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June 4, 2018

Sean Mayo  
Pipeline Safety Director  
Washington Utilities and Transportation Commission  
Pipeline Safety Section  
1300 S. Evergreen Park Drive S.W.  
PO Box 47250  
Olympia, WA 98504-7250

Dear Mr. Mayo:

**RE: 2018 Propane Peak Shaving Plant Standard Inspection No. 7565**

PSE has received and reviewed your letter dated May 3 regarding the 2018 Swarr Audit, and pursuant to your request is submitting the following written response to the issues identified.

#### **PROBABLE VIOLATION**

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

**PSE Swarr Propane-Air Plant Operations and Maintenance Manual**

**31. Equipment Maintenance Procedures**

**31.1 Fire Protection Equipment.-** These procedures outline the requirements for the inspection, testing, and maintenance of fire protection equipment and systems.

**31.1.1 General Requirements**

**31.1.1.1 Maintain fire protection equipment in operational condition at all times.**

**Finding(s):**

During the records review of required semi-annual fire protection equipment testing, records were found indicating non-working infrared hydrocarbon gas detectors.

- (a) GD#13 Node 27, was first noted as not working during the routine inspection of 9/28/2015. The records indicated that two "Unscheduled Work Orders" were initiated to repair or replace the defective unit one of which is still "active". As of the last date of this inspection, it was still non-functional. PSE's O&M manual clearly states this equipment shall be in "operational condition at all times." We would expect PSE to repair such a deficiency as quickly as possible given the zero tolerance your manual requires for fire safety related equipment at a propane plant in a Class 3 area.
- (b) **Three** other non-working infrared hydrocarbon gas detectors from the 12/29/2017 routine inspection were also noted: GD#3 Node 9, GD#6 Node 12, GD#10 Node 20. Each of these also has a separate unscheduled work order associated with it which is "active". PSE plant staff indicated "active" meant it has not been completed. These three detectors have been in non-working status for over three and one half months.

Staff noted during the inspection that "unscheduled work orders" do not get placed in Database or other computerized work order system (like SAP), but rather are paper based and literally sit on someone's desk (it is not clear who's desk during the inspection). There does not appear to be a reliable tracking system for these work orders. This may have contributed to the reason a critical piece of fire protection equipment was not functioning for over two and a half years in the case of GD#13 Node 27. This is not an acceptable work practice especially for safety related equipment.

**PSE Response:**

PSE has remediated all Gas Detectors noted in the findings. GD3 Node 9 and GD6 Node 12 were repaired on April 20, 2018. GD13 Node 27 and GD10 Node 20 were repaired on May 10, 2018.

PSE is currently evaluating language in the Swarr Manual section 31.1.1.1 and comparing it to regulatory requirements and industry best practices. PSE will update the Swarr manual language to include a remediation time frame for gas detectors no later than October 1, 2018.

PSE is in the process of moving all Swarr asset maintenance tracking to SAP. An Information Technology Service Request (ITSR) has been submitted to the IT department and is assigned number REQ0040686. This conversion is expected to be completed by December 31, 2018.

We trust the information provided is responsive to the findings of the UTC inspection. PSE is committed to constructing, operating, and maintaining a safe gas pipeline system.

Sincerely,



Booga K. Gilbertson

Sr. Vice President, Operations

Cc: Cara Peterman, Director Compliance  
Cheryl McGrath, Manager Compliance Programs  
Harry Shapiro, Director Gas Operations