

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 1-800-833-6384 or 711

Sent Via Email

September 6, 2022

Pat Darras VP Engineering and Ops Services Cascade Natural Gas Corporation 400 North 4th Street Bismarck, North Dakota 58501

RE: 2022 Natural Gas Standard Inspection – Cascade Natural Gas Corporation Bellingham Unit – (Insp. No. 8423)

Dear Mr. Darras:

Staff from the Washington Utilities and Transportation Commission (staff) conducted a Standard inspection of Cascade Natural Gas Corporation's (CNGC) Bellingham Unit from August 15, 2022 to August 25, 2022. This inspection included a virtual records review via MS Teams followed by a physical inspection of additional records and pipeline facilities.

Our inspection indicates three area of concern 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 October 7, 2022. The response should include how and when you plan to bring the area of concern into full compliance.

What happens after you respond to this letter?

The attached report presents staff's decision on the area of concern and does not constitute a finding of probable violation by the staff at this time if the issue is resolved within 90 days of discovery.

If this issue is not resolved within 90 days, this matter may result in the issuance of a notice of probable violation.

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: Mike Schoepp, Director, Operations Services, CNGC
 Josh Sanders, Director, Ops Policy and Procedures, CNGC
 Ryan Privratsky, Director, System Integrity, Integrity Management, CNGC

UTILITIES AND TRANSPORTATION COMMISSION 2022 Natural Gas Pipeline Safety Inspection Cascade Natural Gas Corporation – Bellingham Unit

The following areas of concern were noted as a result of the 2022 inspection of the CNGC Bellingham Unit. This inspection included a random selection of records, operation and maintenance (O&M), emergency response, inventory, and field inspection of the pipeline facilities.

AREA OF CONCERN

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. The manual must include plans and procedures for meeting all applicable requirements of 49 C.F.R. §§ 191, 192 and chapter 480-93 WAC, and any plans or procedures used by a gas pipeline company's associated contractors.

Finding(s):

During the records review, staff asked for records validating the maximum allowable operating pressure (MAOP) for the Central Whatcom 8" HP segment 14C1344. The records were not available via CNGC's GIS system. Although the records were produced after some internal investigating, they should be located in GIS according to CNGC's procedure OPS 505-Pressure Testing. For this segment Form 23021 would have been used and the Record Retention table in OPS 505 clearly indicates the storage location as GIS.

2. 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 inspection of CNGC pipeline facilities, staff asked to inspect rectifier 47540-001-RE-0013 in Lynden. The rectifier appeared to be functioning normally, however, a pipe-to-soil read taken at the rectifier showed and instant off read of -850 mv while interrupting the protective current. The read so close to the rectifier should be much higher. CNGC should investigate why the read was lower than expected.

3. 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 inspection of CNGC pipeline facilities, staff asked to inspect several cathodic protection locations where a pipe to soil read could be conducted. Two of these locations indicated a reading which did not meet CNGC's criteria in OPS 402 of -850 mv while interrupting the protective current. The following should be investigated and mitigated within 90 days of the date the read was taken, August 23, 2022:

- 47822-001-MP-0001 Bellingham 2 Meter station, Sumas; a read of -780mv was noted during inspection of AC SSD
- 47822-001-CA-0009 Lynden; when investigating this shorted casing a read was taken at the meter of 3273 East Badger Rd and read of -818mv was noted.