



STATE OF WASHINGTON

UTILITIES AND TRANSPORTATION COMMISSION

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April 20, 2018

Jon G. Huddleston  
Vice President, Engineering and Utility Operations  
NW Natural  
220 NW Second Ave  
Portland, OR 97209

**RE: 2018 Natural Gas Transmission Integrity Management Program Inspection – NW Natural – (Insp. No. 7568)**

Dear Mr. Huddleston:

Thank you for the NWN letter dated April 17, 2018, addressing the findings of our inspection conducted at NW Natural's (NWN) Headquarters from February 12 to February 14, 2018.

Staff accepts NWN's proposals to bring these items into compliance. This inspection will be closed as of April 20, 2018.

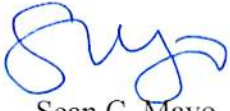
For the record, staff is somewhat hesitant to fully agree with your response to corrosion control records (second area of concern in our findings letter). The intent of the code's cathodic protection requirement is that the operator ensure that an adequate level of polarized potential is reaching the pipe in question. Staff contends that this cannot be done without a systematic monitoring program. "Evaluating the physical and electrical characteristic of the pipe and its environment and determining whether or not there is physical evidence of corrosion" is a broad criteria that can be interpreted differently and inconsistently. Staff contends that this criteria does not adequately ensure public safety unless it is implemented in a comprehensive manner. A comprehensive evaluation requires assessment techniques that monitor the entire system. We do not believe the goal of safety is met by random sampling unless: 1) an appropriate number of representative samples are used in the assessment and 2) the entire system is monitored effectively.

Staff will continue to evaluate your corrosion control processes in the future to ascertain whether the appropriate level of public safety is maintained.

Staff thanks NWN's personnel for their cooperation and assistance during this inspection.

If you have any questions or if we may be of any assistance, please contact Dennis Ritter at (360) 664-1159.

Sincerely,



Sean C. Mayo

Pipeline Safety Director

cc: JR Gonzalez, Senior Manager, Code Compliance, NWN