employees and certain other persons associated with us and our general partner. For further information regarding our directed unit program, please read Underwriting.

Exchange listing

We intend to apply to list our common units on the NYSE under the symbol DM.

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Summary Historical and Pro Forma Financial Data

Dominion Midstream was formed on March 11, 2014 and, upon the consummation of this offering, we will own the Preferred Equity Interest and the general partner interest in Cove Point through our wholly-owned subsidiary, Cove Point Holdings. Our only business will consist of owning the Preferred Equity Interest and the general partner interest in Cove Point, and, accordingly, our results of operations and financial condition will be dependent on the performance of Cove Point.

Dominion Midstream does not have historical financial statements. Therefore, in this prospectus we present the historical financial statements of Cove Point as our predecessor. The following table presents summary historical financial data of Cove Point and summary pro forma financial data of Dominion Midstream as of the dates and for the periods indicated.

The summary historical financial data presented at and for the years ended December 31, 2013 and 2012 is derived from the audited historical financial statements of Cove Point that are included elsewhere in this prospectus.

For a detailed discussion of the summary historical financial information contained in the following table, please read Management's Discussion and Analysis of Financial Condition and Results of Operations. The following table should also be read in conjunction with Use of Proceeds, Business Our Relationship with Dominion and the audited historical financial statements of Cove Point and our unaudited pro forma combined financial statements included elsewhere in this prospectus. Among other things, the historical and unaudited pro forma financial statements include more detailed information regarding the basis of presentation for the information in the following table.

The summary pro forma financial data is presented at and for the year ended December 31, 2013 and is derived from our unaudited pro forma combined financial statements included elsewhere in this prospectus. Our unaudited pro forma combined financial statements give pro forma effect to the following transactions:

Dominion will contribute the general partner interest in Cove Point and a portion of the Preferred Equity Interest to us, and we will contribute both interests to our wholly-owned subsidiary, Cove Point Holdings;

we will issue to our general partner the IDRs, which entitle the holder to increasing percentages, up to a maximum of 50.0%, of the cash we distribute in excess of \$ _____ per unit per quarter;

we will issue to Dominion _____ common units and _____ subordinated units;

we will receive gross proceeds of \$ _____ million from the issuance and sale of _____ common units to the public at an assumed initial offering price of \$ _____ per common unit;

we will use \$ _____ million of the proceeds from this offering to pay underwriting discounts, a structuring fee totaling \$ _____ million and estimated offering expenses of \$ _____ million;

we will use \$ _____ million of the proceeds from this offering to make, through Cove Point Holdings, a contribution to Cove Point in exchange for the remaining portion of the Preferred Equity Interest; and

we will enter into a new \$300 million credit facility with Dominion, which will be undrawn at the closing of this offering. Please read Management's Discussion and Analysis of Financial Condition and Results of Operations Liquidity and Capital Resources Outstanding Indebtedness; Dominion Credit Facility.

The contribution by Dominion to Dominion Midstream of the general partner interest in Cove Point and a portion of the Preferred Equity Interest is considered to be a reorganization of entities under common control. As

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a result, Dominion Midstream will own the general partner of and control Cove Point and, as such, will consolidate Cove Point. Upon consolidation, Cove Point's assets and liabilities will be recognized in Dominion Midstream's consolidated financial statements at Dominion's historical cost. The unaudited pro forma combined balance sheet at December 31, 2013 gives effect to these transactions as if they had been completed on December 31, 2013. The unaudited pro forma combined statement of income for the year ended December 31, 2013 gives effect to these transactions as if they had been completed on January 1, 2013.

The summary historical and pro forma financial data should be read in conjunction with, and is qualified in its entirety by reference to, the financial statements and related notes from which they are derived included elsewhere in this prospectus.

Pro forma net income per limited partner unit is determined by dividing pro forma net income by the number of units expected to be outstanding at the closing of this offering. All units were assumed to have been outstanding since January 1, 2013. Basic and diluted pro forma net income per unit are equivalent as there are no dilutive units at the date of closing of this offering.

