



8113 W. GRANDRIDGE BLVD., KENNEWICK, WASHINGTON 99336-7166
TELEPHONE 509-734-4500 FACSIMILE 509-737-9803
www.cngc.com

December 4, 2015

Alan Rathbun- 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
DEC - 7 2015
State of Washington
UTC
Pipeline Safety Program

Subject: Response to 2015 Natural Gas Standard Inspection – Kennewick District (Insp. No. 6214)

Dear Mr. Rathbun,

This letter is intended to address the probable state safety code violations. Specifically, we are addressing how we have brought the probable violation into full compliance. The inspection was conducted from October 5-22, 2015 in Kennewick, Washington.

PROBABLE VIOLATION

1. 49 CFR §192.465 External corrosion control: Monitoring.

(a) Each pipeline that is under cathodic protection must be tested at least once each calendar year, but with intervals not exceeding 15 months, to determine whether the cathodic protection meets the requirements of §192.463. However, if tests at those intervals are impractical for separately protected short sections of mains or transmission lines, not in excess of 100 feet (30 meters), or separately protected service lines, these pipelines may be surveyed on a sampling basis. At least 10 percent of these protected structures, distributed over the entire system must be surveyed each calendar year, with a different 10 percent checked each subsequent year, so that the entire system is tested in each 10-year period.

Finding(s):

Records indicate that the following areas exceeded 15 months between cathodic protection test site surveys during the 2015 survey:

- a) **Burbank:** Surveyed on 03/14/2014 and again on 07/23/2015. (21 test sites in 2014)
- b) **Finley/Sandvik:** Surveyed on 03/13/2014 and again on 06/22/2015. (14 test sites in 2014)
- c) **Kennewick:** Surveyed on 03/12/2014 and again on 06/17/2015-06/19/2015. (61 test sites in 2014)
- d) **Pasco:** Surveyed on 03/11/2014 and again on 07/21/2015-07/23/2015. (91 test sites in 2014)
- e) **Paterson/Plymouth:** Surveyed on 03/11/2014 and again on 06/12/2015. (9 test sites in 2014)
- f) **Richland:** Surveyed on 03/13/2014 and again on 06/15/2015-06/17/2015. (69 test sites in 2014)

The total number of 2015 test sites that went past the maximum 15 month timeframe is 256 (based on the number of 2014 sites surveyed). For the purposes of WAC 480-93-223, each of these test sites is considered a separate violation and is not inclusive of the number of days each violation existed.

Cascade Response

In an effort to better distribute district work load, the Kennewick District Manager moved the required completion date of the Annual Cathodic Protection (CP) survey to July 23, 2015. At the time, the District Manager believed this date would still be within the maximum 15 month timeframe. However, the District Manager had used an incorrect date to calculate the maximum 15 month timeframe.

In order to address this issue CNGC will add a procedural step to company procedure 799 *Management Responsibilities for Compliance and Quality Control* to require that Managers verify the associated hardcopy documentation prior to moving completion dates for compliance driven tasks. CNGC will notify the commission when this procedural change has been implemented.

2. 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):

WAC 480-93-110(9) requires that each gas pipeline company have a written atmospheric corrosion control monitoring program and that the program have time frames for completing remedial action.

CNG procedure 754.041 requires that odorization stations be inspected for atmospheric corrosion annually, not to exceed 15 months and CNG procedure 754.046 requires that necessary remedial action be completed by the next survey.

CNG did not follow their written procedures for atmospheric corrosion remedial action on the following facilities:

- a) **Odorizer station O-1 located at South Finley Rd:** Inspected on 05/16/2011 and noted it needs sandblasting, paint and wrap. No work order generated. Follow up required, marked as yes.

Inspected on 05/04/2012 and noted that it needs sandblasted and paint. Work order #5428637066 generated. Follow up required, marked as yes.

Inspected on 05/15/2013, and noted that it needs sandblasted and paint. Same work order number from 2012 noted on the inspection form. Follow up required, marked as yes.

Inspected on 05/23/2014 and noted that it needs sandblasting and paint. Same work order number from 2012 noted on inspection form. Follow up required, marked as yes.

