

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

June 13, 2023

Pat Darras VP, Engineering & Operations Services Cascade Natural Gas Corporation 400 North 4th Street Bismarck, ND 58501

RE: 2023 Natural Gas Standard Inspection – Cascade Natural Gas Corporation – Kennewick – (Insp. No. 8584)

Dear Mr. Darras:

Staff from the Washington Utilities and Transportation Commission (staff) conducted a Natural Gas Standard inspection of Cascade Natural Gas Corporation (CNGC) - Kennewick. A records review was conducted online via MS Teams from May 10, 2023, to May 12, 2023. A field inspection of CNGC's unit assets was conducted from May 17, 2023 to May 19, 2023.

Our inspection indicates one area(s) 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 July 17, 2023. The response should include how and when you plan to bring the area of concern into full compliance.

What happens after you respond to this letter?

The attached report presents staff's decision on the area of concern and does not constitute a finding of probable violation by the staff at this time if the issue is resolved within 90 days of discovery.

If this issue is not resolved within 90 days, this matter may result in the issuance of a notice of probable violation.

Cascade Natural Gas Corporation 2023 Natural Gas Standard Inspection, Kennewick (Insp. No. 8584) June 13, 2023 Page 2

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,

Scott Rukke Pipeline Safety Director

cc: Colby Lundstrom, Manager Compliance and Operations Programs

Josh Sanders, Director, Operations Policy & Procedures Ryan Privratsky, Director, System Integrity, Integrity Management Mike Schoepp, Director, Operations Services

UTILITIES AND TRANSPORTATION COMMISSION 2023 Natural Gas Pipeline Safety Inspection Cascade Natural Gas Corporation (CNGC) - Kennewick

The following areas of concern of Title 49 CFR Part 192 and WAC 480-93 were noted as a result of the 2023 inspection of CNGC-Kennewick. The inspection included a random selection of records, operation and maintenance (O&M), emergency response, inventory, and field inspection of the pipeline facilities.

AREA OF CONCERN

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 C.F.R. §§ 191, 192 and chapter 480-93 WAC, and any plans or procedures used by a gas pipeline company's associated contractors.

CNGC's Procedures OPS 500 Regulator Station Inspection and Maintenance

3. General Inspection and Maintenance 3.10 – Inspect station signage

6. Post Inspection Maintenance
6.6 Required corrective maintenance.
General Inspection and Maintenance Deficiencies; the following timeframes: Sign Condition Unacceptable – 45 Days

Finding(s):

Staff noted three regulator stations without proper signage or complete signage: R-142 (formerly R-6)- Burbank R-115 47116-RS-60677 – Burbank R-136 47288-RS-1557212 – Finley Cascade Natural Gas Corporation 2023 Natural Gas Standard Inspection, Kennewick (Insp. No. 8584) June 13, 2023 Page 2

After further review staff also noted that CNGC personnel conducted routine maintenance at these facilities without acknowledging that the proper signage or complete signage was missing and without generating a work order to resolve the situation according to procedures. Staff understand that since two of the three regulator stations identified were newly constructed, at times equipment supply can be delayed, however R-136 was installed for more than 45 days without a signage correction.

