



U.S. Department
of Transportation

Pipeline and Hazardous
Materials Safety
Administration

1200 New Jersey Avenue, SE
Washington, D.C. 20590

January 28, 2019

FedEx Delivery

Mr. David W. Danner
Chairman
Washington Utilities and Transportation Commission
1300 S. Evergreen Park Drive SW
Olympia, WA 98502

RECEIVED
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STATE OF WASH
UTILITY REGULATORY
COMMISSION

Dear Chairman Danner:

On September 10-14, 2018, and September 24-28, 2018, the Pipeline and Hazardous Materials Safety Administration (PHMSA) conducted an evaluation of the pipeline safety program activities carried out by the Washington Utilities and Transportation Commission (WUTC) in Calendar Year (CY) 2017. This evaluation included a review of annual progress report documents and pipeline program procedures and records, as well as observation of an on-site pipeline operator inspection by WUTC staff.

PHMSA conducted our evaluation pursuant to Sections 60105(e) and 60106(d) of Title 49 of the United States Code, which authorizes PHMSA to monitor state pipeline safety programs. This annual evaluation is designed to ensure compliance with the Pipeline Safety Act requirements and to provide information that will allow PHMSA to determine the state's total pipeline safety grant score for the upcoming year.

PHMSA assesses the overall performance of a state's pipeline safety program by scoring information contained in the pipeline safety program Progress Report and by conducting a Program Evaluation. Detailed results are below:

I. Progress Report Review

The WUTC Gas and Hazardous Liquid Pipeline Safety Programs both scored 50 out of a possible 50 points for CY 2017.

II. Program Evaluation Review

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For CY 2017, the WUTC Gas Pipeline Safety Program scored 122 out of a possible 123 points and the WUTC Hazardous Liquid Pipeline Safety Program scored 114 out of a possible 115 points.

1. PHMSA deducted one point because the WUTC's Pipeline Safety Program Director did not fully meet the required qualifications. Each state must ensure its program manager is knowledgeable about pipeline safety regulation, enforcement applications, and the administrative procedures involved in submitting PHMSA base grant applications, payment requests, and annual progress reports. Additionally, the program manager must complete seven mandatory training qualification (TQ) courses in Oklahoma City, Oklahoma. If inspections are part of the program manager's duties, additional courses may be required. The program manager must complete all required courses within 5 years after they are appointed. The WUTC appointed the Pipeline Safety Program Director on May 15, 2017; however, at the time of PHMSA's review, he had yet to complete a TQ course. Additionally, the Director has limited natural gas and hazardous liquid experience.

In addition, PHMSA suggests adding clarifying language to General Sections 15-16 and Damage Prevention Enforcement Section 31 of the WUTC Pipeline Safety Policy and Procedures Manual to ensure it does not conflict with citing violations under 49 Code of Federal Regulation Parts 192 and 195 when the actions of operators or their contracted locators contribute to excavation damage.

The State Inspection Calculation Tool (SICT) determines the total number of inspection days a state pipeline safety program must complete in a given year. Per the SICT, the WUTC Gas Pipeline Safety Program must perform 408 inspection days in CY 2019 and the WUTC Hazardous Liquid Pipeline Safety Program must perform 85. Pipeline safety inspections are one of the most critical components of the program. If you have any questions, please contact Supervisor Grants Management Specialist Rex Evans at Rex.Evans@dot.gov.

As you may be aware, PHMSA and the National Association of Pipeline Safety Representatives developed a set of performance metrics that are available to the public on PHMSA's stakeholder communication website, <http://primis.phmsa.dot.gov/comm/states.htm>. These metrics relate to the state's leak management, incident investigations, and damage prevention program, as well as its inspector qualification, inspection, and enforcement activities. PHMSA expects each state pipeline safety program to review these metrics and take action, as necessary, to continuously improve performance trends, thereby supporting enhanced pipeline safety.

PHMSA appreciates the contributions that you and your staff have made to pipeline safety on a national level. We recognize Mr. Subsits' service as the chair of both the NAPSRL Liaison Committee and PHMSA's Voluntary Information-sharing Working Group and Mr. Mayo's work as a participant in the Operator Qualification Integrity Program Working Group. Finally, PHMSA applauds Mr. Anthony Dorrough's participation on the American Petroleum Institute's Public Awareness Program Task Group. The hard work of Mr. Subsits, Mr. Mayo,

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Mr. Dorrough, and other WUTC staff has positively impacted policies and industry standards across the Nation.

Please provide your response regarding Item 1 within 60 days of receipt of this letter to avoid losing performance points on next year's evaluation. The response should be addressed to Zach Barrett at 3700 S. MacArthur Blvd., Suite B, Oklahoma City, Oklahoma 73179-7612. Thank you for your continued support of pipeline safety.

Sincerely,



Zach Barrett
Director, State Programs

cc: Mr. Sean Mayo, Director, Pipeline Safety Program
Mr. Glynn Blanton, Southern Region Liaison, PHMSA, PHP-50