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Alan Rathbun- Director of Pipeline Safety Program
 State of Washington Utilities and Transportation Commission
 1300 S. Evergreen Park Dr. SW
 P.O. Box 47250
 Olympia, WA 98504-7250

Subject: Response to 2016 Natural Gas Standard Inspection – Bellingham District (Insp. No. 6774)

Dear Mr. Rathbun,

This letter is intended to address the probable state safety code violation and area of concern. The inspection was conducted from November 14-17, 2016 in Bellingham, Washington.

PROBABLE VIOLATION

1. §192.619(a)(3) Maximum allowable operating pressure - Steel or plastic pipelines

(a) No person may operate a segment of steel or plastic pipeline at a pressure that exceeds a maximum allowable operating pressure determined under paragraph (c) or (d) of this section, or the lowest of the following:

(3) The highest actual operating pressure to which the segment was subjected during the 5 years preceding the applicable date in the second column. This pressure restriction applies unless the segment was tested according to the requirements in paragraph (a)(2) of this section after the applicable date in the third column or the segment was uprated according to the requirements in subpart K of this part:

<i>Pipeline segment</i>	<i>Pressure date</i>	<i>Test date</i>
<i>All other pipelines.</i>	<i>July 1, 1970</i>	<i>July 1, 1965</i>

Finding(s):

The following coated steel mains do not have an established Maximum Allowable Operating Pressures (MAOP) or are operating above the MAOP.

a. Hovel Rd and Front St (WA 547), Sumas. Pressure Test Record Request No.1 -This main was installed in 1966. No pressure test record is available. No uprate record is available. No operating pressure history prior to July 1, 1970 is available, (CNG statistical data sheet form 311). This pipeline is currently operating at 38 psig with a CNG specified MAOP of 40 psig.
Per the requirements of 192.619, the MAOP of this pipeline has not been established.

b. Main running east from N Washington on E Main St (Hwy 544), Everson. Pressure Test Record Request No. 3 - This main was installed in 1962. No pressure test record is available. No uprate record is available. No operating pressure history prior to July 1, 1970 is available, (CNG statistical data sheet form 311). This pipeline is currently operating at 42 psig with a CNG specified MAOP of 44 psig.
Per the requirements of 192.619, the MAOP of this pipeline has not been established.

c. Main on Iowa St between Woburn and Pacific, Bellingham. Pressure Test Record Request No. 4 - This main was installed in 1965. No pressure test record is available. No uprate record is available. CNG provided a statistical data sheet (CNG Form 311) indicating that the historical operating pressure in the 5 year window prior to July 1, 1970 was 25 psig, (January 10, 1969). This pipeline is currently operating at 58 psig with a CNG specified MAOP of 60 psig.
Per the requirements of 192.619, the MAOP of this pipeline is currently 25 psig.

d. Main running south on Guide Meridian (WA 539) from Main St, Lynden. Pressure Test Record Request No. 5 - This main was installed in 1962. No pressure test record is available. No uprate record is available. CNG provided a statistical data sheet (CNG Form 311) indicating that the historical operating pressure in the 5 year window prior to

*July 1, 1970 was 30 psig, (November 4, 1968). This pipeline is currently operating at 59 psig with a CNG specified MAOP of 60 psig.
Per the requirements of 192.619, the MAOP of this pipeline is currently 30 psig.*

Cascade Response

With similar findings in the Yakima and Walla Walla district audits, CNGC acknowledges that a comprehensive plan to address this issue across our system is necessary. CNGC is establishing a new Integrity Management department and is in the process of hiring a Director, System Integrity who will be responsible for all aspects of Integrity Management, including MAOP validation of our entire system. CNGC anticipates this position to be filled soon. Once the position is filled, CNGC will initiate a meeting with Staff to discuss developing a path to compliance.

AREA OF CONCERN

1. WAC 480-93-188(3)(b) Gas Leak Surveys

(3) Each gas pipeline company must conduct gas leak surveys according to the following minimum frequencies.

(b) High occupancy structures or areas - At least one annually, but not to exceed fifteen months between surveys.

Finding(s):

CNG leak survey maps are not consistent in highlighting the rights of way surrounding the Business District and High Occupancy Structure or area (HOS) annual leak surveys. It is a requirement of WAC 480-93-188 that the rights of way surrounding these facilities be included in the annual leak surveys. CNG should review their leak survey maps to ensure that all rights of way are highlighted according to the sections that are scheduled for leak surveys.

Although this rule does not specifically mention the right of way, CNG has been provided with documentation indicating that due to rule language contained in WAC 480-93-188, it is the intent of the WAC that operator's leak survey the right of way. This rule also applies to playgrounds, parks, ball fields, etc., that meet the applicable definition of an HOS found in WAC 480-93-005.

Note:

WAC 480-93-188(3)(a) Business Districts - specifically mentions the right of way surrounding these areas.

Cascade Response

To address this area of concern, CNGC is administering procedural changes to CP 715 in accordance with the Management of Change process. The procedure will clearly convey a requirement to audit leak survey maps prior to leak survey activities to ensure that all mains in the right of way surrounding Business Districts and High Occupancy Structure or Areas are included in the annual leak surveys.

Please contact Mike Eutsey at (509) 734-4576 with questions or comments.

Respectfully Submitted,



Eric Martuscelli
Vice President, Operations
Cascade Natural Gas Corporation