



STATE OF WASHINGTON  
**UTILITIES AND TRANSPORTATION COMMISSION**

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*Sent Via Email and Electronic Receipt Return Mail*

October 27, 2017

Eric Martuscelli  
Vice President - Operations  
Cascade Natural Gas Corporation  
8113 West Grandridge Boulevard  
Kennewick, WA 99336

**RE: 2017 Natural Gas Standard Inspection - Cascade Natural Gas Corporation  
Aberdeen District (Insp. No. 7270)**

Dear Mr. Martuscelli:

Staff from the Washington Utilities and Transportation Commission conducted a Standard inspection of Cascade Natural Gas Corporation's Aberdeen District, on September 12-14. The inspection included a records review and field inspection of pipeline facilities.

Our inspection indicates two probable violations as noted in the enclosed report, 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 November 29. 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 81.04.405; or

- Issue a complaint under RCW 81.88.040, seeking monetary penalties, changes in the company's practices, or other relief authorized by law, and justified by the circumstances. Any pipeline company that violates any pipeline safety provision of any commission order, or any rule in this chapter including those rules adopted by reference, or chapter 81.88 RCW is subject to a civil penalty not to exceed two hundred thousand dollars for each violation for each day that the violation persists. The maximum civil penalty for a related series of violations is two million dollars; or
- Consider the matter resolved without further commission action.

We have not yet decided whether to pursue a penalty or complaint in this matter. Should the commission decide to assess a penalty or initiate a complaint, your company will have an opportunity to respond and formally present its position.

If you have any questions or if we may be of any assistance, please contact Anthony Dorrrough at (360) 664-1318. Please refer to the subject matter described above in any future correspondence pertaining to this inspection.

Sincerely,



Sean C. Mayo  
Pipeline Safety Director

cc: Mike Eutsey, Director of Operations, CNGC  
Jeremy Ogden, Director, Engineering Services, CNGC  
Ryan Privratsky, Director, System Integrity, CNGC  
Chris Grissom, Manager, Standards and Compliance, CNGC  
Sarah Volk, Pipeline Safety Specialist, Aberdeen District, CNGC

**UTILITIES AND TRANSPORTATION COMMISSION**  
**2017 Natural Gas Standard Inspection**  
**Cascade Natural Gas Corporation – Aberdeen District**

The following probable violations of WAC 480-93 were noted as a result of the 2017 Standard Inspection of Cascade Natural Gas Corporation's (CNGC) Aberdeen District. The inspection included a random selection of records, and field inspection of the pipeline facilities.

**PROBABLE VIOLATIONS**

1. **WAC 480-93-188(1)(a) Gas Leak Surveys**

*(1) Each gas pipeline company must perform gas leak surveys using a gas detection instrument covering the following areas and circumstances:*

*(a) Over all mains, services, and transmission lines including the testing of the atmosphere near other utility (gas, electric, telephone, sewer, or water) boxes or manholes, and other underground structures;*

**Finding(s):**

Staff found three distribution service addresses where records indicated a failure to perform a leak survey. The following gas distribution services were not marked as part of the leakage survey and CNGC could not produce sufficient records to prove that these services had indeed been surveyed:

- 220 South 3rd Street, Shelton, WA
- 228 South 3rd Street, Shelton, WA
- 410 West Business Park Road, Shelton, WA

2. **WAC 480-93-200(1)(c) Reporting Requirements**

*(1) Each gas pipeline company must give notice to the commission by telephone using the emergency notification line (see WAC 480-93-005(8)) within two hours of discovering an incident or hazardous condition arising out of its operations that results in:*

*(b) The evacuation of a building, or a high occupancy structure or area;*

**Finding(s):**

Staff found records indicating there was an incident on July 12, 2017, at 3009 Wishkah Road, Aberdeen, WA, where the Aberdeen Fire Department evacuated two structures. CNGC failed to report the July 12 incident/evacuation to the Commission.