



STATE OF WASHINGTON
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION
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CERTIFIED MAIL

October 17, 2012

Marvin Price
Manager, Energy & Environment
Lamb Weston/BSW
1203 Basin St.
Warden, WA 98857

Dear Mr. Price:

**RE: 2012 Operations and Maintenance Manual Review Inspection – Lamb Weston/BSW
LLC – Warden, WA.**

Staff from the Washington Utilities and Transportation Commission (staff) conducted a review of Lamb Weston/BSW LLC natural gas Operations and Maintenance manual (O&M) from September 6 - 13, 2012. The inspection included a review of O&M manuals necessary to establish compliance with 49 CFR Part 191,192 and WAC 480-93.

Our inspection indicates nine probable violations as noted in the enclosed report.

Your response needed

Please review the attached report and respond in writing by November 19, 2012. The response should include how and when you plan to address the probable violations.

What happens after you respond to this letter?

The attached report presents staff's decision on probable violations and does not constitute a finding of violation by the commission at this time.

After you respond in writing to this letter, there are several possible actions the commission, in its discretion, may take with respect to this matter. For example, the commission may:

- Issue an administrative penalty under RCW 81.88.040, or;



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- Institute a complaint, seeking monetary penalties, changes in the company's practices, or other relief authorized by law, and justified by the circumstances, or;
- Consider the matter resolved without further commission action.

We have not yet decided whether to pursue a complaint or penalty in this matter. Should an administrative law judge decide to pursue a complaint or penalty, your company will have an opportunity to present its position directly to the commissioners.

If you have any questions or if we may be of any assistance, please contact Lex Vinsel at (360) 664-1319. Please refer to the subject matter described above in any future correspondence pertaining to this inspection.

Sincerely,



David D. Lykken
Pipeline Safety Director

Enclosure

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION
2012 Operations and Maintenance Manual Review Inspection
Lamb Weston/BSW LLC – Warden, WA

The following probable violations of Title 49 CFR Part 191, 192 and WAC 480-93 were noted as a result of the inspection of the Lamb Weston/BSW LLC (Lamb Weston), Operations and Maintenance manual (O&M).

PROBABLE VIOLATIONS

1. WAC 480-93-180 Plans and Procedures.

(1) Each gas pipeline company must have and follow a gas pipeline plan and procedures manual (manual) for operation, maintenance, inspection and emergency response activities that is specific to the gas pipeline company's system. The manual must include plans and procedures for meeting all applicable requirements of 49 CFR §§ 191, 192 and Chapter 480-93 WAC, and any plans or procedures used by gas pipeline company's associated contractors.

49 CFR 192.703(b) requires each segment of the pipeline that becomes unsafe must be replaced, repaired, or removed from service.

Finding(s):

Although section 1.05 does include a statement of the responsibilities of Lamb Weston, the plan does not include instructions on what must be done if a segment of pipeline becomes unsafe.

2. WAC 480-93-180 Plans and Procedures.

(1) Each gas pipeline company must have and follow a gas pipeline plan and procedures manual (manual) for operation, maintenance, inspection and emergency response activities that is specific to the gas pipeline company's system. The manual must include plans and procedures for meeting all applicable requirements of 49 CFR §§ 191, 192 and Chapter 480-93 WAC, and any plans or procedures used by gas pipeline company's associated contractors.

WAC 480-93-110(2) requires that each gas pipeline company complete remedial action within ninety days to correct any cathodic protection deficiencies known and indicated by any test, survey, or inspection. An additional thirty days may be allowed for remedial action if due to circumstances beyond the gas pipeline company's control the company cannot complete remedial action within ninety days. Each gas pipeline company must be able to provide documentation to the commission indicating that remedial action was started in a timely manner and that all efforts were made to complete remedial action within ninety days.

Finding(s):

Section 5.13 Cathodic Protection of the manual describes about the levels of CP and how a pipe-to-soil voltage above -0.950 volt requires prompt remedial action. Although the

criterion adopted is more stringent than allowed by pipeline regulation, nonetheless, the manual does not include a timeframe for taking remedial action to correct the condition.

3. **WAC 480-93-180 Plans and Procedures.**

(1) *Each gas pipeline company must have and follow a gas pipeline plan and procedures manual (manual) for operation, maintenance, inspection and emergency response activities that is specific to the gas pipeline company's system. The manual must include plans and procedures for meeting all applicable requirements of 49 CFR §§ 191, 192 and Chapter 480-93 WAC, and any plans or procedures used by gas pipeline company's associated contractors.*

WAC 480-93-110(9) requires that each gas pipeline company have a written atmospheric corrosion control monitoring program. The program must have time frames for completing remedial action.

Finding(s):

Section 5.11 Atmospheric Corrosion Inspection does include a statement that remedial action shall be taken promptly to control all pitting, but does not include a timeframe for taking remedial action to correct the condition.

4. **WAC 480-93-180 Plans and Procedures.**

(1) *Each gas pipeline company must have and follow a gas pipeline plan and procedures manual (manual) for operation, maintenance, inspection and emergency response activities that is specific to the gas pipeline company's system. The manual must include plans and procedures for meeting all applicable requirements of 49 CFR §§ 191, 192 and Chapter 480-93 WAC, and any plans or procedures used by gas pipeline company's associated contractors.*

WAC 480-93-185(2) requires in the event of an explosion, fire, death, or injury, the gas pipeline company must not remove any suspected gas facility until the commission or the lead investigative authority has designated the release of the gas facility. Once the situation is made safe, the gas pipeline company must keep the facility intact until directed by the lead investigative authority.

Finding(s):

The Emergency manual does not direct personnel, in the case of explosion, fire, death, or injury to ensure that the suspected gas facility not be removed until directed by the lead investigative authority.