We have not given pro forma effect to incremental general and administrative expenses of approximately \$2.0 million that we expect to incur annually as a result of operating as a publicly traded partnership, such as expenses associated with annual and quarterly reporting; tax return and Schedule K-1 preparation and distribution expenses; Sarbanes-Oxley compliance expenses; expenses associated with listing on the NYSE; independent auditor fees; legal fees; investor relations expenses; registrar and transfer agent fees; director and officer insurance expenses; and director and officer compensation expenses.

Our general partner will not receive a management fee or other compensation for its management of our partnership, but our financial results will reflect our obligation to reimburse our general partner and its affiliates for all expenses incurred and payments made on our behalf. These expenses include salary, bonus, incentive compensation and other amounts paid to persons who perform various general, administrative and support services for us or on our behalf, and corporate overhead costs and expenses allocated to us by Dominion. Our partnership agreement provides that our general partner will determine the costs and expenses that are allocable to us. We estimate that such costs and expenses would have been approximately \$1.0 million for the year ended December 31, 2013.

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The following table presents the financial measures of EBITDA and Adjusted EBITDA, which we use in our business as important supplemental measures of our performance. EBITDA and Adjusted EBITDA are not calculated or presented in accordance with accounting principles generally accepted in the U.S. (*GAAP*). EBITDA represents net income including non-controlling interest before interest and related charges, income tax and depreciation and amortization, and Adjusted EBITDA represents EBITDA after adjustment for a non-controlling interest in Cove Point held by Dominion. We explain these measures under *Non-GAAP Financial Measures* in the table below and reconcile them to their most directly comparable financial measure calculated and presented in accordance with GAAP.

	Cove Point (Predecessor) Historical Year Ended December 31,		Dominion Midstream Pro Forma Year Ended December 31, 2013
	2012	2013	
(in millions, except per unit information)			
Statement of Income Data:			
Operating Revenue	\$ 293.0	\$ 343.5	\$ 343.5
Operating Expenses:			
Purchased gas	48.8	91.7	91.7
Other operations and maintenance			
Affiliated suppliers	7.0	7.7	7.7
Other	20.2	20.2	20.2
Depreciation and amortization	33.3	31.7	31.7
Other taxes	20.5	21.1	21.1
Total operating expenses	129.8	172.4	172.4
Income from operations	163.2	171.1	171.1
Interest and related charges	0.1		
Income from operations before income tax expense	163.1	171.1	171.1
Income tax expense	65.9	61.7	
Net income including non-controlling interest	\$ 97.2	\$ 109.4	\$ 171.1
Non-controlling interest⁽¹⁾			121.1
Net income attributable to Dominion Midstream			\$ 50.0
Pro forma net income per limited partner unit:			
Common unit			
Subordinated unit			
Statement of Cash Flow Data:			
Net cash provided by (used in):			
Operating activities	\$ 154.9	\$ 136.2	
Investing activities	(51.3)	(294.8)	
Financing activities	(103.6)	169.8	
Other Financial Data:			
EBITDA ⁽²⁾	\$ 196.5	\$ 202.8	\$ 202.8
Adjusted EBITDA ⁽²⁾			50.0
Capital expenditures ⁽³⁾	51.1	294.6	
Balance Sheet Data (at period end):			
Cash and cash equivalents	\$	\$ 11.2	
Total assets	1,213.5	1,498.2	

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Total liabilities	515.0	226.2
Total parent net equity/partners' capital	698.5	1,272.0
Partners' capital attributable to Dominion Midstream		

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- (1) Represents interest in Cove Point attributable to Dominion.
- (2) For more information, please read *Non-GAAP Financial Measures* below.
- (3) For the years ended December 31, 2012, and 2013, reflects \$5.9 million, and \$6.2 million, respectively, of maintenance capital expenditures on the Cove Point LNG Facility and the Cove Point Pipeline to maintain Cove Point's long-term capacity and operating income; and \$45.2 million, and \$288.4 million, respectively, of expansion capital expenditures, primarily for the Liquefaction Project, made to increase Cove Point's long-term capacity and operating income. Dominion has indicated that it intends to provide the funding necessary for the maintenance and expansion capital expenditures for both the existing Cove Point LNG Facility and Cove Point Pipeline and the Liquefaction Project, but it is under no obligation to do so. Please read *How We Make Distributions to Our Partners* *Capital Expenditures*.

