



STATE OF WASHINGTON

UTILITIES AND TRANSPORTATION COMMISSION

1300 S. Evergreen Park Dr. S.W., P.O. Box 47250 • Olympia, Washington 98504-7250

(360) 664-1160 • TTY (360) 586-8203

*Sent Via Email and Electronic Return Receipt Mail*

April 10, 2018

Ken Christensen  
Resort Manager  
Snug Harbor Resort  
1997 Mitchell Bay Road  
Friday Harbor, WA 98250

**RE: 2018 Liquefied Propane Gas System Safety Evaluation and Technical Assistance  
Inspection – Snug Harbor Resort (Insp. No. 7488)**

Dear Mr. Christensen:

Staff from the Washington Utilities and Transportation Commission (staff) conducted a Liquefied Propane Gas (LPG) System Safety Evaluation and Technical Assistance (TA) inspection on February 2, 2018 of Snug Harbor Resort (Snug Harbor). The inspection included a comprehensive field, program and records review of the Snug Harbor system.

Our inspection indicates 19 possible violations 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 May 11, 2018. 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.

If needed, below is a list of contacts for consultants qualified to assist in complying with pipeline safety regulations.

- Mike Sims – (970) 765-1688 – [mlsims1075@gmail.com](mailto:mlsims1075@gmail.com)
- Synder Gas Consulting, LLC – Jim Snyder – (206) 817-4063 – [jim@snydergasco.com](mailto:jim@snydergasco.com)
- Roy F. Rogers, P.E. – (503) 720-3220 – [cpeport@comcast.net](mailto:cpeport@comcast.net)
- Northwest Metal Fab & Pipe Inc. – Kevin O'Hogan – (503) 793-7045 – [kohogan@nwmfp.com](mailto:kohogan@nwmfp.com)

If you have any questions or if we may be of any assistance, please contact Anthony Dorrrough at (360) 664-1318.

Sincerely,

A handwritten signature in black ink, appearing to read 'SMayo', written in a cursive style.

Sean C. Mayo  
Pipeline Safety Director

**UTILITIES AND TRANSPORTATION COMMISSION**  
**2018 Liquefied Propane Gas System Evaluation and Technical Assistance Pipeline Safety**  
**Inspection for Snug Harbor Resort**

The following probable violations of Title 49 CFR Part 191, 192, 199 and WAC 480-93 were noted as a result of the inspection of Snug Harbor Resort (Snug Harbor) LPG system. The inspection included a comprehensive field, program and records review.

**PROBABLE VIOLATIONS**

1. **WAC 480-93-200(10)(a) Reporting Requirements**

*(10) Each gas pipeline company must file with the commission the following annual reports no later than March 15, for the preceding year:*

*(a) A copy of every Pipeline and Hazardous Material Safety Administration (PHMSA) F-7100.1-1 and F-7100.2-1 annual report required by U.S. Department of Transportation, Office of Pipeline Safety.*

**Finding:**

Snug Harbor failed to file any annual reports with the commission.

2. **WAC 480-93-200(10)(b) Reporting Requirements**

*(10) Each gas pipeline company must file with the commission the following annual reports no later than March 15, for the preceding year:*

*(b) A report detailing all construction defects and material failures resulting in leakage. Each gas pipeline company must categorize the different types of construction defects and material failures anticipated for their system. The report must include the following:*

- (i) Types and numbers of construction defects; and*
- (ii) Types and numbers of material failures.*

**Finding:**

Snug Harbor failed to file a construction defects and material failures report with the commission and does not have a procedure to categorize the different types of construction defects and/or material failures anticipated.

3. **WAC 480-93-200(11) Reporting Requirements**

*(11) Each gas pipeline company must file with the commission, and all municipalities where gas pipeline companies have facilities, the names, addresses, and telephone numbers of the responsible officials of the gas pipeline company who may be contacted in the event of an emergency. In the event of any changes in such personnel, the gas pipeline company must immediately notify the commission and municipalities.*

**Finding:**

Snug Harbor failed to file with municipalities and the commission, the names, addresses, and telephone numbers of the responsible officials at Snug Harbor who may be contacted in the event of an emergency.

4. **49 CFR §192.809 General - Qualification Program**

*(a) Operators must have written qualification program by April 27, 2001. The program must be available for review by the administrator or by a state agency participating under 49 U.S.C. Chapter 601 if the program is under the authority of the state agency.*

*(b) Operators must complete the qualification of individuals performing covered tasks by October 28, 2002.*

*(c) Work performance history review may be used as a sole evaluation method for individuals who were performing a covered task prior to October 26, 1999.*

*(d) After October 28, 2002, work performance history may not be used as a sole evaluation method.*

*(e) After December 16, 2004, observation of the on-the-job performance may not be used as the sole method of evaluation.*

**Finding:**

Snug Harbor failed to provide any record of a written qualification program for individuals who were performing covered tasks on the system.

5. **WAC 480-93-140 Service Regulators**

*(1) To ensure proper operation of service regulators, each gas pipeline company must install, operate, and maintain service regulators in accordance with federal and state regulations, and in accordance with the manufacturer's recommended installation and maintenance practices.*

*(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:**

Snug Harbor failed to provide any record of service regulator maintenance inspections or testing for the system.

6. **49 CFR §192.616(j) Public Awareness**

*(j) Unless the operator transports gas as a primary activity, the operator of a master meter or petroleum gas system is not required to develop a public awareness program as prescribed in paragraphs (a) through (g) of this section. Instead the operator must develop and implement a written procedure to provide its customers public awareness messages twice annually. If the master meter or petroleum gas system is located on property the operator does not control, the operator must provide similar messages twice*

annually to persons controlling the property. The public awareness message must include:

- (1) A description of the purpose and reliability of the pipeline;
- (2) An overview of the hazards of the pipeline and prevention measures used;
- (3) Information about damage prevention;
- (4) How to recognize and respond to a leak; and
- (5) How to get additional information.

