

STATE OF WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

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Sent Via Email

August 17, 2023

Pat Darras VP, Engineering & Operations Services Cascade Natural Gas Corporation 8113 West Grandridge Boulevard Kennewick, WA 99336

RE: 2023 Natural Gas Standard Comprehensive Inspection – Cascade Natural Gas Coproration – Aberdeen District – (Insp. No. 8583)

Dear Mr. Darras:

Staff from the Washington Utilities and Transportation Commission (staff) conducted a Natural Gas Standard Comprehensive inspection of Cascade Natural Gas Corporation (CNGC) Aberdeen District. A procedures and records review was conducted online via MS Teams from June 13, 2023 to June 14, 2023, and a field inspection of CNGC's unit assets was conducted from June 15, 2023 to June 16, 2023.

Our inspection indicates one probable violation 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 September 18, 2023. The response should include how and when you plan to bring the probable violation 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:

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- Issue an administrative penalty under <u>RCW 81.04.405</u>; 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 \$239,142 for each violation for each day that the violation persists. The maximum civil penalty for a related series of violations is \$2,391,412; 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 Anthony Dorrough at (360) 481-4035. Please refer to the subject matter described above in any future correspondence pertaining to this inspection.

Sincerely,

for Scott Rukke Pipeline Safety Director

cc: Colby Lundstrom, Manager Compliance and Operations Programs Josh Sanders, Director, Operations Policy and Procedures Ryan Privratsky, Director, System Integrity, Integrity Management Mike Schoepp, Director, Operations Services

UTILITIES AND TRANSPORTATION COMMISSION 2023 Natural Gas Pipeline Safety Inspection Cascade Natural Gas Corporation (CNGC) – Aberdeen District

The following probable violation of WAC 480-93-180 was noted as a result of the 2023 inspection of CNGC-Aberdeen District. The inspection included a random selection of records, operation and maintenance (O&M), emergency response, inventory, and field inspection of the pipeline facilities.

PROBABLE VIOLATION

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):

According to records:

W/O #10826969 -328 W Railroad Ave #B -Natural Gas Service – Requirement finish by: 7/19/2020 Finished: 12/15/21

Staff noted that W/O #10826969 identified corrosion found below the meter stop on the riser during an AC survey, with the repair being completed over one year later contrary to procedures, which state that repairs must take place within 90 days.