



STATE OF WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION

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Sent Via Email

May 29, 2024

Joe Karney
VP of Engineering and Utility Operations
NW Natural
250 SW Taylor St.
Portland, OR 97204

**RE: 2024 Natural Gas Standard Comprehensive – Northwest Natural – Clark County
(Insp. No. 8800)**

Dear Mr. Karney:

Staff from the Washington Utilities and Transportation Commission (staff) conducted a Standard Comprehensive inspection of Northwest Natural (NWN) Clark County Gas Distribution system from April 15, 2024, to April 18, 2024. This inspection included a records review and inspection of pipeline facilities.

Our inspection indicates two probable 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 July 1, 2024. 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 probable violations and does not constitute a finding of probable 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 \$266,015 for each violation for each day that the violation persists. The maximum civil penalty for a related series of violations is \$2,660,135; 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 Scott Anderson at (360) 481-6978. Please refer to the subject matter described above in any future correspondence pertaining to this inspection.

Sincerely,

for Scott Rukke
Pipeline Safety Director

cc: Ryan Truair, NW Natural, Sr. Compliance Manager
NWN Code Compliance, NW Natural, Compliance Inbox

UTILITIES AND TRANSPORTATION COMMISSION
2024 Natural Gas Pipeline Safety Inspection
Northwest Natural – Clark County

The following probable violation(s) of WAC 480-93-110 and 480-93-115 were noted as a result of the 2024 inspection of the Northwest Natural – Clark County unit. The inspection included a random selection of records, operation and maintenance (O&M), emergency response, inventory, and field inspection of the pipeline facilities.

PROBABLE VIOLATIONS

1. WAC 480-93-110 Corrosion Control

(8) On all cathodically protected pipelines, the gas pipeline company must take a cathodic protection test reading each time an employee or representative of the gas pipeline company exposes the facility and the protective coating is removed.

Finding(s):

After reviewing NWN Completed Pipe Inspection Reports for 2021-2023, several issues were noted and it was unclear if NWN took a pipe-to-soil read when the pipe was exposed as the reports were either not completed consistently or completely:

- Several of the reports indicated coating was not removed but a pipe-to-soil read was noted;
- Several of the reports did not indicate if the coating was removed but a pipe-to-soil read was not taken;
- Several of the reports had a positive pipe to soil read (should be negative polarity);
- Per the report, there were approximately 8 jobs in 2023 where a pipe-to-soil was not taken. NWN procedure SPW 459, "Inspection of Exposed Pipe and Internal Pipe Surfaces," section 2.2 covers this.

2. WAC 480-93-115 Casing of Line Pipes

(3) Whenever a gas pipeline company installs a main or transmission line in a casing or conduit of any type material, the gas pipeline company must seal the casing ends to prevent or slow the migration of gas in the event of a leak.

(4) Whenever a gas pipeline company installs a service line in a casing or conduit, the gas pipeline company must seal the casing at the end nearest the building wall to slow the migration of gas towards the building in the event of a leak.

Finding(s):

While reviewing construction records for newly installed services and mains, NWN could not provide evidence if the installed pipe was or was not installed in a casing/conduit, and if it was, whether the end(s) were sealed. NWN has procedures that require ends to be sealed as stated in the FOM "Guidelines for Installing Conduit", "Installing Steel Pipe in Casing", and "Installing Polyethylene Pipe Through Conduits or Casing". It is also reviewed by NWN's Quality Assurance Inspections in element B2f "Proper sealing of casing/conduit". Although their procedures require it, NWN provided no documentation showing if a newly installed pipe was cased and sealed.