STATE OF WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION
621 Woodland Square Loop S.E. ● Lacey, Washington 98503
P.O. Box 47250 ● Olympia, Washington 98504-7250
(360) 664-1160 ● TTY 1-800-833-6384 or 711

Sent via email

November 4, 2021

Irina Robinson
Owner
Mount Vernon Terrace Apartments
3118 South Mount Vernon Street
Spokane, WA 99223

RE: 2021 Natural Gas Master Meter Standard Inspection – Mount Vernon Terrace Apts. – (Insp. No. 8312)

Dear Ms. Robinson:

Staff from the Washington Utilities and Transportation Commission (staff) conducted a standard inspection of the Mount Vernon Terrace Apts. (MVTA) Master Meter (MM) pipeline system on Oct. 20, 2021. This inspection included a program, procedures and records review and a cathodic protection (CP) verification of the pipeline.

Our inspection indicates 6 probable violation(s) and one area of concern as noted in the enclosed report, which unless corrected, could potentially lead to future violation of state and/or federal pipeline safety rules.

Your response needed
Please review the attached report and respond in writing by December 6. The response should include how and when you plan to bring the probable violations into full compliance.

What happens after you respond to this letter?
The attached report presents staff's decision on probable violations and does not constitute a finding of violation by the commission at this time.

After you respond in writing to this letter, there are several possible actions the commission, in its discretion, may take with respect to this matter. For example, the commission may:

- Issue an administrative penalty under RCW 81.04.405; or
- Issue a complaint under RCW 81.88.040, seeking monetary penalties, changes in the company's practices, or other relief authorized by law, and justified by the circumstances. Any pipeline company that violates any pipeline safety provision of any commission

order, or any rule in this chapter including those rules adopted by reference, or chapter 81.88 RCW is subject to a civil penalty not to exceed $218,647 for each violation for each day that the violation persists. The maximum civil penalty for a related series of violations is $2,186,465; or

- Consider the matter resolved without further commission action.

We have not yet decided whether to pursue a penalty or complaint in this matter. Should the commission decide to assess a penalty or initiate a complaint, your company will have an opportunity to respond and formally present its position.

If you have any questions or if we may be of any assistance, please contact Anthony Dorrough at (360) 481-4035. Please refer to the subject matter described above in any future correspondence pertaining to this inspection.

Sincerely,

Mayo, Sean (UTC)
Digitally signed by Mayo, Sean (UTC)
Date: 2021.11.04 09:42:03 -07'00'

Sean C. Mayo
Pipeline Safety Director

Enclosure

UTILITIES AND TRANSPORTATION COMMISSION
2021 Natural Gas Master Meter Standard Inspection
Mount Vernon Terrace Apts.

The following probable violation(s) of Title 49 CFR Part 192.465, .481, .491, .721, and WAC 480-93-018, and 480-93-188 were noted as a result of this inspection of the Mount Vernon Terrace Apts. (MVTA) Master Meter (MM) pipeline system. The inspection included a program, procedures and records review and a cathodic protection (CP) verification of the pipeline.

PROBABLE VIOLATIONS

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):

MVTA did not provide staff with any records to support any external corrosion control monitoring since last the inspection (5 years).

2. **49 CFR §192.481 Atmospheric corrosion control: Monitoring.**

(a) Each operator must inspect and evaluate each pipeline or portion of the pipeline that is exposed to the atmosphere for evidence of atmospheric corrosion, as follows:

Pipeline type:	*Then the frequency of inspection is:*
(1) Onshore other than a Service Line	*At least once every 3 calendar years, but with intervals not exceeding 39 months.*
(2) Onshore Service Line	*At least once every 5 calendar years, but with intervals not exceeding 63 months, except as provided in paragraph (d) of this section.*

(3) Offshore	*At least once each calendar year, but with intervals not exceeding 15 months.*

(b) During inspections the operator must give particular attention to pipe at soil-to-air interfaces, under thermal insulation, under disbonded coatings, at pipe supports, in splash zones, at deck penetrations, and in spans over water.

(c) If atmospheric corrosion is found during an inspection, the operator must provide protection against the corrosion as required by § 192.479.

(d) If atmospheric corrosion is found on a service line during the most recent inspection, then the next inspection of that pipeline or portion of pipeline must be within 3 calendar years, but with intervals not exceeding 39 months.

Finding(s):
MVTA did not provide staff with any records to support any atmospheric corrosion control monitoring since the last inspection.

