Service Date: July 13, 2023

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

In the Matter of the Petition of

CASCADE NATURAL GAS CORPORATION.

Petitioner,

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 Guage within 100 Feet of an Existing Structure Not owned by Cascade Natural Gas Corporation

DOCKET PG-230289

ORDER 01

GRANTING PETITION SUBJECT TO CONDITIONS

BACKGROUND

- On April 26, 2023, Cascade Natural Gas Corporation (Cascade or Company) filed with the Washington Utilities and Transportation Commission (Commission) a petition requesting approval to construct and operate approximately 31,000 feet of new 4-inch diameter steel pipeline on N. Track Road, Southwest of Wapato, Washington. The new pipeline would replace the current pipeline that operates at a Maximum Allowable Operating Pressure (MAOP) of 152 pounds per square inch gauge (psig) and will connect to the existing 6-inch Toppenish-Zillah HP pipeline that operates at an MAOP of 400 psig and delivers directly to the Wapato Gate Station. The proposed alignment of the new pipeline will be within 100 feet of 19 existing buildings along N. Track Road. On June 6, 2023, the Company filed an amended petition (Amended Petition).
- The Commission has adopted the Code of Federal Regulations (C.F.R.) 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.
- In its Amended Petition, Cascade states that it is performing this work, identified in the Company's 2023 Integrated Resource Plan (IRP) filing, UG-220131, Appendix I,

"Wapato High Pressure Reinforcements," as required to meet the MAOP Validation Settlement with the Commission. Cascade further states that it considered connections using alternative routes, as detailed in its 2023 IRP filing, but that they were not chosen due to the lack of existing easements, the likelihood of encroachment, and construction challenges.

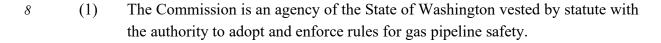
- Commission staff (Staff) reviewed the proposed proximity request and calculations. As the pipeline will be new, there are no existing records to review. Staff notes the following facts:
 - a) The proposed MAOP of the new pipeline is 400 psig.
 - b) The project will use API 5L, X52 or Y52 piping, and ANSI 300 fittings which are appropriate for the proposed MAOP.
 - c) The Class location for the proposed pipeline is Class 3.
 - d) There are 19 existing structures located between 44 feet and 100 feet of the proposed pipeline. All other buildings along the route are greater than 100 feet from the pipeline.
 - e) At the proposed MAOP of 400 psig, the stress level of the new pipe and fittings will be a maximum of 9.0 percent of the specified minimum yield strength (SMYS).
 - f) As the hoop stress of the line is under 20 percent SMYS, the proposed pipeline is considered high-pressure distribution. Lines at or over 20 percent are considered transmission.
 - g) The proposed pipeline and fittings will be pressure tested to a minimum of 750 psig for 8 hours in accordance with the Company's procedures prior to operation. This test pressure is at least 1.5 times the MAOP of the pipeline as required for a Class 3 location.
- 5 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.

- Staff recommends that the Commission approve Cascade's request to install and operate a pipeline with an MAOP of 400 psig 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 (jeep) the pipe coating and repair any coating defects in accordance with Cascade's operating standard prior to backfilling.
 - b) For underground installations, 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.
 - c) 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 standards.
 - d) Cascade must install cathodic protection within 90 days after the pipeline is installed.
 - e) Cascade must provide notification to the Commission via email at least two business days prior to beginning project construction.

DISCUSSION

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. Commission rules 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 6 appropriately minimize the public safety risk associated with the proposed pipeline. Accordingly, we approve the Company's Amended Petition subject to the conditions set out above.

FINDINGS AND CONCLUSIONS



- 9 (2) Cascade is a gas pipeline company and subject to Commission jurisdiction.
- 10 (3) Cascade proposes to construct and maintain a new 4-inch pipeline with an MAOP of 400 psi within 100 feet of 19 existing buildings in Wapato, Washington.
- 11 (4) The location Cascade has selected for the new pipeline has the least impact on surrounding population densities.
- 12 (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.
- 13 (6) The selected location of the proposed new pipe has the least impact on the surrounding community.
- 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.
- This matter came before the Commission at its regularly scheduled meeting on July 13, 2023.
- 16 (9) The Commission determines that Cascade's Amended Petition to operate a new 4-inch natural gas pipeline at a MAOP of 400 psig within 100 feet of existing structures not owned by Cascade in Wapato, Washington, is consistent with the public interest, and approves it subject to the conditions set out in paragraph 6, above.

ORDER

THE COMMISSION ORDERS:

17 (1) The Commission grants Cascade Natural Gas Corporation's Petition to construct and operate a new 4-inch natural gas pipeline in Wapato, Washington, at a maximum allowable operating pressure of 400 pounds per square inch gauge

DOCKET PG-230289 ORDER 01

within 100 feet of existing structures subject to the conditions set out in paragraph 6 of this Order.

The Commission retains jurisdiction over the subject matter and Cascade Natural Gas Corporation to effectuate the provisions of this Order.

DATED at Lacey, Washington, and effective July 13, 2023.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

DAVID W. DANNER, Chair

ANN E. RENDAHL, Commissioner

MILTON H. DOUMIT, Commissioner