



STATE OF WASHINGTON

UTILITIES AND TRANSPORTATION COMMISSION

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Jan. 20, 2017

Eric Martuscelli
Vice President-Operations
Cascade Natural Gas Corporation
8113 W. Grandridge Blvd
Kennewick, WA 99336

Dear Mr. Martuscelli:

**RE: 2016 Natural Gas Standard Inspection – Cascade Natural Gas Corporation (CNGC)
Bellingham District – (Insp. No. 6774)**

We have reviewed your letter dated Jan. 6, 2017, in response to our notice of probable violations related to our Standard Natural Gas Inspection of your Bellingham District, conducted from Nov. 14-17, 2016. Our inspection indicated one (1) series of probable violations and one (1) area of concern which in part have been adequately addressed in your response.

We accept your proposals to bring the Bellingham District into compliance with the following note:

The series of probable violations which addressed the Maximum Allowable Operating Pressure (MAOP) for Sumas, Everson, Bellingham, and Lynden appears to be a system wide issue that was also noted in the Yakima and Walla Walla District inspections. Although the issue was adequately addressed in the Walla Walla District through uprating, other CNGC Districts are more complex with multiple regulator feeds and larger customer bases that may make uprating unfeasible. In these cases, CNGC's responses may require a more comprehensive plan and/or commission order to address the MAOP issue where noted.

This inspection will be closed as of Jan. 20, 2017. Staff thanks CNGC personnel for their cooperation and professionalism during this inspection.

If you have any questions or if we can be of further assistance, please contact Scott Rukke, Pipeline Safety Engineer at (360) 664-1241.

Sincerely,

Alan E. Rathbun

Pipeline Safety Director

cc: Steve Kessie, Director, Operation Services, CNGC
Jeremy Ogden, Director, Engineering Services, CNGC
Mike Eutsey, Manager, Standards and Compliance, CNGC
Vicki Ganow, Pipeline Safety Specialist, CNGC