



STATE OF WASHINGTON

UTILITIES AND TRANSPORTATION COMMISSION

621 Woodland Square Loop S.E. • Lacey, Washington 98503

P.O. Box 47250 • Olympia, Washington 98504-7250

(360) 664-1160 • TTY (360) 586-8203

Sent Via Email and FedEx

October 21, 2020

Booga K. Gilbertson
Sr. Vice President Operations
Puget Sound Energy
355 110th Ave NE, M/S EST 11W
Bellevue, Washington 98004

RE: 2020 Natural Gas Standard Inspection – Puget Sound Energy West King Unit – (Insp. No. 8042)

Dear Ms. Gilbertson:

Staff from the Washington Utilities and Transportation Commission (staff) conducted a Standard inspection of Puget Sound Energy's West King Unit. Records were reviewed virtually using a WebEx platform from August 24, 2020 to August 27, 2020. A field inspection was conducted September 14, 2020 to September 17, and on September 22, 2020. PSE was asked to produce records documenting maximum allowable operating pressure for certain high pressure pipelines. This required entry in buildings closed for Covid-19 and required additional time. As such, an exit interview was conducted via telephone on October 14, 2020. This inspection included a records review and inspection of the pipeline facilities.

Our inspection indicates one probable violation 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 November 23. 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.

Puget Sound Energy
2020 Standard Inspection West King Unit
October 21, 2020
Page 2

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 \$213,268 for each violation for each day that the violation persists. The maximum civil penalty for a related series of violations is \$2,132,679; 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 Dennis Ritter at (360) 402-0066. Please refer to the subject matter described above in any future correspondence pertaining to this inspection.

Sincerely,

Sean C. Mayo
Pipeline Safety Director

Enclosure

cc: Troy Hutson, Director of Enterprise Risk Management, Puget Sound Energy
Harry Shapiro, Director of Gas Operations, Puget Sound Energy
Kaaren Daugherty, Manager Compliance Programs, Puget Sound Energy

UTILITIES AND TRANSPORTATION COMMISSION
2020 Natural Gas Pipeline Safety Inspection
Puget Sound Energy-West King Unit

The following probable violation, WAC 480-93-018-Records and area of concern, WAC 480-93-110-Corrosion Control, were noted as a result of the 2020 inspection of the Puget Sound Energy-West King Unit. The inspection included a random selection of records, operation and maintenance (O&M), emergency response, and field inspection of the pipeline facilities.

PROBABLE VIOLATIONS

1. **WAC 480-93-018 Records**

(1) Each gas pipeline company must maintain records sufficient to demonstrate compliance with all requirements of 49 C.F.R. §§ 191, 192 and chapter [480-93](#) WAC.

Finding(s):

During the records review portion of the inspection, PSE could not produce records showing the disposition of a weld rejected by NDE examination on the 12" STW Main Relocation Alaskan Way at Pier 57- Seattle Aquarium project from 2018. The weld was identified as "Weld 10 CK&KM" in the original NDE report. Without this documentation, PSE cannot demonstrate whether the weld repair satisfied PSE requirements per PSE's Weld Inspection and Repair Manual, Section 2700.1200.10.

AREAS OF CONCERN OR FIELD OBSERVATIONS

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.)

Findings:

During the field portion of the inspection, the following test station reading did not meet PSE minimum cathodic protection criteria of -850 mv:

TS 076106 E Marginal Way at Duwamish -499 mv on, -454 mv off.

PSE must start remedial action in a timely manner and complete remedial action within 90 days per WAC 490-93-110.