



18050 32nd Ave S
SeaTac, WA 98188-4905
(206) 244-4755 ~ FAX(206) 244-0003
www.bow-lake.com

January 13, 2011

David D. Lykken, Pipeline Safety Director
Washington Utilities and Transportation Commission
1300 S. Evergreen Park Dr. SW
Olympia, Washington 98504-7250

RECEIVED

JAN 24 2011

WASH. UT. & TP. COMM

RE: Response to findings of 2010 Master Meter Inspection at Bow Lake Inc.

Dear Mr. Lykken:

Bow Lake Inc. is the operator of a large (446 unit) manufactured housing community for seniors that has been in operation since 1960. Bow Lake Inc. is also a natural gas Master Meter System that serves that same community and has been in operation since 1960. As operators of a natural gas system, Bow Lake personnel take our responsibilities seriously. Over the years we have done everything in our power to abide by Rules set out by the commission regarding our natural gas system. It has been a ten years since the commission has made any significant contact with Bow Lake; therefore it is going to take some effort and time for us to catch up with new rules and new interpretations of existing rules.

I believe that our goals for this natural gas system are the same as yours, that being the safety of our customers, employees, and the general public. Therefore we feel that it would be in everyone's interest to have this system run by Puget Sound Energy. Operating a natural gas system is their business. They have the resources and time to insure compliance with all of the commission's requirements.

Since there is no monetary benefit for Bow Lake to operate this natural gas system, the owners are seriously looking to relinquish the system to Puget Sound Energy. I have repeatedly expressed these desires to inspector Patti Johnson of your staff, and now wish to repeat them to you in writing. So far any attempt to contact Puget Sound Energy has fallen on deaf ears. Any calls to names at Puget Sound Energy provided by Ms. Johnson have not been returned and when I have made contact with Puget Sound Energy personnel, there has been no follow through.

Patti Johnson has informed me that in the past many of master meter systems have been turned over to the local utility. I am assuming the commission was involved in these transfers in one form or another and would be familiar with the process. Therefore, I am asking you to share the procedure and the names and contact information of people at Puget Sound Energy who can make master meter take over decisions. I hope to hear from you soon regarding my inquiries.

The following pages will contain an item by item response to the findings of your Natural Gas Master Meter inspection dated November 15th, 2010.

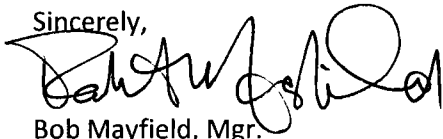
1. Prior to 2001, Bow Lake received through the mail Annual Report forms from the UTC. We have on file Annual report forms from 1979 to 2000 at which time they were no longer sent. If these forms are sent through the mail, Bow Lake will complete the form and mail it as soon as it is received. If there is another form or means of delivery we are unaware of it.
2. Section II. Required Telephone Reports of Incidents in Bow Lake's Operation and Maintenance Plan contains reporting procedures and phone numbers that were in effect in February 23, 1999 (the date of the last correspondence from the commission regarding Emergency Notification numbers). A copy of the same is also kept in the Emergency Plans under section IV. Required Telephone Reports of Certain Incidents. We will update the phone numbers when we receive written notice from WUTC. The telephone notification section of our Emergency Plans need to be updated, since there is now more than one criteria for telephone reporting Per WAC 480-93-200(1) and (2). Bow Lake intends to update the appropriate sections in its O&M Plans and Emergency Plans by June 1, 2011.
3. See #2 above.
4. See #2 above.
5. Our understanding is that this is referring to the Reports required in #6 and #7 below.
6. Submitted January 13, 2011
7. Submitted January 13, 2011
8. Bow Lake submitted emergency contact information in March of 1995. The personnel and phone numbers have not changed. Bow Lake will notify WUTC of any changes.
9. Bow Lake's employee qualifications have been based on actual work experience and employee performance. The system manager has operated the gas system since 1979 and performed maintenance and repair for the proceeding ten years. Maintenance employee number one has performed maintenance, repair, and new construction on the gas system since 1981. Maintenance employee number two has performed maintenance and construction on the gas system since 1989. Bow Lake has been without incident since its start. Full system leak surveys performed by Heath Consultants documented no leaks (underground or aboveground) since 2001. The documentation is on file. This indicates that Bow Lake employees can build and maintain a master meter natural gas system. Bow Lake may not be able to provide Operator Qualifications and Employee Certification. Also at this time Bow Lake cannot provide a timeframe for providing these items.
10. Bow Lake has repeatedly contacted Puget Sound Energy requesting a copy of their regulator station annual report to no avail. We can not give you a time frame for compliance.
11. Bow Lake tests every regulator that has been installed or replaced in the system. We have records on file and procedures in the Operations and Maintenance Plans.
12. Bow Lake publishes a natural gas awareness notice in the community newsletter once a year. The procedures are in the Operations and Maintenance Plans. The written procedures will be updated to state twice a year posting requirements by June 1, 2011.
13. CFR 199.2 states: (c) This part does not apply to covered functions performed on— Master meter systems, as defined in §191.3 of this chapter;... Covered function means an operations, maintenance, or emergency-response function regulated by part 192, 193, or 195 of this chapter that is performed on a pipeline....
14. Bow Lake Inc. reviewed the Operations and Maintenance Plans and Emergency Plan on November 1, 2010 and documented it on a report form attached to their O&M plans.
15. Bow Lake Inc. has Emergency Plans containing the requirements of CFR 192.615.
16. Bow Lake Inc. failure analysis is documented in its Operation and Maintenance Plans.

17. Bow Lake Inc. maintains copies of the Operations and Maintenance plans in locations where operations and maintenance functions take place.
18. Bow Lake Inc. maps and drawings are up to date and have been up to date within 6 months of the last construction activity. Bow Lake Inc. will have its records up to date by June 1, 2011. Records, maps, and drawings are made available to the Commission upon request.
19. The system pressure has been the same since the original start up date in 1960. This pressure has been established by Puget Sound Energy (formerly Washington Natural Gas Company). The regulators and equipment controlling the pressure is owned and maintained by Puget Sound Energy. Bow Lake Inc. Has no means to change the pressure unless they were to make a formal request for a pressure change to Puget Sound Energy and Puget Sound Energy was to agree to that request. Bow Lake Inc. has no intention of requesting a change in system Pressure from Puget Sound Energy.
MAOP is addressed in Bow Lakes Operations and Maintenance Plans.
20. Bow Lake has repeatedly contacted Puget Sound Energy requesting a copy of their odorant test reports to no avail. We can not give you a time frame for compliance.
21. Bow Lake has annually conducted complete system gas leak surveys. The survey covers 100% of the underground and aboveground system using flame ionization detectors. The most recent survey was conducted by Heath Consultants Inc. on January 11, 2011.
22. Gas detection instrument checks are a new requirement to Bow Lake and beyond the capability of Bow Lake Master Meter System.
23. Bow Lake will conduct a key valve test and inspection before June 1, 2011.
24. Bow Lake does not have any steel pipeline requiring cathodic protection. There are written procedures for installing testing and maintaining a cathodic protection system for steel pipe in Bow Lakes Operations and Maintenance Plans.
25. See item 24.
26. See item 24.
27. Bow Lake will conduct an atmospheric corrosion inspection before September 1, 2011.
28. Bow Lake will conduct a pipeline patrol before May 1, 2011

This concludes my response to your Master Meter System Standard inspection letter dated December 15, 2010.

We hope to be hearing from you soon regarding contacts at Puget Sound Energy for the purpose of turning this system over to them.

Sincerely,



Bob Mayfield, Mgr.
Bow Lake Inc.