



U.S. Department
Of Transportation

1200 New Jersey Ave., SE
Washington, DC 20590

**Pipeline and Hazardous
Materials Safety Administration**

November 4, 2015

OVERNIGHT EXPRESS MAIL

Mr. Alan Rathbun
Pipeline Safety Director
Washington Utilities and Transportation Commission
1300 South Evergreen Park Drive, SW
P.O. Box 47250
Olympia, WA 98502

Dear Mr. Rathbun:

Sections 60105(e) and 60106(d) of the Pipeline Safety, Regulatory Certainty, and Job Creation Act of 2011 (Act) provide for the monitoring of State pipeline safety programs by the Pipeline and Hazardous Materials Safety Administration (PHMSA). This annual monitoring is to ensure compliance with the Act's requirements for State pipeline safety programs and provides information for determining the State's total point award for the PHMSA pipeline safety grant for next year.

July 6-10 and September 21-25, 2015, the Washington Utilities and Transportation Commission (WUTC) CY 2014 Pipeline Safety Program activities, training, and other relative information were evaluated by Mr. Michael Thompson PHMSA Office of State Programs. As part of the evaluation, the annual Progress Report documents submitted to PHMSA were validated for accuracy. Additionally, our State Evaluator observed on-site field inspections of Puget Sound Energy (PSE) and Alta Gas during the week of September 21-25, 2015. Thank you for the courtesies extended to Mr. Thompson by your staff during the evaluations.

Thank you for supporting NAPSRS and its initiatives. PHMSA especially appreciates your programs past service in NAPSRS leadership positions and on NAPSRS Committees and those of your staff as noted in my letter to Chairman Danner.

Based on our evaluation the WUTC is generally complying with the requirements for State pipeline safety programs but some improvements are needed. Our exit briefing discussed the items for improving the pipeline safety program included in my letter to Chairman Danner. You were copied on the Chairman's letter requesting a response to the issues within 60 days of receipt of the letter to avoid a point reduction in next years' evaluation. Additionally, please send me and Don Martin a PDF of the Chairman's signed response letter to zach.barrett@dot.gov and don.martin@dot.gov.

Other areas which require additional attention to strengthen your program include the following:

1. The WUTC conducts Operator Qualification (OQ) field requirements (Protocol 9) during Standard Inspections. The WUTC spent 16.8 inspection person days during CY2014 verifying OQ programs. Protocol 9 inspections should be conducted a minimum of once every five years, and full OQ program inspections should be conducted a minimum of once every five years. PHMSA would like to encourage the WUTC to commit more time to the inspection of OQ programs in order to achieve the once every five year interval.
2. The WUTC uses and verifies the accuracy of the mileage information reported by operators on their annual reports. However, the WUTC does not use or verify the leak information reported by operators due to the States required reporting systems detailed information. The requirement is for States in the program to review and verify the accuracy of all information provided by operators in their annual reports, and it would benefit the WUTC to develop a procedure with a clear process to review and verify this information.
3. The WUTC pipeline program procedures are in good shape, but could use a thorough review to make sure inspection elements include pre-inspection activities, inspection activities and post-inspection activities. Also make sure all inspection forms used in the field are referenced in the WUTC procedures and shared with all employees to ensure consistency. We have provided an Appendix S in the Guidelines for States Participating in the Pipeline Safety Program (Guidelines) to assist you.

The grant funding is based on accurate completion of the annual Progress Report and the State performance score from this evaluation. Attention to these three important items will help to assure your eligibility for maximum grant funding. Thank you again for your courtesies and assistance in making available your time, staff, documents and other relative information during this annual State program evaluation. I appreciate your continuing commitment to the pipeline safety program.

Sincerely,



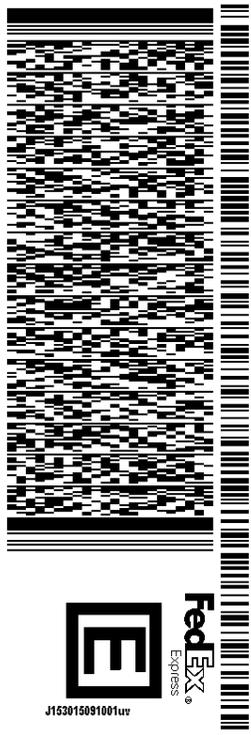
Zach Barrett
Director for State Programs
Office of Pipeline Safety

cc: Michael Thompson, State Programs Evaluator, PHP-50
Chris Hoidal, Western Region Director, PHP-500

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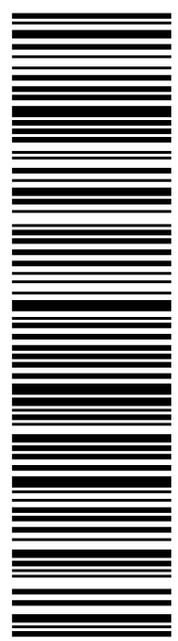
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