



STATE OF WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION

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Sent via email

September 7, 2021

Frank Dulcich
President and CEO
Pacific Seafoods
1601 Linger Longer Road
Quilcene, WA 98376

**RE: 2021 Liquefied Petroleum Gas Standard Inspection – Ferrellgas Pacific Seafoods –
(Insp. No. 8316)**

Dear Mr. Dulcich:

Staff from the Washington Utilities and Transportation Commission (staff) conducted a Standard Inspection of the Pacific Seafoods pipeline system on Aug. 11, 2021. This inspection included a program, procedures and records review and an inspection of the pipeline facilities.

Our inspection indicates 25 probable violation(s) 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 October 11, 2021. 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 Dorrrough at (360) 481-4035. Please refer to the subject matter described above in any future correspondence pertaining to this inspection.

Sincerely,

Sean C. Mayo
Pipeline Safety Director

Enclosure

cc: Donald May, Region Safety Manager for Ferrellgas
Ron Lau, Operations Manager, Ferrellgas

**UTILITIES AND TRANSPORTATION COMMISSION
2021 Liquefied Petroleum Gas Pipeline Safety Inspection
Pacific Seafoods**

The following probable violation(s) of Title 49 CFR Part 192.481, .603, .605, .615, .619, .707, .747 and WAC 480-93-013, -015, -018, -080, -140, -188 and NFPA 58 (2004 Edition) 5.8.5; 6.3.3, 6.8.4.6, 6.10.9 were noted as a result of the 2021 inspection of the Pacific Seafoods pipeline system. The inspection included a records, operation and maintenance (O&M), emergency response, inventory, and field inspection of the pipeline facilities.

PROBABLE VIOLATIONS

1. 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:

<i>Pipeline type:</i>	<i>Then the frequency of inspection is:</i>
<i>(1) Onshore other than a Service Line</i>	<i>At least once every 3 calendar years, but with intervals not exceeding 39 months.</i>
<i>(2) Onshore Service Line</i>	<i>At least once every 5 calendar years, but with intervals not exceeding 63 months, except as provided in <u>paragraph (d)</u> of this section.</i>
<i>(3) Offshore</i>	<i>At least once each calendar year, but with intervals not exceeding 15 months.</i>

(b) During inspections the operator must give particular attention to pipe at soil-to-air interfaces, under thermal insulation, under disbanded 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):

Ferrellgas did not provide staff with any procedure, documentation or records to support any atmospheric corrosion control monitoring for this pipeline system.

2. **49 CFR §192.603(b) General provisions**

(b) Each operator shall keep records necessary to administer the procedures established under §192.605.

Finding(s):

Ferrellgas did not provide staff with any procedure, documentation or records to support that records are being retained for this specific pipeline system.

3. **49 CFR §192.605(a) Procedural manual for operations, maintenance, and emergencies**

(a) General. Each operator shall prepare and follow for each pipeline, a manual of written procedures for conducting operations and maintenance activities and for emergency response. For transmission lines, the manual must also include procedures for handling abnormal operations. This manual must be reviewed and updated by the operator at intervals not exceeding 15 months, but at least once each calendar year. This manual must be prepared before operations of a pipeline system commence. Appropriate parts of the manual must be kept at locations where operations and maintenance activities are conducted.

Finding(s):

Ferrellgas did not provide staff with any documentation or records to support there was a procedural manual developed specifically for this pipeline system.

4. **49 CFR §192.615(b)(1) Emergency plans**

(b) Each operator shall:

(1) Furnish its supervisors who are responsible for emergency action a copy of that portion of the latest edition of the emergency procedures established under paragraph (a) of this section as necessary for compliance with those procedures.

Finding(s):

Ferrellgas did not provide staff with any procedure, documentation or records to support that supervisors are provided emergency procedures for this pipeline or that a plan was developed specifically for this pipeline system.

5. **49 CFR §192.615(b)(2) Emergency plans**

(b) Each operator shall:

(2) Train the appropriate operating personnel to assure that they are knowledgeable of the emergency procedures and verify that the training is effective.

Finding(s):

Ferrellgas did not provide staff with any procedure, documentation or records to support that operating personnel are trained to handle emergency procedures specific to this pipeline system or verification that any training was effective.

6. **49 CFR §192.615(b)(3) Emergency plans**

(b) Each operator shall:

(3) Review employee activities to determine whether the procedures were effectively followed in each emergency.

Finding(s):

Ferrellgas did not provide staff with any documentation or records to support that procedures are in place specific to this pipeline system that would allow them to review employee activities after an emergency.