3. **49 CFR §192.491(c) Corrosion control records.**
(c) *Each operator shall maintain a record of each test, survey, or inspection required by this subpart in sufficient detail to demonstrate the adequacy of corrosion control measures or that a corrosive condition does not exist. These records must be retained for at least 5 years with the following exceptions:*
(1) *Operators must retain records related to §§ 192.465(a) and (e) and 192.475(b) for as long as the pipeline remains in service.*

(2) *Operators must retain records of the two most recent atmospheric corrosion inspections for each distribution service line that is being inspected under the interval in § 192.481(a)(2).*

Finding(s):
MTVA did not provide staff with any records to support there were any required tests, surveys or inspections that demonstrated the adequacy of corrosion control measures or that a corrosive condition did not exist since the last inspection.

4. **49 CFR §192.721 Distribution systems: Patrolling.**
(a) *The frequency of patrolling mains must be determined by the severity of the conditions which could cause failure or leakage, and the consequent hazards to public safety.*

(b) *Mains in places or on structures where anticipated physical movement or external loading could cause failure or leakage must be patrolled -*

(1) *In business districts, at intervals not exceeding 4 1/2 months, but at least four times each calendar year; and*

(2) *Outside business districts, at intervals not exceeding 7 1/2 months, but at least twice each calendar year.*

Finding(s):
MVTA did not provide staff with any records to support that there was any type of patrolling since the last inspection.

5. **WAC 480-93-018 Records**

*(1) Each gas pipeline company must maintain records sufficient to demonstrate compliance with all requirements of 49 C.F.R. §§ 191, 192 and chapter **480-93** WAC.*
(2) Each gas pipeline company must give the commission access to records for review during an inspection and must provide the commission copies of records upon request.
(3) Each gas pipeline company must maintain a list of forms and databases, including examples where applicable, that specify what records the company maintains. Each gas pipeline company must make this list available to the commission upon request.
(4) Each gas pipeline company must record and maintain records of the actual value of any required reads, tests, surveys or inspections performed. The records must include the name of the person who performed the work and the date the work was performed. The records must also contain information sufficient to determine the location and facilities involved. Examples of the values to be recorded include, but are not limited to, pipe to soil potential reads, rectifier reads, pressure test levels, and combustible gas indicator reads. A gas pipeline company may not record a range of values unless the measuring device being used provides only a range of values.
(5) Each gas pipeline company must update its records within six months of when it completes any construction activity and make such records available to appropriate company operations personnel.
*(6) If a gas pipeline company believes a record provided to the commission is confidential as that term is defined in WAC **480-07-160**(2), the gas pipeline company must follow the procedures in WAC **480-07-160** for designating and treating that record as confidential.*

Finding(s):
Although MTVA verbally indicated that some testing, surveying, patrolling and monitoring did take place mainly between the years 2017-2018, they could not provide staff with any records to support compliance with the requirements of 49 C.F.R. §§ 191, 192 and WAC chapter **480-93** since the last inspection.

6. **WAC 480-93-188(3) Gas leak surveys**

(3) Each gas pipeline company must conduct gas leak surveys according to the following minimum frequencies:
(a) Business districts - At least once annually, but not to exceed fifteen months between surveys. All mains in the right of way adjoining a business district must be included in the survey;
(b) High occupancy structures or areas - At least once annually, but not to exceed fifteen months between surveys;
(c) Gas pipelines operating at or above two hundred fifty psig - At least once annually, but not to exceed fifteen months between surveys;

(d) Where the gas system has cast iron, wrought iron, copper, or noncathodically protected steel - At least twice annually, but not to exceed seven and one-half months between surveys; and
(e) Unodorized gas pipelines - At least monthly.

Finding(s):
MTVA did not provide staff with any records to support that any gas leak surveys were conducted since the last inspection.

AREA OF CONCERN

1. **49 CFR §192.463 External corrosion control: Cathodic protection**
   (a) *Each cathodic protection system required by this subpart must provide a level of cathodic protection that complies with one or more of the applicable criteria contained in Appendix D of this part. If none of these criteria is applicable, the cathodic protection system must provide a level of cathodic protection at least equal to that provided by compliance with one or more of these criteria.*

   Finding(s):
   This pipeline does not appear to be adequately protected. Staff took CP readings for the purpose of this inspection since there were no qualified MVTA representatives available, and preliminary findings indicated CP was below acceptable levels.