

February 28, 2008

David Lykken Pipeline Safety Director Washington Utilities and Transportation Commission P.O. Box 47250 1300 S. Evergreen Park Dr. SW Olympia, WA 98504

Dear Mr. Lykken:

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UTIL: COMMISSION

Subject: 2006 Stipulated Agreement Docket Number PG-060217 regarding the inspection of pipe support/straps and replacement of relief weather caps.

Enclosed is our report explaining our findings for the stipulated agreement (PG-060217) dated May 25, 2007. We are requesting a meeting with staff to review our report.

As per paragraph 8 of the stipulated agreement Cascade Natural Gas has removed pipe support/straps that have pipe-to-metal or pipe-to-concrete contact for at least two locations in each of our operating areas in Washington. We have notified staff not less than five days prior to our removal of the support/straps to give staff the opportunity to observe the removal at staff's discretion. We have noted the number of locations that have pipe-to-metal and or pipe-to-concrete contact and compiled the results of our inspections of the removal of the pipe support/straps.

As per paragraph 9 of the stipulated agreement we have replaced "old style" relief weather caps at 163 locations company wide in Washington. A design review was conducted by our Engineering department for the addition of drip legs or weep holes to the vent stacks. Our Engineering department has decided that drip legs or weep holes modifications are not the correct solution for our facilities. Installing an adequate weather cap is the acceptable solution.

Sincerely,

CASCADE NATURAL GAS CORPORATION

Michael J. Gardner, P.E. Vice President, Operations

Enclosure

cc:

Keith Meissner Sam Hicks Dan Meredith Kevin Raschkow

Pipe Support/Straps

Pipe-to-Metal and Pipe-to-Concrete Supports or Straps

Listed below are the total numbers of CNG facilities that have pipe-to-metal and pipe-to-concrete supports or straps. These facilities have two to four supports or straps that meet the above description. In each of our operating areas, at least 2 of the locations were selected for detailed inspection. Inspection required the removal of straps, and a detailed inspection of pipe and coating thereby exposed.

Bridge crossings-15 locations Regulation stations-29 locations Large meter sets-54 locations Odorizer stations-6 locations Valves (above ground)-9 locations

Bellingham Inspections Results:

- 1. Whitehorn meter set (Ferndale)-Wall 0.229" deepest pit 0.032"-Repair with Black Diamond wrap.
- 2. Odorizer O3 (Nooksack)-Wall 0.226" deepest pit 0.026"-Repair paint only
- 3. R8 (Bellingham)-Wall 0.154" deepest pit 0.055"-Repair paint only.

Mount Vernon Inspections Results:

- 1. Odorizer O4 (Arlington)-Wall 0.188" deepest pit 0.031"-Repair paint only.
- 2. R47 (Anacortes)-Wall 0.259" deepest pit 0.066"-Repair station will be replaced in 2008.
- 3. Tesoro meter set (Anacortes)-Wall 0.259"-Repair meter set will be replaced.

Bremerton Inspections Results:

- 1. R8 (Sunnyslope)-No corrosion found.
- 2. R9 (Sunnyslope)-No corrosion found.

Aberdeen Inspections Results:

- 1. R1 (Aberdeen)-Wall 0.280 deepest pit 0.75"-Repair paint only.
- 2. R8 (McCleary)-Wall .0312" deepest pit (strap removal caused a leak)-Repair will replace.
- 3. R10 (McCleary)-Wall 0.322 deepest pit 0.020-Repair (under Engineering review).
- 4. R02 (Aberdeen)-Wall 0.280" deepest pit 0.071"-Repair paint only.

5. R17 (Shelton)-Wall 0.237" deepest pit 0.025"-Repair paint only.

Longview Inspections Results:

- 1. R13 (Longview)-Wall 0.250" deepest pit 0.065"-Repair replacement of station in 2008.
- 2. Longview Fiber meter set (Longview)-Wall 0.188" deepest pit 0.065-Repair of meter set in 2008.

Wenatchee Inspections Results:

- 1. V31 (Quincy)-No corrosion found.
- 2. R1 (Quincy)-No corrosion found.

Yakima Inspections Results:

- 1. Meter set at 23612 Faucher Rd (Moxee)-No corrosion found.
- 2. R10 (Moxee)-No corrosion found.

Sunnyside Inspections Results:

- 1. Meter set at Valley Processors 108 E. Blain Ave (Prosser)-No corrosion found.
- 2. Meter set at Milne Fruit 804 Bennett Ave (Prosser)-No corrosion found.

TriCities Inspections Results:

- 1. Meter set at Exxon Nuclear 2955 George Washington Way (Richland)-No corrosion found.
- 2. Meter set at Battelle NW-3200 Stevens Dr (Richland)-No corrosion found.
- 3. Meter set at ConAgra Foods 2013 Saint St (Richland)-No corrosion found.

Walla Walla Inspections Results:

- 1. Meter set at 532 Woodland Ave (Walla Walla)-No corrosion found.
- 2. Meter set at 2939 Melrose St. (Walla Walla)-No corrosion found.

Weathercap Replacements

We performed a general survey of all relief valve weather caps in 2007. Caps that were not properly installed or protected from dirt, liquids, or other conditions that might prevent proper operation. This project has resulted in the replacement of 163 relief valve weather caps to match the approved current design.