



STATE OF WASHINGTON  
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION  
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**CERTIFIED MAIL**

September 6, 2012

Sue McLain  
Senior Vice President - Operations  
Puget Sound Energy  
PO Box 90868 M/S PSE-12N  
Bellevue, WA 98009-0868

Dear Ms. McLain:

**RE: 2012 Natural Gas Standard Inspection – Puget Sound Energy -Kittitas County**

Staff from the Washington Utilities and Transportation Commission (staff) conducted a standard inspection from August 6-10, 14 and 21, 2012 of Puget Sound Energy's (PSE), Kittitas County gas system. The inspection included a records review and inspection of the pipeline facilities.

Our inspection indicates two probable violations and three areas of concern, as noted in the enclosed report.

**Your response needed**

Please review the attached report and respond in writing by October 8, 2012. 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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If you have any questions, or if we may be of any assistance, please contact Dennis Ritter at (360) 664-1159. Please refer to the subject matter described above in any future correspondence pertaining to this inspection.

Sincerely,



David D. Lykken  
Pipeline Safety Director

Enclosure

cc: Carol Wallace, Director, Gas Operations  
Cathy Koch, Director, Compliance  
Duane A. Henderson, Manager, Gas System Integrity  
Cheryl McGrath, Manager, Compliance and Regulatory Audits Gas

**WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**  
**2012 Natural Gas Pipeline Safety Inspection**  
**Puget Sound Energy – Kittitas County Inspection**

The following probable violations of WAC 480-93 and 49 CFR Part 192 were noted as a result of the 2012 inspection of the Puget Sound Energy – Kittitas County. The inspection included a random selection of records (operation and maintenance, emergency response, damage prevention) and field inspection of the pipeline facilities.

**PROBABLE VIOLATIONS**

1. **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.*

**Finding(s):**

In August of 2010, storms produced enough water to allow Manastash Creek to overflow its banks and travel down roadside ditches along Cove Rd. In so doing, the water scoured enough soil to expose almost 5000 feet of IP PE main. PSE promptly replaced this main with new pipe. However, when crews responded to this event, they “found” an above ground bridge crossing of Manastash Creek which prior to this event, Kittitas County PSE operations was unaware of. As local crews were unaware, they failed to follow the plans, procedures and programs as required under 49 CFR Part 192 for this above ground bridge crossing.

In particular, PSE failed to:

- a. take annual pipe-to-soil reads on cathodically protected underground steel pipe per 49 CFR Part 192.465(a).
- b. conduct atmospheric inspections of the exposed steel casing per 49 CFR Part 192.481(a).
- c. patrol the line crossing a bridge per 49 CFR Part 192.721(b)(2).

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

- (1) *Each gas pipeline company must maintain records sufficient to demonstrate compliance with all requirements of 49 CFR §§ 191, 192 and chapter 480-93 WAC.*
- (5) *Each gas pipeline company must update its records within six months of when it completes any construction activity and make such records available to appropriate company operations personnel.*

**Finding(s):**

In reference to the Manastash Creek event, PSE failed to inspect the facility and generate the records which demonstrate compliance with all requirements of 49 CFR Parts 191, 192 and Chapter 480-93 WAC.

In particular, PSE failed to:

- a. maintain records and maps of cathodically protected facilities and galvanic anodes per 49 CFR Part 192.491(a).

- b. update their maps within 6 months of completing a construction activity and then making those accurate records of construction and maps available to operating personnel per 49 CFR Part 192.605(b)(3).

### AREAS OF CONCERN

#### 1. 49 CFR §192.631 Control Room Management.

(f) *Change management. Each operator must assure that changes that could affect control room operations are coordinated with the control room personnel by performing each of the following:*

- (1) *Establish communications between control room representatives, operator's management, and associated field personnel when planning and implementing physical changes to pipeline equipment or configuration;*

#### Finding(s):

When UTC staff visited the Kittitas Gate Station with representatives from PSE to conduct field inspection and OQ validation, it was stated that the operation of the station during the summer is different from winter. The difference is that pressure settings are changed to a lower setting during the summer months and the supply is run through the bypass, not through the high pressure runs. When asked while onsite, field representatives from PSE responded that it is because the Becker automatic valves have a software issue and they can't reliably communicate with the PSE system. Subsequent conversations with Mr. Joe Ewing, Consulting Engineer, indicate that gas control, can and does, communicate with these valves in a reliable manner.

In view of the confusion by operating personnel, and the fact that this system is operated differently than other PSE regulator stations, it would be prudent to develop a separate procedure for this station. The additional procedure should be readily available onsite explaining how the system is operated, including the Management of Change (MOC) documents supporting the current pressure settings.

#### 2. 49 CFR §192.605 Procedural manual for operations, maintenance, and emergencies.

(b) *Maintenance and normal operations. The manual required by paragraph (a) of this section must include procedures for the following, if applicable, to provide safety during maintenance and operations.*

- (1) *Operating, maintaining, and repairing the pipeline in accordance with each of the requirements of this subpart and Subpart M of this part.*

#### Finding(s):

Staff observed that operations personnel use yellow plastic tags to write the last pressure setting left on the regulator(s) after completing a task. According to PSE crews, this provides other personnel the operating pressure which should be indicated on the pressure gauge(s). The ink used on the yellow tags fades in the sun and cannot be read by operation and maintenance personnel. A revised system should be implemented by PSE to ensure field personnel have the most current information while onsite to perform maintenance. Additionally, this process could not be located in PSE's 2012 Gas Field

Procedures. If it is being used in the field, it needs to be included in your procedure to ensure ownership, reliability, and consistency in application.

3. **WAC 480-93-200 Reporting Requirements.**

(8) *Each gas pipeline company must file with the commission, and with appropriate officials of all municipalities where gas pipeline companies have facilities, the names, addresses, and telephone numbers of the responsible officials of the gas pipeline company who may be contacted in the event of an emergency. In the event of any changes in such personnel, the gas pipeline company must immediately notify the commission and municipalities.*

**Finding(s):**

PSE was unable to provide proof of correspondence showing they notified appropriate officials of all municipalities where gas pipeline companies have facilities; the names, addresses, and telephone numbers of the responsible officials of the gas pipeline company who may be contacted in the event of an emergency. What PSE did provide was proof of their liaison program with Kittitas emergency responders—fire department, sheriff and 911 dispatch. However, the code does not state that only emergency response personnel are to be contacted. The code states “*appropriate officials of all municipalities.*” Staff believes this to be at a minimum (as the code identifies municipalities) elected officials, city manager, police and fire chiefs, and others whom PSE determines should get such correspondence. PSE needs to identify who are the appropriate officials for each of the municipalities where PSE has facilities.