7. **49 CFR §192.615(c) Emergency plans**

(c) Each operator shall establish and maintain liaison with appropriate fire, police, and other public officials to:

(1) Learn the responsibility and resources of each government organization that may respond to a gas pipeline emergency;

(2) Acquaint the officials with the operator's ability in responding to a gas pipeline emergency;

(3) Identify the types of gas pipeline emergencies of which the operator notifies the officials; and

(4) Plan how the operator and officials can engage in mutual assistance to minimize hazards to life or property.

Finding(s):

Ferrellgas did not provide staff with any procedure, documentation or records to support that they have established and maintain liaison with appropriate fire, police and other public officials specific to this pipeline system.

8. **49 CFR §192.619(a) Maximum allowable operating pressure: Steel or plastic pipelines**

(a) No person may operate a segment of steel or plastic pipeline at a pressure that exceeds a maximum allowable operating pressure (MAOP) determined under paragraph (c), (d), or (e) of this section, or the lowest of the following:

Finding(s):

Ferrellgas did not provide staff with any procedure, documentation or records to support that they have established MAOP and that the pipeline pressure has not been exceeded.

9. **49 CFR §192.707 Line markers for mains and transmission lines**

(a) Buried pipelines. *Except as provided in paragraph (b) of this section, a line marker must be placed and maintained as close as practical over each buried main and transmission line:*

(1) *At each crossing of a public road and railroad; and*

(2) *Wherever necessary to identify the location of the transmission line or main to reduce the possibility of damage or interference.*

(b) *Exceptions for buried pipelines. Line markers are not required for the following pipelines:*

(1) *Mains and transmission lines located offshore, or at crossings of or under waterways and other bodies of water.*

(2) *Mains in Class 3 or Class 4 locations where a damage prevention program is in effect under § 192.614.*

(3) *Transmission lines in Class 3 or 4 locations until March 20, 1996.*

(4) *Transmission lines in Class 3 or 4 locations where placement of a line marker is impractical.*

(c) *Pipelines aboveground. Line markers must be placed and maintained along each section of a main and transmission line that is located aboveground in an area accessible to the public.*

(d) *Marker warning. The following must be written legibly on a background of sharply contrasting color on each line marker:*

(1) *The word “Warning,” “Caution,” or “Danger” followed by the words “Gas (or name of gas transported) Pipeline” all of which, except for markers in heavily developed urban areas, must be in letters at least 1 inch (25 millimeters) high with 1/4 inch (6.4 millimeters) stroke.*

(2) *The name of the operator and the telephone number (including area code) where the operator can be reached at all times.*

Finding(s):

Ferrellgas did not provide staff with any documentation or records to support that they have a procedure for placement or maintenance of line markers specific to this pipeline system.

10. **49 CFR §192.747 Valve maintenance: Distribution systems**

(a) *Each valve, the use of which may be necessary for the safe operation of a distribution system, must be checked and serviced at intervals not exceeding 15 months, but at least once each calendar year.*

(b) *Each operator must take prompt remedial action to correct any valve found inoperable, unless the operator designates an alternative valve.*

Finding(s):

Ferrellgas did not provide staff with any procedure, documentation or records to support that valves located on the pipeline are checked or serviced or that there is a plan for how to handle inoperable valves specific to this pipeline system.

11. **WAC 480-93-013 Covered tasks**

(1) Background. 49 C.F.R. §§ 192.803 through 192.809 prescribe the requirements associated with qualifications for gas pipeline company personnel to perform "covered tasks." 49 C.F.R. § 192.801 contains a definition of "covered task." In WAC 480-93-999, the commission adopts 49 C.F.R. §§ 192.801 through 192.809. However, in this section, the commission includes "new construction" in the definition of "covered task."

(2) Accordingly, for the purpose of this chapter, the commission defines a covered task that will be subject to the requirements of 49 C.F.R. §§ 192.803 through 192.809 as an activity, identified by the gas pipeline company, that:

(a) Is performed on a gas pipeline;

(b) Is an operations, maintenance, or new construction task;

(c) Is performed as a requirement of Part 192 C.F.R.; and

(d) Affects the operation or integrity of the gas pipeline.

(3) In all other respects, the requirements of 49 C.F.R. §§ 192.801 through 192.809 apply to this chapter.

(4) The equipment and facilities used by a gas pipeline company for training and qualification of employees must be similar to the equipment and facilities on which the employee will perform the covered task.

Finding(s):

Ferrellgas did not provide staff with any procedure, documentation or records to support that have established or developed any covered tasks or trained or qualified individuals to perform any of the covered tasks specific to this pipeline system.

12. **WAC 480-93-015(1) Odorization of gas**

(1) Each gas pipeline company must odorize the gas in its pipeline at a concentration in air of at least one-fifth of the lower explosive limit, so that the gas is readily detectable by a person with a normal sense of smell.

Finding(s):

Ferrellgas did not provide staff with any procedure, documentation or records to support that there are adequate levels of odorization in this pipeline system.