**Finding:**

Snug Harbor failed to provide records indicating that they developed and implemented a written procedure to provide its customers public awareness messages twice annually.

7. **49 CFR §199 Drug and Alcohol Testing**

*This part requires operators of pipeline facilities subject to part 192, 193 or 195 of this chapter to test covered employees for the presence of prohibited drugs and alcohol.*

**Finding:**

Snug Harbor failed to provide record of a written drug and alcohol testing plan for covered employees or contractors working on the system and any records of testing.

8. **WAC 480-93-188 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:**

Snug Harbor failed to provide any record of gas leak surveys.

9. **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:**

Snug Harbor failed to provide any record of accuracy checks, calibration or maintenance for gas detection instruments used for leak surveys.

10. **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:**

Snug Harbor failed to maintain records sufficient to demonstrate compliance with all requirements of 49 C.F.R. §§ 191, 192, 199 and chapter 480-93 WAC.

11. **WAC 480-93-250 Damage Prevention**

- Each gas pipeline company must comply with chapter 19.122 RCW, including:*
- (1) Subscribe to the appropriate one-number locator service;*
  - (2) Provide, upon receipt of locate notice, reasonably accurate information as to its locatable underground facilities by surface-marking the location of the facilities;*
  - (3) Respond with locate markings within two business days after receipt of the notice or within a time mutually agreed upon between the operator and the excavator requesting the utility locate information.*

**Finding:**

Snug Harbor failed to provide adequate records indicating that they comply with chapter 19.122 RCW.

12. **49 CFR §192.605(a) Procedural Manual for Operations, Maintenance, and Emergencies**

*Each operator shall include the following in its operating and maintenance plan:*

*(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:**

Snug Harbor failed to provide records indicating they had developed and implemented a manual of written procedures for conducting operations and maintenance activities and for emergency response.

13. **49 CFR §192.615 Emergency Plans**

*(a) Each operator shall establish written procedures to minimize the hazard resulting from a gas pipeline emergency. At a minimum, the procedures must provide for the following:*

- (1) Receiving, identifying, and classifying notices of events which require immediate response by the operator.*
- (2) Establishing and maintaining adequate means of communication with appropriate fire, police, and other public officials.*
- (3) Prompt and effective response to a notice of each type of emergency, including the following:
  - (i) Gas detected inside or near a building.*
  - (ii) Fire located near or directly involving a pipeline facility.*
  - (iii) Explosion occurring near or directly involving a pipeline facility.*
  - (iv) Natural disaster.**
- (4) The availability of personnel, equipment, tools, and materials, as needed at the scene of an emergency.*
- (5) Actions directed toward protecting people first and then property.*
- (6) Emergency shutdown and pressure reduction in any section of the operator's pipeline system necessary to minimize hazards to life or property.*
- (7) Making safe any actual or potential hazard to life or property.*
- (8) Notifying appropriate fire, police, and other public officials of gas pipeline emergencies and coordinating with them both planned responses and actual responses during an emergency.*

- (9) Safely restoring any service outage.
- (10) Beginning action under §192.617, if applicable, as soon after the end of the emergency as possible.
- (11) Actions required to be taken by a controller during an emergency in accordance with §192.631.

(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.

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

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

(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:**

Snug Harbor failed to provide records indicating they have established written procedures to minimize any hazard resulting from a gas pipeline emergency and that they have maintained liaison with appropriate fire, police, and other public officials.

14. **49 CFR §192.617 Investigation of Failures**

*Each operator shall establish procedures for analyzing accidents and failures, including the selection of samples of the failed facility or equipment for laboratory examination, where appropriate, for the purpose of determining the causes of the failure and minimizing the possibility of a recurrence.*

**Finding:**

Snug Harbor failed to provide records indicating they had established procedures for analyzing accidents and failures.

15. **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:**

Snug Harbor failed to provide record of any valve checks or maintenance records.

16. **49 CFR §192.625(f) Odorization of Gas**

*(f) To assure the proper concentration of odorant in accordance with this section, each operator must conduct periodic sampling of combustible gases using an instrument capable of determining the percentage of gas in air at which the odor becomes readily detectable. Operators of master meter systems may comply with this requirement by—*

- (1) Receiving written verification from their gas source that the gas has the proper concentration of odorant; and*
- (2) Conducting periodic "sniff" tests at the extremities of the system to confirm that the gas contains odorant.*

**Finding:**

Snug Harbor failed to provide any record of written verification from the gas source of proper odorant concentration or record of periodic "sniff" tests.

17. **49 CFR §192.481 Atmospheric Corrosion Control: Monitoring**

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

*(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.*

**Finding:**

Snug Harbor failed to provide record of any corrosion control inspections.

18. **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 4½ months, but at least four times each calendar year; and*
- (2) Outside business districts, at intervals not exceeding 7½ months, but at least twice each calendar year.*

**Finding:**

Snug Harbor failed to provide record of any patrolling.

19. **49 CFR §192.455 External Corrosion Control: Buried or Submerged Pipelines  
Installed After July 31, 1971**

*(a) Except as provided in paragraphs (b), (c), and (f) of this section, each buried or submerged pipeline installed after July 31, 1971, must be protected against external corrosion, including the following:*

- (1) It must have an external protective coating meeting the requirements of § 192.461.*
- (2) It must have a cathodic protection system designed to protect the pipeline in accordance with this subpart, installed and placed in operation within 1 year after completion of construction.*

**Finding:**

Snug Harbor failed to provide a cathodic protection system.