Non-GAAP Financial Measures***EBITDA and Adjusted EBITDA***

EBITDA represents net income including non-controlling interest before interest and related charges, income tax and depreciation and amortization, and Adjusted EBITDA represents EBITDA after adjustment for a non-controlling interest in Cove Point held by Dominion. These are used as supplemental financial measures by our management and by external users of our financial statements, such as investors and securities analysts, to assess:

the financial performance of our assets without regard to financing methods, capital structure or historical cost basis;

the ability of our assets to generate cash sufficient to pay interest on our indebtedness, if any, and to make distributions; and

our operating performance and return on invested capital as compared to those of other publicly traded companies that own energy infrastructure assets, without regard to their financing methods and capital structure.

EBITDA and Adjusted EBITDA should not be considered an alternative to net income, operating income, cash flow from operating activities or any other measure of financial performance or liquidity presented in accordance with GAAP. EBITDA and Adjusted EBITDA exclude some, but not all, items that affect net income and operating income, and these measures may vary among other companies. Therefore, EBITDA and Adjusted EBITDA as presented may not be comparable to similarly titled measures of other companies.

The following table presents a reconciliation of EBITDA and Adjusted EBITDA to the most directly comparable GAAP financial measure, on a historical basis and pro forma basis, as applicable, for each of the periods indicated.

	Cove Point (Predecessor) Historical Year Ended December 31,		Dominion Midstream Pro Forma Year Ended December 31,
	2012	2013	2013
	(in millions)		
Adjustments to reconcile net income including non-controlling interest to EBITDA and Adjusted EBITDA:			
Net income including non-controlling interest:	\$ 97.2	\$ 109.4	\$ 171.1
Add:			
Depreciation and amortization	33.3	31.7	31.7
Interest and related charges	0.1		
Income tax expense	65.9	61.7	
EBITDA	\$ 196.5	\$ 202.8	\$ 202.8

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Less:		
EBITDA attributable to non-controlling interest ⁽¹⁾		152.8
Adjusted EBITDA	\$	50.0

⁽¹⁾ Represents interest in Cove Point attributable to Dominion.

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RISK FACTORS

Our common units representing limited partner interests are inherently different from the capital stock of a corporation, although many of the business risks to which we are subject are similar to those that would be faced by a corporation engaged in a similar business. You should carefully consider the following risk factors together with all of the other information included in this prospectus in evaluating an investment in our common units.

If any of the following risks were to occur, our business, financial condition, results of operations and distributable cash flow could be materially adversely affected. In that case, we might not be able to make distributions on our common units, the trading price of our common units could decline, and you could lose all or part of your investment.

Risks Inherent in Our Ability to Generate Stable and Growing Cash Flows

Upon the consummation of this offering, our sole cash flow generating asset will be our Preferred Equity Interest, which may not generate sufficient cash following the establishment of cash reserves and payment of costs and expenses, including cost reimbursements to our general partner and its affiliates, to enable us to pay the minimum quarterly distribution to our unitholders.

