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March 16, 2009

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COMMUNICATIONS CENTER
PORTLAND, OR 97209

Ms. Anne F. Soiza
Pipeline Safety Director
Washington Utilities and Transportation Commission
1300 South Evergreen Park Drive SW
P. O. Box 47250
Olympia, Washington 98504-7250

Subject: 2008 Standard Pipeline Safety Inspection, Columbia Gorge Distribution System
Ref. No. Docket PG-080034

Dear Ms. Soiza:

The inspection of NW Natural's facilities in the Columbia Gorge was conducted from September 29 to October 10, 2008 by Mr. Lex Vinsel of the Washington Utilities and Transportation Commission. In response to the findings of the audit, dated February 13, 2009, NW Natural reports the following:

1. WAC 480-93-124(1)(c): Pipeline Markers

(1) Each gas pipeline company must place pipeline markers at the following locations:

- (c) Over mains and transmission lines at river, creek, drainage ditch, or irrigation canal crossings where hydraulic scouring, dredging, or other activity could pose a risk to the pipeline (custom signage may be required to ensure visibility);*

Charge:

NWN did not place pipeline markers on either side of Green Leaf Creek where 15-20 feet of main was exposed above the streambed.

Finding:

Staff has documented that no pipeline markers were located on either side of Green Leaf Creek as required.

NW Natural response:

NW Natural has dedicated significant resources to ensure that pipeline markers are installed in accordance with the provisions of WAC 480-93-124. The company appreciates Staff's notification of the missing pipeline markers at Green Leaf Creek. In response to Staff's finding, the company took immediate action and installed the necessary pipeline markers the following day.

In addition, on March 4, 2009, NW Natural provided refresher training for company field personnel regarding the criteria for placement of pipeline markers as defined by WAC 480-93-124. Company personnel have conducted a review of field locations where pipeline markers are required in order to ensure that they are in place. Missing pipeline marker posts were replaced as necessary. This effort was completed on March 11, 2009.

2. WAC 480-93-188(5): Gas Survey Records

(5) Each gas pipeline company must keep leak survey records for a minimum of five years.

At a minimum, survey records must contain the following information:

- (a) Description of the system and area surveyed (including maps and leak survey logs);*
- (b) Survey results;*
- (c) Survey method;*
- (d) Name of the person who performed the survey;*
- (e) Survey dates; and*
- (f) Instrument tracking or identification number.*

Charge:

NWN did not record the instrument S/N as required in (f).

Finding:

Staff has documents that show no instrument number was recorded on example gas survey records.

NW Natural response:

NW Natural previously provided training to personnel conducting leakage surveys regarding the required information to be documented as part of those surveys, as defined by WAC 480-93-188 (5). The company believes that the failure to record the instrument serial number in this instance was an isolated situation. However, in response to Staff's findings, NW Natural will provide refresher training to personnel conducting leak surveys regarding the documentation requirements associated with the surveys.

Areas of Concern

- 1. No "location specific" emergency plan was provided for review at The Dalles office. The emergency plan presented did not show The Dalles office current location or where personnel should gather in the event of an emergency. The presented emergency manual had two 'examples' of emergency maps but no emergency map showing The Dalles office.*

NW Natural response:

In response to Staff's findings, NW Natural has prepared an emergency plan map specific to The Dalles office and posted copies in prominent locations for reference by company personnel.

This report summarizes our activities in response to the pipeline safety inspection of the company's Columbia Gorge operations.

Sincerely,



Bruce L. Paskett, P.E.
Principal Compliance Engineer

cc: David Lykken
Lex Vinsel

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