PUGET SOUND ENERGY

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November 19, 2020

Sean Mayo
Pipeline Safety Director
Washington Utilities and Transportation Commission
Pipeline Safety Section
621 Woodland Square Loop S.E.
Lacey, WA 98503

RE: 2020 Natural Gas Standard Inspection – Puget Sound Energy West King Unit – (Insp. No. 8041)

Dear Mr. Mayo:

PSE received and reviewed your letter dated October 21, 2020 regarding the 2020 West King County audit. Pursuant to your request, the following is PSE's response to one probable violation and one area of concern.

Probable Violation

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.

PSE Response:
When the potential finding regarding the disposition of a weld rejected by NDE examination on the 12" STW Main Relocation Alaskan Way at Pier 57- Seattle Aquarium was noted during the WUTC standard inspection meetings, PSE Supervisor Quality Assurance and Inspection and the Manager Compliance and Quality Management identified lessons learned and corrective actions. The Supervisor reviewed the lessons learned with the QA Inspectors on September 11, 2020. On September 28, 2020, a review of 100% of the NDT reports from January 1, 2020 through August 31, 2020 was completed. All reports were found to be compliant with requirements, including those where a weld joint was initially rejected and subsequently repaired or cut out.

Subsequent to this, PSE Compliance and Quality Assurance personnel performed a Root Cause Analysis (RCA). The Quality Management team is implementing the following corrective actions as a result of the initial lessons learned evaluation and the follow-up RCA:

- High Pressure pipeline inspection procedure and manual, as applicable, will be revised to include:
  - A Radiographic Examination Report inspection item that requires the QA Inspector to review reports daily and to ensure the reports are accurate; complete per PSE operating standard 2700.1200 *Weld Inspection and Repair* Section 10; and that the inspector agrees with/confirms the weld disposition noted – with action for taken for any REJ weld;
  - Guidance when there are questions about the radiograph;
  - Requirement to record pertinent details about joint examination, non-conformance(s) addressed, and any issues and outcomes during the inspection on the existing Quality Assurance Inspection (QAI) field report;
  - Requirement for PSE QA Inspector to review the Radiographic Examination Report and QM daily field inspection report when a Contract Inspector is covering the job;
  - Process for documenting weld repairs/cut-outs on the NDE reports; and
  - Existing weld cut-out guidelines
- Work with Radiography/ X-ray companies currently on contract on a process that clearly connects a rejected disposition to a final disposition on the examination report.

The above actions have target completion dates of November 20, 2020 and December 31, 2020, respectively, including review of the procedure and manual changes with the QA Inspectors and all active Contract Inspectors.

To assess the risk of the weld, the QAI team consulted with subject matter experts, PSE's contract inspector and the PSE weld qualification evaluator. According to the Radiographic Examination Report on file, the weld was rejected due to porosity. Porosity presents a low risk to the strength and integrity of the weld. Additionally, there is very low likelihood of leak occurring as a result of surface level porosity. The pipeline in question is leak surveyed annually and leak survey records from 2018 to 2020 were checked. The leak surveys were performed on 9/14/2018, 10/24/2019 and 10/8/2020 and there were no leaks found.

The weld was the final tie-in weld on PSE Job 109117118, connecting the new replacement pipeline to the existing pipeline on Alaska Way in Seattle. PSE will be cutting out the weld as part of the next phase of the high pressure pipeline replacement scheduled to begin in June 2021. PSE will plan to leak survey the area once per quarter until the weld has been retired as part of the replacement project in 2021. We believe this action aligns with the low risk of the surface level porosity, feedback from SMEs and past leak survey results.

Area of Concern or Field Observation

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.

PSE Response:
PSE's Corrosion Control team opened an SAP notification on September 16, 2020 to troubleshoot what caused the low cathodic protection reading at the test station, TS 076106, on E Marginal Way South and Duwamish Avenue South in Seattle. On November 16, 2020 the corrosion technician identified a flange on the upstream side of an above ground regulator at a district regulator station that was insulating the current; the low read was remediated at that time. PSP readings at the test site after remediation were −1134 mV On and −936 mV Instant off.

We trust the information provided is responsive to the findings of the UTC inspection. PSE is committed to constructing, operating, and maintaining a safe gas pipeline system.

Sincerely,

DocuSigned by:
Booga Gilbertson
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Booga K. Gilbertson

Sr. Vice President and Chief Operations Officer

Cc: Troy Hutson, Director Compliance
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