13. **WAC 480-93-015(2) Odorization of gas**

(2) Each gas pipeline company must use an odorant testing instrument when conducting sniff tests. Sniff tests must be performed at least once monthly. Master meter systems that comply with 49 C.F.R. § 192.625(f) are exempt from this requirement.

Finding(s):

Ferrellgas did not provide staff with any procedure, documentation or records to support that they use any odorant testing instrument, or have conducted sniff tests at the required frequency.

14. **WAC 480-93-015(3) Odorization of gas**

(2) Each gas pipeline company must use an odorant testing instrument when conducting sniff tests. Sniff tests must be performed at least once monthly. Master meter systems that comply with 49 C.F.R. § 192.625(f) are exempt from this requirement.

Finding(s):

Ferrellgas did not provide staff with any procedure, documentation or records to support that they use any odorant testing instruments, or have conducted sniff tests at the required frequency.

15. **WAC 480-93-018(3) Records**

(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.

Finding(s):

Ferrellgas did not provide staff with any procedures for documentation of records or any actual records they maintain for this specific pipeline system.

16. **WAC 480-93-080(2) Welder and plastic joiner identification and qualification**

(2) Personnel qualified to join plastic pipe must be requalified at least once annually, but not to exceed fifteen months between qualifications.

(a) Qualified written plastic joining procedures must be located on-site where plastic joining is being performed.

(b) Plastic joiners must be requalified under an applicable procedure, if during any twelve-month period that person has not made any joints under that procedure.

(c) In order to ensure compliance with (b) of this subsection and Title 49 C.F.R. Part 192.285(c), each gas pipeline company must either have a method of tracking production joints or requalify each person qualified to join plastic pipe at a frequency not to exceed twelve months. The method used to track production joints must be outlined in the gas pipeline company's procedures manual.

Finding(s):

Ferrellgas did not provide staff with any documentation or records that the plastic joiners who constructed the pipeline system were qualified, or any qualified written plastic joining procedures specific to this pipeline system.

17. **WAC 480-93-140(2) Service regulators**

(2) Each gas pipeline company must inspect and test service regulators and associated safety devices during the initial turn-on, and when a customer experiences a pressure problem. Testing must include determining the gas regulator's outlet set pressure at a specified flow rate. Each gas pipeline company must use pressure gauges downstream of the regulator during testing. Safety devices such as fracture discs are not required to be tested.

Finding(s):

Ferrellgas did not provide staff with any procedure, documentation or records that the service regulator located on the pipeline system was inspected and tested when it was placed into service.

18. **WAC 480-93-188(1) Gas leak surveys**

(1) Each gas pipeline company must perform gas leak surveys using a gas detection instrument covering the following areas and circumstances:

- (a) Over all mains, services, and transmission lines including the testing of the atmosphere near other utility (gas, electric, telephone, sewer, or water) boxes or manholes, and other underground structures;*
- (b) Through cracks in paving and sidewalks;*
- (c) On all above ground piping (may be checked with either a gas detection instrument or with a soap solution);*
- (d) Where a gas service line exists, the gas pipeline company must conduct a leak survey at the building wall at the point of entrance, using a bar hole if necessary; and*
- (e) Within all buildings where gas leakage has been detected at the outside wall, at locations where escaping gas could potentially migrate into and accumulate inside the building.*

Finding(s):

Ferrellgas did not provide staff with any procedure, documentation or records that any gas leak surveys or gas leak surveys with a gas detection instrument were performed.

19. **WAC 480-93-188(2) Gas leak surveys**

(2) Each gas pipeline company must maintain, test for accuracy, calibrate and operate gas detection instruments in accordance with the manufacturer's recommendations. If there are no written manufacturer's recommendations or schedules, then the gas pipeline company must test such instruments for accuracy at least monthly, but not to exceed forty-five days between testing, and at least twelve times per year. The gas pipeline company must recalibrate or remove from service any such instrument that does not meet applicable tolerances. Records of accuracy checks, calibration and other maintenance performed must be maintained for five years.

Finding(s):

Ferrellgas did not provide staff with any procedure, documentation or records that they maintain, test for accuracy, calibrate or operate gas detection equipment.

20. **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):

Ferrellgas did not provide staff with any procedure, documentation or records that they conduct gas leak surveys at the required frequency.

21. **WAC 480-93-188(5) Gas leak surveys**

- (5) Each gas pipeline company must keep leak survey records for a minimum of five years. At a minimum, survey records must contain the following information:*
 - (a) Description of the system and area surveyed (including maps and leak survey logs);*
 - (b) Survey results;*
 - (c) Survey method;*
 - (d) Name of the person who performed the survey;*
 - (e) Survey dates; and*
 - (f) Instrument tracking or identification number.*

Finding(s):

Ferrellgas did not provide staff with any procedure, documentation or records that leak survey records are kept for the required frequency.