Inspected on 05/23/2015 and noted that it needs sandblasting and paint. Same work order number from 2012 noted on inspection form. Follow up required, marked as yes.

- b) **Odorizer station O-2 located on South Lechelt Rd:** Inspected on 06/01/2011 and noted that it needs sandblasting and paint. No work order generated. Follow up required, marked as no.

Inspected on 06/21/2013 (no notes for 2012 inspection) and noted that it needs sandblasting and paint. No work order generated for paint. Follow up required, marked as yes (possibly for a bad liquid level gauge).

Inspected on 06/24/2014 and noted that it needs sandblasting and paint. No work order generated for paint. Follow up required, marked as yes (possibly for a bad liquid level gauge).

Inspected on 07/21/2015 and noted that it needs sandblasting, paint and wrap. No work order generated for paint. Follow up required, marked as yes (possibly for a bad liquid level gauge).

Cascade Response

Re-painting of Odorizer station O-1 was completed on October 23, 2015 (Attachment 1: O-1/O-2 Photos)

Re-painting of Odorizer station O-2 was completed on November 18, 2015 (Attachment 1: O-1/O-2 Photos).

Cascade recognizes the importance of correcting all "needs paint" conditions prior to the next required maintenance or inspection time frame and will continue to make efforts to ensure that remediation's are completed within the time frame set forth in code. Cascade would also like to clarify that the stations in question were requiring paint due to oxidation, not corrosion, and that there were no risks to the safety or reliability of the system as a result of the noted "needs paint" condition. District management reinforced with district staff the importance of completing remediation work in the time frame set forth in code.

3. WAC 480-93-188 Gas leak surveys.

- (3) *Each gas pipeline company must conduct gas leak surveys according to the following minimum frequencies:*
(b) *High occupancy structures or areas - At least once annually, but not to exceed fifteen months between surveys;*

WAC 480-93-005 Definitions.

(14) **"High occupancy structure or area"** means a building or an outside area (such as a playground, recreation area, outdoor theater, or other place of public assembly) that is occupied by twenty or more persons on at least five days a week for ten weeks in any twelve-month period. (The days and weeks need not be consecutive.)

Finding(s):

The following High Occupant Structures (HOS) were not leak surveyed annually:

- a) **Pasco:** 4115 W. Henry St. Church with attached school.
Meter number 578429.
Records indicate that this is not on CNG's annual Public Building Inspection (PBI) leak survey list.
- b) **Kennewick:** 2001 W. Kennewick Ave. First Presbyterian Church.
Meter number 292325.
Records indicate that this is not on CNG's annual Public Building Inspection (PBI) leak survey list
CNG personnel also indicated that this was identified in 2007 as needing to be included on their PBI annual leak survey but it was never added.
- c) **Kennewick:** 300 S. Quincy St. Church.
Meter number 575828.
Records indicate that this is not on CNG's annual Public Building Inspection (PBI) leak survey list.
- d) **Pasco:** 6001 Road 84. Maya Angelou Elementary School.
Records indicate that this is not on CNG's annual Public Building Inspection (PBI) leak survey list.

Staff would like to note that in previous conversations, (PG-110006, findings letter dated January 27, 2012) CNG personnel indicated that they consider all churches to meet the definition of a High Occupancy Structure. This was done to avoid having to determine whether the structure was occupied by twenty or more persons on at least five days a week for ten week in any twelve-month period.

Cascade Response

High Occupancy Structure or Area (HOS/A) leak surveys for each of the above locations were completed on November 18, 2015. These four locations have been moved to the Business District (Section 1) leak survey which is performed annually.

CNGC has created an internal Task Group to conduct a review of the PBI process and provide recommendations for process improvements to prevent recurrence of this issue. This review will include the process for identification and on-going review of High Occupancy Structures and Areas. CNGC anticipates the Task group will complete the review and CNGC will implement improvements no later than March 31, 2016.

Please contact Mike Eutsey at (509) 734-4576 with questions or comments.

Respectfully Submitted,



Eric Martuscelli
Vice President, Operations
Cascade Natural Gas Corporation

Attachment 1

Attachment 1: O-1/O-2 Photos

0-1



0-2

