

**BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of the Request of

CASCADE NATURAL GAS
CORPORATION,

Pursuant to WAC 480-93-020 for
Approval to Operate a Proposed New 6-
Inch Pipeline at a Maximum Allowable
Operating Pressure of 400 Pounds per
Square Inch Gauge within 100 Feet of an
Existing Structure Not Owned by
Cascade Natural Gas Corporation

DOCKET PG-170052

ORDER 01

ORDER APPROVING REQUEST

BACKGROUND

- 1 On January 23, 2017, Cascade Natural Gas Corporation (Cascade or Company) filed with the Washington Utilities and Transportation Commission (Commission) a request for approval to construct and operate a new 6-inch natural gas pipeline at a maximum allowable operating pressure (MAOP) of 400 pounds per square inch gauge (psig) within 100 feet of an existing structure not owned by Cascade.
- 2 The Commission has adopted the Code of Federal Regulations (CFR) Title 49, Part 192 and promulgated Washington Administrative Code (WAC) Chapter 480-93 as the minimum standards for gas pipeline construction. WAC 480-93-020 requires a gas pipeline company to obtain approval from the Commission to operate a gas pipeline at greater than 250 psig within 100 hundred feet of any existing buildings not owned by the gas pipeline company.
- 3 Cascade proposes to construct and operate a new 6-inch pipeline with an MAOP of 400 psig within 100 feet of one existing building in Zillah, Washington. Yakima County has proposed construction plans to improve the intersection of Cheyne Road and Highland Drive in Zillah, which would require Cascade to replace 400 feet of its pipeline along Cheyne Road. Cascade currently has a natural gas pipeline on an 8-foot wide easement parallel to Cheyne Road. The new pipeline will be constructed on a public right-of-way parallel to Cascade's existing pipeline, which will be abandoned in place. The existing pipeline is part of Cascade's MAOP validation plan, and will be sampled and tested upon abandonment to determine pipeline characteristics.

4 Commission Staff (Staff) reviewed the Company's proposed proximity request and calculations. Because the facility will be new, there are no existing records. Staff notes the following:

- (a) The proposed MAOP of the new pipeline will be the same as the MAOP of the current pipeline, 400 psig.
- (b) The proposed piping and all fittings are commensurate with the proposed MAOP.
- (c) The proposed MAOP is commensurate with the current class 1 location.
- (d) The new pipeline will be 36 feet from one building not owned by Cascade. All other buildings are more than 100 feet from the pipeline.
- (e) At the proposed MAOP of 400 psig, the maximum stress level of the pipe and pipeline fittings would be 9.1 percent of the specified minimum yield strength (SMYS). Pipelines that operate under 20 percent of SMYS are considered low-stress lines and pose a lower risk than pipelines operating above 20 percent of SMYS.
- (f) The proposed pipeline and fittings will be pressure tested with nitrogen for 8 hours at 750 psig prior to operation. This test pressure is at least 1.5 times the MAOP of the pipeline.
- (g) The proposed pipeline will be buried at least 36 inches deep over the entire length of the pipeline.

Staff finds that Cascade's proposed construction meets all of the pertinent requirements of Title 49 CFR, Part 192 and WAC Chapter 480-93. Staff agrees with the Company that the selected location of the new pipeline has the least impact on surrounding population densities.

5 Staff recommends that the Commission approve the request subject to the following conditions, which are designed to minimize the risks to public safety from the proposed pipeline:

- (a) For underground installations, Cascade must electrically inspect the pipe coating and repair any coating defects in accordance with Cascade's operating standard prior to backfilling.
- (b) If the pipeline is installed via horizontal directional drilling, the pipeline must be protected by an abrasion resistant overcoat.
- (c) Where practical, Cascade must apply backfill material around the pipe to protect the pipe and coating. The material around the pipe must be free of any sharp rocks or other objects with a maximum particle size of one half inch and must contain a large percentage of fines, such as sand, native soil, or soil-based select materials.
- (d) Cascade must non-destructively test 100 percent of all welds. Cascade must remedy defects in the welds in accordance with Cascade's operating standards and procedures. Cascade must non-destructively test all repaired welds to ensure pipeline integrity and compliance with existing standard.
- (e) Cascade must install cathodic protection within 90 days after the pipeline is installed.
- (f) Cascade must provide telephonic notice to the Commission Pipeline Safety Program followed by an email confirmation at least two business days prior to the beginning of project construction.
- (g) Cascade must contact residents within 100 feet of the pipeline and inform them of the project construction and provide any additional information consistent with the public awareness requirements in Title 49 CFR, Part 192.616.

DISCUSSION

- 6 The Commission agrees with Staff's analysis and adopts its recommendations. The Commission's primary objective in regulating natural gas pipelines is to protect public safety. The rules the Commission has promulgated to govern pipelines incorporate and exceed federal requirements, and provide flexibility to establish safety standards tailored to individual projects. The Commission's proximity rule, WAC 480-93-020, allows pipeline Staff the opportunity to review construction plans of high pressure pipelines in close proximity to inhabited structures to address safety considerations. Staff's recommended conditions described in paragraph 5 appropriately minimize the public safety risk associated with the proposed pipeline. Accordingly, we approve the Company's request.

FINDINGS AND CONCLUSIONS

- 7 (1) The Commission is an agency of the State of Washington vested by statute with the authority to adopt and enforce rules for gas pipeline safety.
- 8 (2) Cascade is a gas pipeline company subject to Commission jurisdiction.
- 9 (3) Cascade proposes to construct and maintain a new 6-inch pipe in Zillah, Washington, to increase the capacity and enhance the reliability of the Company's natural gas distribution system.
- 10 (4) The location Cascade has selected for the new pipeline has the least impact on surrounding population densities.
- 11 (5) Cascade's construction plans indicate that the proposed pipeline meets or exceeds all of the pertinent requirements of Title 49 CFR, Part 192 and WAC Chapter 480-93.
- 12 (6) The selected location of the proposed new pipe has the least impact on the surrounding community.
- 13 (7) The conditions recommended by Staff add requirements to this installation – some of which exceed federal and state regulations – that minimize the added risk of the close proximity of the pipeline to a habitable structure.
- 14 (8) This matter came before the Commission at its regularly scheduled open meeting on March 16, 2017.
- 15 (9) The Commission should approve Cascade's proposal to operate a new 6-inch natural gas pipeline at a MAOP of 400 psig within 100 feet of an existing structure not owned by Cascade in Zillah, Washington, as consistent with the public interest with the conditions Staff recommends.

ORDER

THE COMMISSION ORDERS:

- 16 (1) The Commission approves Cascade Natural Gas Corporation's proposal to construct and operate a new 6-inch natural gas pipeline in Zillah, Washington, at a maximum allowable operating pressure of 400 pounds per square inch gauge within 100 feet of an existing structure subject to the conditions in paragraph 5 of this Order.
- 17 (2) The Commission retains jurisdiction over the subject matter of this docket and Cascade Natural Gas Corporation to effectuate the terms of this Order.

DATED at Olympia, Washington, and effective March 16, 2017.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

DAVID W. DANNER, Chairman

ANN E. RENDAHL, Commissioner