



STATE OF WASHINGTON

UTILITIES AND TRANSPORTATION COMMISSION

1300 S. Evergreen Park Dr. S.W., P.O. Box 47250 • Olympia, Washington 98504-7250

(360) 664-1160 • TTY (360) 586-8203

December 12, 2016

Zach Barrett
Director, State Programs
Office of Pipeline Safety
U.S. Department of Transportation
Pipeline and Hazardous Materials Safety Administration
3700 South MacArthur Boulevard, Suite B
Oklahoma City, Oklahoma 73179-7612

RE: Washington State Pipeline Safety Program - Response to Oct. 21, 2016 Letter

Dear Mr. Barrett:

The Utilities and Transportation Commission Pipeline Safety Program has received the Pipeline and Hazardous Materials Safety Administration's Oct. 21 evaluation of our program.

We would like to respond to item numbers 2 through 6, as outlined in the evaluation:

- 1. During the review of inspection procedures, it was noted that the CGA Best Practices referenced in the WUTC Damage Prevention procedures need to be updated to the most recent practices available.**

All references to CGA Best Practices have been amended. They no longer reference version numbers and instead reflect the most recent version of CGA Best Practices.

- 2. As part of initial inspections for new operators, the WUTC conducts what it terms a "Technical Assistance" visit to provide information and guidance. PHMSA recommends that the WUTC develop procedures for conducting, reporting, and recording these types of activities as On-Site Operator Training to include in the program's annual progress report.**

Detailed Pipeline Safety procedures and relevant reporting forms are being modified to collect this training activity for inclusion in our annual progress reports.

- 3. As required, the WUTC sets inspection intervals for all types of inspections conducted by staff in its operations/procedures manual. The interval for Standard Inspections is set at three years with all other types of inspections set at five years. During the review of last year's inspections, it was noted that several of the Standard Inspections were completed very close to the three-year interval. PHMSA recommends that the WUTC review the time intervals for all types of inspections to insure they are appropriate.**

The UTC is amending its Pipeline Safety procedures to reflect inspection intervals as required by PHMSA. Our practice of inspection based on risk assessment will continue to result in conducting many inspections on a more frequent basis, but the procedures in all cases will be consistent with PHMSA requirements for inspection intervals.

- 4. Over the years, the WUTC has been active in compliance actions with operators and has used their authority to enforce with civil penalties. PHMSA recommends WUTC procedures be revised to include a list of factors to be considered for when civil penalties should be levied.**

The UTC has a policy statement reflecting the considerations all commission programs must make when considering a penalty assessment. This policy affects all UTC programs, including Pipeline Safety. Nevertheless, Pipeline Safety will develop a separate procedure to determine when the program will seek to assess penalties against pipeline operators, taking into consideration the current UTC policy statement on penalties.

- 5. The WUTC is encouraged to review the performance metrics in the state of Washington portion of PHMSA's PRISM website. These metrics can be helpful to envision trends in pipeline safety in your state. PHMSA is, in fact, now requiring state programs to review these metrics and develop strategies to improve if the metrics are trending in a direction that compromises pipeline safety.**

The UTC Pipeline Safety Program does monitor PHMSA metrics as well as several other performance measures designed to assess workload, output, and outcomes of the program. Pipeline Safety has implemented a visual management system designed to keep these metrics visible to all on an on-going basis. The PHMSA metrics will be included in our existing measures in order to maintain constant visibility in the program.

The UTC is committed to strengthening damage prevention laws. The ability for PHMSA to take enforcement action against those that violate pipeline damage prevention requirements is a priority for the state. As PHMSA continues to implement its criteria and procedures for

Zach Barrett, Director, State Programs
U.S. DOT, PHMSA
Page 2 of 3

evaluating state pipeline excavation rules, the UTC will continue to explore ways to increase and improve the data collection and reporting requirements.

Since 2013, our enhancements to the state dig law have allowed us to identify gaps in damage prevention safety and strategically address risks to our underground infrastructure. Be aware that the current style dig law sunsets on December 31, 2020. The UTC has received approval from the Governor to seek legislation this year to make the dig law program permanent.

The UTC's Pipeline Safety Program values our partnership with PHMSA and appreciates the opportunity to provide comment on this evaluation.

If you have questions about our comments or other pipeline safety matters, please contact me directly at (360) 664-1208 or ddanner@utc.wa.gov. You may also contact Alan Rathbun, Director of Pipeline Safety at (360) 664-1219 or arathbun@utc.wa.gov.

Sincerely,



David W. Danner
Chairman

cc: Michael Thompson, PHMSA PHP-50
Chris Hoidal, Western Region Director, PHMSA PHP-500
Alan E. Rathbun, Director, UTC Pipeline Safety Program