22. **NFPA 58 (2004 Edition) 5.8.5 Fittings for Polyethylene and Polyamide Pipe and Tubing**

Joints in polyamide and polyethylene pipe and polyethylene tubing shall be made by heat fusion, by compression-type mechanical fittings, or by factory-assembled transition fittings.

- (A) Polyethylene pipe shall not be joined by a threaded or miter joint.*
- (B) Polyamide and polyethylene fusion fittings shall be recommended by the manufacturer for use with LP-Gas and shall conform to one of the following:*
 - (1) ASTM D2683, Standard Specification for Socket-Type Polyethylene (PE) Fittings for Outside Diameter Controlled Polyethylene Pipe*
 - (2) ASTM D 3261, Standard Specification for Butt Heat Fusion Polyethylene (PE) Plastic Fittings for Polyethylene (PE) Plastic Pipe and Tubing*
 - (3) ASTM F 1055, Standard Specification for Electrofusion Type Polyethylene Fittings for Outside Diameter Controlled Polyethylene Pipe and Tubing*
 - (4) ASTM F 1733, Standard Specification for Butt Heat Fusion Polyamide (PA) Plastic Fitting for Polyamide (PA) Plastic Pipe and Tubing*
- (C) Installation instructions specific to the type and grade of polyethylene being joined shall be provided with heat fusion fittings.*
- (D)* Mechanical fittings shall comply with Category 1 of ASTM D 2513, Standard Specification for Thermoplastic Gas Pressure Pipe, Tubing and Fittings, and the following:*
 - (1) Mechanical joints shall be tested and recommended by the manufacturer for use with polyethylene pipe and tubing.*
 - (2) Compression-type mechanical fittings shall include a rigid internal tubular stiffener, other than a split tubular stiffener, to support the pipe.*

- (3) Gasket material in the fitting shall be resistant to the action of LP-Gas and shall be compatible with the polyamide or polyethylene pipe material.
- (E) Anodeless risers shall comply with the following:
- (1) The metal gas carrying portion of the anodeless riser after the transition shall have a wall thickness equal to Schedule 40 pipe.
- (2) Factory-assembled anodeless risers shall be recommended for LP-Gas use and shall be leak tested by the manufacturer in accordance with written procedures.
- (3) Field-assembled anodeless risers with service head adapters shall be equipped with moisture seals and shall be recommended for LP-Gas use by the manufacturer and shall be design certified to meet the requirements of Category 1 of ASTM D2513, Standard Specification for Thermoplastic Gas Pressure Pipe, Tubing and Fittings; U.S. Department of Transportation, 49 CFR 192.281(e), "Transportation"; and 6.8.4.1 through 6.8.4.5.
- (4) The manufacturer shall provide the user qualified installation instructions as prescribed by U.S. Department of Transportation, 49 CFR 192.283(b).

Finding(s):

Ferrellgas did not provide staff with any procedure, documentation or records of how polyethylene pipe joints were made or that anodeless risers on the pipeline comply with LP-Gas use standards.

23. **NFPA 58 (2004 Edition) 6.3.1 Installation of LP-Gas systems**

Containers installed outside of buildings, whether of the portable type replaced on a cylinder exchange basis or permanently installed and refilled at the installation, shall be located with respect to the adjacent containers, important building, group of buildings, or line of adjoining property that can be built upon, in accordance with Table 6.3.1, Table 6.4.2, Table 6.4.5.8, and 6.3.2 through 6.3.12.

Finding(s):

Staff found that the group of [6] permanently installed manifolded 1000 gal containers (or 6000 gal) located on the pipeline system where closer than 25ft to a building located on the property which does not comply with Table 6.3.1

24. **NFPA 58 (2004 Edition) 6.8.4.6 Installation of Polyimide and Polyethylene Pipe, Tubing and Fittings**

An electrically continuous corrosion-resistant tracer wire (minimum AWG 14) or tape shall be buried with the polyamide or polyethylene pipe to facilitate locating the pipe.

(A) *One end of the tracer wire shall be brought aboveground at a building wall or riser.*

(B) *The tracer wire or tape shall not be in direct contact with the polyamide or polyethylene pipe.*

Finding(s):

Ferrellgas did not provide staff with any procedure, documentation or records for an electrically continuous corrosion-resistant tracer wire or that one was buried with the polyethylene pipeline.

25. **NFPA 58 (2004 Edition) 6.10.9 Emergency Shutoff Valves**

Emergency shutoff valves and backflow check valves required by the code shall be tested annually for the functions required by 5.10.4. The results of the test shall be documented.

Finding(s):

Ferrellgas did not provide staff with any procedure, documentation or records to verify that emergency code required shutoff valves located on this pipeline system meet the requirements of 5.10.4 or have been tested annually or that results have been documented.