Upon the consummation of this offering, our only source of cash flow will be distributions we receive from Cove Point on our Preferred Equity Interest, which we expect will result in an annual payment to us of \$50.0 million. Our Preferred Equity Interest may not generate sufficient cash from operations following the establishment of cash reserves and payment of costs and expenses, including cost reimbursements to our general partner and its affiliates, to enable us to pay the minimum quarterly distribution to our unitholders. In order to pay the full amount of our minimum quarterly distribution of \$ per unit, or \$ per unit per year, we will be required to have distributable cash flow of approximately \$ million per quarter, or \$ million per year, based on the number of common and subordinated units that will be outstanding after the completion of this offering. Upon the consummation of this offering, the amount of cash we can distribute on our common and subordinated units is almost entirely dependent upon Cove Point's ability to generate cash and Net Operating Income from its operations. Due to our lack of asset diversification, an adverse development at Cove Point would have a significantly greater impact on our financial condition and results of operations than if we maintained a more diverse portfolio of assets. Cove Point's ability to make payments on our Preferred Equity Interest will depend on several factors beyond our control, some of which are described below.

For a description of additional restrictions and factors that may affect our ability to pay cash distributions, please read Cash Distribution Policy and Restrictions on Distributions.

Our Preferred Equity Interest is non-cumulative.

Cove Point will make Preferred Return Distributions on a quarterly basis provided it has sufficient cash and undistributed Net Operating Income (determined on a cumulative basis from the closing of this offering) from which to make Preferred Return Distributions. Preferred Return Distributions are non-cumulative. In the event Cove Point is unable to fully satisfy Preferred Return Distributions during any quarter, we will not have a right to recover any missed or deficient payments.

An inability to obtain needed capital or financing on satisfactory terms, or at all, could have an adverse effect on our operations and ability to generate cash flow.

Upon the commencement of this offering, we are dependent on our credit facility with Dominion for any borrowings necessary to meet our working capital and other financial needs. If Dominion's funding resources were to become unavailable to Dominion, our access to funding would also be in jeopardy. In the future, an inability to obtain additional financing from other sources on acceptable terms could negatively affect our financial condition, cash flows, anticipated financial results or impair our ability to generate additional cash

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flows. Our ability to obtain bank financing or to access the capital markets for future debt or equity offerings may be limited by our financial condition at the time of any such financing or offering, the covenants contained in any other credit facility or other debt agreements in place at the time, adverse market conditions or other contingencies and uncertainties that are beyond our control. Our failure to obtain the funds necessary to maintain, develop and increase our asset base could adversely impact our growth and profitability.

If we do not make acquisitions on economically acceptable terms, our future growth and our ability to increase distributions to our unitholders will be limited.

Our ability to grow depends on our ability to make accretive acquisitions either from Dominion or third-parties, and we may be unable to do so for any of the following reasons, without limitation:

we are unable to identify attractive acquisition candidates or negotiate acceptable purchase contracts with them;

we are unable to obtain or maintain necessary governmental approvals;

we are unable to obtain financing for the acquisitions or future organic growth opportunities on acceptable terms, or at all;

we are unable to secure adequate customer commitments to use the future facilities;

we are outbid by competitors; or

Dominion may not offer us the opportunity to acquire assets or equity interests from it.

We may not be able to obtain financing or successfully negotiate future acquisition opportunities offered by Dominion.

If Dominion does offer us the opportunity to purchase additional equity interests in Cove Point or interests in Blue Racer, or other assets or equity interests, we may not be able to successfully negotiate a purchase and sale agreement and related agreements, we may not be able to obtain any required financing on acceptable terms or at all for such purchase and we may not be able to obtain any required governmental and third-party consents. The decision whether or not to accept such offer, and to negotiate the terms of such offer, will be made by our general partner consistent with its duties under our partnership agreement. Our general partner may decline the opportunity to accept such offer for a variety of reasons, including a determination that the acquisition of the assets at the proposed purchase price would result in a risk that the conversion of subordinated units would not occur.

If we make future acquisitions, such acquisitions could adversely affect our business and cash flows.

If we make any acquisitions, they will involve potential risks, including:

an inability to integrate successfully the businesses that we acquire with our existing operations;

a decrease in our liquidity by using a significant portion of our available cash or borrowing capacity to finance the acquisition;

the assumption of unknown liabilities;

limitations on rights to indemnity from the seller;

mistaken assumptions about the cash generated, or to be generated, by the business acquired or the overall costs of equity or debt;

the diversion of management's attention from other business concerns; and