5. **WAC 480-93-180 Plans and Procedures.**

(1) *Each gas pipeline company must have and follow a gas pipeline plan and procedures manual (manual) for operation, maintenance, inspection and emergency response activities that is specific to the gas pipeline company's system. The manual must include plans and procedures for meeting all applicable requirements of 49 CFR §§ 191, 192 and Chapter 480-93 WAC, and any plans or procedures used by gas pipeline company's associated contractors.*

WAC 480-93-185(3) requires when leak indications are found to originate from a foreign source (for example, a gasoline tank, a sewer, a marsh or customer-owned piping), and the situation is ongoing and potentially hazardous, the gas pipeline company must:

- (b) Report the leak promptly to the source facility owner or operator and, where appropriate, to the police department, fire department, or other appropriate governmental agency. If the property owner or an adult person occupying the premises is not available, the gas pipeline company must, within twenty-four hours of the leak investigation, send by first-class mail, addressed to the person occupying the premises, a letter explaining the results of the investigation. The gas pipeline company must keep a record of each letter sent for five years.*

Finding(s):

Section 8.08 Emergency Response and Communication, subsection A. Leakage Classification does not include what steps to take in the case of leak investigation when leakage is from a foreign source.

6. WAC 480-93-180 Plans and Procedures.

- (1) Each gas pipeline company must have and follow a gas pipeline plan and procedures manual (manual) for operation, maintenance, inspection and emergency response activities that is specific to the gas pipeline company's system. The manual must include plans and procedures for meeting all applicable requirements of 49 CFR §§ 191, 192 and Chapter 480-93 WAC, and any plans or procedures used by gas pipeline company's associated contractors.*

WAC 480-93-186(2) requires that each gas pipeline company establish a procedure for evaluating the concentration and extent of gas leakage. When evaluating any leak, the gas pipeline company must determine and document the perimeter of the leak area. If the perimeter of the leak extends to a building wall, the gas pipeline company must extend the investigation inside the building. Where the reading is in an unvented, enclosed space, the gas pipeline company must consider the rate of dissipation when the space is ventilated and the rate of accumulation when the space is resealed.

Finding(s):

The evaluation of leaks and the determination of the extent of leaks require the use of a Combustible Gas Indicator (CGI) and bar holes in the area of the suspected leak. No procedure addresses how leak evaluations would be performed to determine the extent and concentrations of gas in the ground.

7. WAC 480-93-180 Plans and Procedures.

- (1) Each gas pipeline company must have and follow a gas pipeline plan and procedures manual (manual) for operation, maintenance, inspection and emergency response activities that is specific to the gas pipeline company's system. The manual must include plans and procedures for meeting all applicable*

requirements of 49 CFR §§ 191, 192 and Chapter 480-93 WAC, and any plans or procedures used by gas pipeline company's associated contractors.

WAC 480-93-186(3) requires that the gas pipeline company check the perimeter of the leak area with a combustible gas indicator. The gas pipeline company must perform a follow-up inspection on all leak repairs with residual gas remaining in the ground as soon as practical, but not later than thirty days following the repair.

Finding(s):

Leak Survey and Evaluation procedures do not direct personnel what to do if there is residual gas at the leak site after repair.

8. **WAC 480-93-180 Plans and Procedures.**

(1) *Each gas pipeline company must have and follow a gas pipeline plan and procedures manual (manual) for operation, maintenance, inspection and emergency response activities that is specific to the gas pipeline company's system. The manual must include plans and procedures for meeting all applicable requirements of 49 CFR §§ 191, 192 and Chapter 480-93 WAC, and any plans or procedures used by gas pipeline company's associated contractors.*

WAC 480-93-186(4) requires Grade 1 and 2 leaks only be downgraded once to a Grade 3 leak without a physical repair. After a leak has been downgraded once, the maximum repair time for that leak is twenty-one months.

Finding(s):

The downgrading of leaks from Grade 1 and 2 to Grade 3 can only be done once without a physical repair. Another way to handle leak grading is to have a policy stating that all leaks will be repaired when found.

9. **WAC 480-93-180 Plans and Procedures.**

(1) *Each gas pipeline company must have and follow a gas pipeline plan and procedures manual (manual) for operation, maintenance, inspection and emergency response activities that is specific to the gas pipeline company's system. The manual must include plans and procedures for meeting all applicable requirements of 49 CFR §§ 191, 192 and Chapter 480-93 WAC, and any plans or procedures used by gas pipeline company's associated contractors.*

WAC 480-93-187 Each gas pipeline company must prepare and maintain permanent gas leak records. The leak records must contain sufficient data and information to permit the commission to assess the adequacy of the gas pipeline company's leakage program. Gas leak records must contain, at a minimum, the following information:

- (1) *Date and time the leak was detected, investigated, reported, and repaired, and the name of the person conducting the investigation;*
- (2) *Location of the leak (sufficiently described to allow ready location by other qualified personnel);*
- (3) *Leak grade;*

- (4) Pipeline classification (e.g., distribution, transmission, service);
- (5) If reported by an outside party, the name and address of the reporting party;
- (6) Component that leaked (e.g., pipe, tee, flange, valve);
- (7) Size and material that leaked (e.g., steel, plastic, cast iron);
- (8) Pipe condition;
- (9) Type of repair;
- (10) Leak cause;
- (11) Date pipe installed (if known);
- (12) Magnitude and location of CGI readings left; and
- (13) Unique identification numbers (such as serial numbers) of leak detection equipment.

Finding(s):

Review of Section 22, Form 15 Gas Leak Report did not include all of the information required for a gas leak record.