



STATE OF WASHINGTON

UTILITIES AND TRANSPORTATION COMMISSION

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CERTIFIED MAIL

September 17, 2015

Booga K. Gilbertson
Sr. VP Operations
Puget Sound Energy
PO Box 97034 M/S: PSE-12N
Bellevue, WA 98009-9734

Dear Ms. Gilbertson:

RE: 2015 Natural Gas Standard Inspection – Puget Sound Energy, King County West
(Insp. No. 6177)

Staff from the Washington Utilities and Transportation Commission (staff) conducted a standard distribution system inspection from July 14 - 30, 2015 of Puget Sound Energy (PSE), King County West. The inspection included a records review and inspection of the pipeline facilities.

Our inspection indicates four probable violations as noted in the enclosed report. We also noted one area of concern, which unless corrected, could potentially lead to future violation of state and/or federal pipeline safety rules.

Your response needed

Please review the attached report and respond in writing by October 19, 2015. The response should include how and when you plan to bring the probable violations into full compliance.

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;
- 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.

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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 Dave Cullom at (360) 664-1141. Please refer to the subject matter described above in any future correspondence pertaining to this inspection.

Sincerely,



Alan E. Rathbun
Pipeline Safety Director

cc: Cara Peterman, Director, Enterprise Risk Management & Compliance, PSE
Harry Shapiro, Director, Gas Operations, PSE
Cheryl McGrath, Manager, Compliance Programs, PSE

**UTILITIES AND TRANSPORTATION COMMISSION
2015 Natural Gas Pipeline Safety Inspection
Puget Sound Energy – King County West**

The following probable violations and area of concern of Title 49 CFR Part 192 and WAC 480-93 were noted as a result of the 2015 inspection of the Puget Sound Energy – King County West. The inspection included a random selection of records, operation and maintenance (O&M), emergency response, inventory, and field inspection of the pipeline facilities.

PROBABLE VIOLATIONS

1. **49 CFR §192.481 Atmospheric corrosion control: Monitoring**
 - (a) *Each operator must inspect each pipeline or portion of pipeline that is exposed to the atmosphere for evidence of atmospheric corrosion, as follows:*

<i>If the pipeline is located:</i>	<i>Then the frequency of inspection is:</i>
<i>Onshore</i>	<i>At least once every 3 calendar years, but with intervals not exceeding 39 months</i>

Finding(s):

The pipeline inside the bridge at 145th and I-5 in Seattle is contained in a joint utility vault, running the length of the bridge and is exposed to the atmosphere, but no records were available at the time of inspection indicating that an atmospheric corrosion evaluation was being conducted.

2. **WAC 480-93-180 Plans and procedures**
 - (1) *Each gas pipeline company must have and follow a gas pipeline plan and procedure 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 C.F.R. §§ 191, 192 and chapter 480-93 WAC, and any plans or procedures used by a gas pipeline company's associated contractors.*

2500.0500 section 3.8 of PSE's Gas Operating Standards (GOS) states:

"If it is believed that there are inaccuracies with gas plat or operation maps, a Natural Gas Map Revision Request Form (Form 3666) should be submitted to the Maps, Records and Technology Department for research and updates."

Finding(s):

Several leak survey maps did not show services that PSE had original map records for, but the services were not on the maps that were used during the leak survey to locate the services that were scheduled to be evaluated.

The leak survey contractor had updated several maps with changes to reflect the existence of the service(s), but the maps used for the inspection in the following years did not have the updates incorporated.

Plat map #182073 for years 2014 and 2015 had revisions for 1 gas service.
Plat map #202074 for years 2013 and 2014 had revisions for 1 gas service.
Plat map #190071 for years 2013 and 2014 had revisions for 3 gas services.

PSE's service provider did not follow established procedures to update the maps used to conduct the leak surveys in a timely manner to ensure the scope of the survey was adequate. Form 3666 was used by the service provider, but the changes were not submitted to the appropriate for research and updates.

3. **WAC 480-93-188 Gas leak surveys**

(2) *Each gas pipeline company must maintain, test for accuracy, calibrate and operate gas detection instruments in accordance with the manufacturer's recommendations. If there are no written manufacturer's recommendations or schedules, then the gas pipeline company must test such instruments for accuracy at least monthly, but not to exceed forty-five days between testing, and at least twelve times per year. The gas pipeline company must recalibrate or remove from service any such instrument that does not meet applicable tolerances. Records of accuracy checks, calibration and other maintenance performed must be maintained for five years.*

Finding(s):

Flame Ionization (FI) equipment used for leak surveys did not have accuracy check records at least monthly, not exceeding 45 days between testing, and at least 12 times per year for 2014. These FI equipment numbers were #1016 and #10644.

4. **WAC 480-93-188 Gas leak surveys**

(5) *Each gas pipeline company must keep leak survey records for a minimum of five years. At a minimum, survey records must contain the following information:*

- (a) *Description of the system and area surveyed (including maps and leak survey logs);*
- (b) *Survey results;*
- (c) *Survey method;*
- (d) *Name of the person who performed the survey;*
- (e) *Survey dates; and*
- (f) *Instrument tracking or identification number.*

Finding(s):

PSE leak surveyed after a ground fault event at 17071 12th Ave NW in Shoreline 1/3/15, but was unable to provide leak survey record documentation. The only record available was a GPS coordinate log from the special leak survey.

AREA OF CONCERN

1. **WAC 480-93-110 Corrosion control**

(2) *Each gas pipeline company must 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. (Examples of circumstances allowing each gas pipeline company to exceed the ninety-day time frame include right of way permitting issues, availability of repair materials, or unusually long investigation or repair requirements).*

Finding(s):

During the field portion of the inspection, we obtained a low reading of -510mV (on) at Belmont and Bellevue Pl. in Seattle, WA. If uncorrected within 90 days, this condition could lead to a probable violation.