STATE OF WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION
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Sent via email

July 21, 2022

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

RE: 2022 Natural Gas Section 114 Compliance Review Cascade Natural Gas Corporation – Unit (Insp. #8507)

Dear Mr. Darras:

Pursuant to 49 U.S.C. 60108(a)(3), as amended by section 114(a) of the PIPES Act of 2020 (Section 114), PHMSA and state authorities with a certification under 49 U.S.C. 60105 will inspect operators' revised operations and maintenance (O&M) procedures in calendar year 2022. Section 114 of PIPEs Act of 2020 requires operators to update their inspection and maintenance plans to address eliminating hazardous leaks and minimizing releases of natural gas (including intentional venting during normal operations) from their pipeline facilities. The updated plans must also address the replacement or remediation of facilities that historically have been known to experience leaks based on their material, design, or past operating and maintenance history.

On 7/18/22, staff from the Washington Utilities and Transportation Commission reviewed changes Cascade Natural Gas Corporation's operation and maintenance procedures to comply with Section 114 requirements. The Pipeline and Hazardous Material Safety Administration (PHMSA) has formulated a series of questions staff are to discuss with operators regarding their updated procedures. After the review, staff noted several areas where CNGC can bolster their procedures to reduce methane emissions. Issues were noted in both transmission and distribution procedures as follows:

Transmission: Several issues pertaining to CNGC's reciprocating compressor station in the Mt Vernon District were noted:

1. These types of engines inherently represent a larger potential release volume than a centrifugal compressor. CNGC should know if there are emissions coming from the compressor and write a procedure to minimize such emissions.

2. It was noted that CNGC does annual exhaust stack emissions testing for the Mt. Vernon compressor. It appears this is required by an air quality permit issued by Northwest Clean Air Agency. This testing is for CO, and VEO (visible emission opacity. A procedure should be available stating the basis for the stack testing and should include methane. The procedure should state the compliance thresholds and establish what required actions are taken for noncompliance.

3. CP 742 does not require that Emergency Shut Down (ESD) for the compressor be completed in a manner to minimize emissions. In describing typical ESD testing, it appears the compressor is not running and that gas is not vented. However, the procedure does not specify.

Distribution: There was one issue relating to your distribution procedures which needs attention. Information from detected leaks, including those eliminated by lubrication, adjustment and tightening needs to be recorded so methane emissions can be documented. Procedures such as OPS 304- High Pressure Service Set (HPSS) and Farm Tap Inspection & Maintenance; OPS 310-Large Volume Meters Inspection, Testing, and Maintenance; OPS-500-Regulator Station Inspection and Maintenance, all have language which allows for these types of leaks to be repaired without reporting.

Staff thanks Cascade's personnel for their professionalism and cooperation during this inspection.

If you have any questions or if we may be of any assistance, please contact Dennis Ritter at (360) 402-0066

Sincerely,

Mayo, Sean (UTC)
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Date: 2022.07.28 10:13:17 -07'00'

Sean Mayo
Pipeline Safety Director

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