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June 26, 2012

David Lykken- Director of Pipeline Safety Program  
State of Washington Utilities and Transportation Commission  
1300 S. Evergreen Park Dr. SW  
P.O. Box 47250  
Olympia, WA 98504-7250

RECEIVED  
JUN 26 2012  
State of Washington  
UTC  
Pipeline Safety Program

Subject: Response to 2012 Transmission Line Inspection Unit

Dear Mr. Lykken,

This letter is intended to address all probable state safety code violations. We specifically are addressing how and when we plan to bring the probable violations into full compliance. The inspection was conducted on April 10-13 and April 18, 2012.

The following is in response to the three citations noted as probable violations:

1. **WAC 480-93-170 Tests and reports for gas pipelines.**

*(10) Pressure testing equipment must be maintained, tested for accuracy, or calibrated, in accordance with the manufacturer's recommendations. When there are no manufacturer's recommendations, then pressure testing equipment must be tested for accuracy at an appropriate schedule determined by the gas pipeline company. Test equipment must be tagged with the calibration or accuracy check expiration date. The requirements of this section also apply to equipment such as pressure charts, gauges, dead weights or other devices used to test, monitor or check system pressures or set-points.*

**Finding(s):**

On 11/9/2010, the Bremerton District Instrument/Gauge Calibration Report did not have an equipment number listed for some instrument calibration results. Each device that is required to be calibrated needs to have a method to uniquely identify it in order to demonstrate that the equipment was calibrated within the required timeframe.

**Cascade Response:**

Cascade Natural Gas Corporation (CNGC) concurs that the 2010 Bremerton District Instrument/Gauge Calibration Report did not have the equipment number listed for some instrument calibration results. To improve the recordkeeping practices in the district, the Bremerton District Managers held training on the proper identification of calibrated gauges on May 29, 2012 (Exhibit A).

2. **WAC 480-93-160 Reporting requirements of proposed construction.**

*(1) Each gas pipeline company must file a proposed construction report with the commission at least forty-five days prior to construction or replacement of any segment of a gas transmission pipeline equal to or greater than one hundred feet in length. Emergency repairs are exempt from this section.*

**Finding(s):**

The Sedro Woolley 12 inch project construction report was not available or filed with the commission.

**Cascade Response:**

CNGC concurs that the Sedro Woolley 12 inch project construction report was not filed with the commission. CNGC did not file the report as the line that was installed was under 20% SMYS and was classified by CNGC as a HP distribution line. As stated in the commission's response to DOCKET PG-110019 (2011 Skagit, Island and Snohomish Counties Inspection), CNGC agrees that future projects meeting the criteria in WAC 480-93-180 will be reported to the commission.

3. **WAC 480-93-180 Plans and procedures.**

*(I) 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 CFR §§ 191, 192 and chapter 480-93 WAC, and any plans or procedures used by a gas pipeline company's associated contractors.*

**Finding(s):**

There was no documentation provided that indicated that the operation and maintenance manual annual review occurred within the required time frame as specified in Title 49 CFR Part 192.605(a).

**Cascade Response:**

CNGC concurs that documentation was not provided indicating that the operation and maintenance manual annual review occurred. In February 2012, CNGC initiated an O&M Manual Review schedule (Exhibit B). The commission reviewed and accepted this schedule on May 10, 2012.

Please contact Steve Kessie at 509-734-4575 with questions or comments.

Respectfully Submitted,



Eric Martuscelli,  
Vice President, Operations  
Cascade Natural Gas Corporation

## Company Procedures Review Sign-off

District Managers will notify all employees of a weekly review of existing CP's or when new or amended CP's changes are implemented. Copies will be given to all individuals that have a CP binder; a copy should be posted for all employees regardless of classification. All employees will sign below to confirm they have read; and reviewed or have acknowledged the new or amended CP's, as well as placing a copy in their CP binders when appropriate.

District: Bremerton

Company Procedure: Procedure for numbering calibrated guages

Date of review: 5/29/2012

Print Name	Sign Name
<i>Mike Dunn</i>	<i>Mike Dunn</i>
ANDREW STONE	<i>Andrew Stone</i>
<i>Clint Hoffman</i>	<i>Clint Hoffman</i>
LLOYD KLINBERGER	<i>Lloyd Klinberger</i>
SHORI GITHONS	<i>Shori Githons</i>
DAVID R. STALLMAN	<i>David Stallman</i>
BARB BURRITT	<i>Barb Burritt</i>
Isidoro GONZALEZ	<i>Isidoro Gonzalez</i>
Kent McCabe	<i>Kent McCabe</i>

O&M Manual Review Schedule

CP#	Procedure Name	Frequency	January	February	March	April	May	June	July	August	September	October	November	December
515	After-hours call out policy	Annually	x											
604	System design	Annually	x											
605	Steel gas main & lateral construction	Annually	x											
607	PE Main and Service Construction	Annually		x										
610	Pipeline markers	Annually		x										
620	Uprating procedures	Annually		x										
625	Abandonment of underground gas piping	Annually			x									
630	Gas control equipment - general procedures	Annually				x								
635	Cleaning, purging and packing	Annually					x							
645	Gas service line construction	Annually				x								
665	Pressure Testing Laterals Mains and Services	Annually				x								
684	Meter and regulator work	Annually				x								
685	Meter and regulator sets	Annually					x							
695	Discontinuance of gas service	Annually					x							
710	Coating and painting standards	Annually					x							
714	Continuing surveillance	Annually						x						
715	Leak Survey	Semi-Annual			x							x		
716	System patrols	Annually						x						
720	Leak Incident safety related condition reporting	Annually							x					
735	System MAOP review & monitoring	Annually							x					
740	Valve operation, maintenance and inspection	Annually							x					
745	Regulator station inspection and maintenance	Annually								x				
747	Odonization	Annually								x				
750	Leak investigation	Semi-Annual			x							x		
754	Atmospheric Corrosion Control	Annually									x			
755	Corrosion control - operation and maintenance	Annually									x			
756	Instrument calibration	Annually									x			
760	Welding standards	Annually						x						
766	Transmission lines - repair	Annually										x		
780	Pipeline safety procedures	Annually										x		
819	Respiratory protection program	Annually											x	
835	Damage Prevention Program	Annually											x	
900	Turn on and off procedures	Annually											x	
925	Emergency policy	Quarterly			x			x			x			x