



U.S. Department
of Transportation

Pipeline and Hazardous Materials
Safety Administration

12300 W. Dakota Ave., Suite 110
Lakewood, CO 80228

LETTER OF CONCERN

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

November 10, 2009

Mr. Eldon N. Book
Executive Vice President
Cascade Natural Gas Company
555 South Cole Road
PO Box 7608
Boise, ID 83707

RECEIVED *via email*

NOV 10 2009

WUTC
Pipeline Safety Division

CPF 5-2009-0027C

Dear Mr. Book:

During the week of June 29-July 3, 2009, representatives of the Washington Utilities and Transportation Commission (WUTC), pursuant to Chapter 601 of 49 CFR United States Code, conducted an inspection of the Kelso-Beaver Pipeline Company (K-B Pipeline) natural gas facilities located in Cowlitz County, Washington. The WUTC acts as an interstate agent of the Western Region, Pipeline and Hazardous Material Safety Administration (PHMSA).

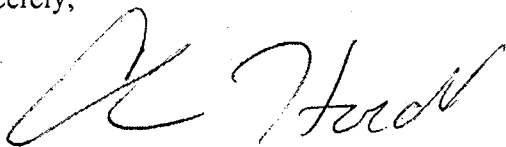
As a result of the inspection, the following items were identified as a concern:

1. We believe the 20" diameter pipe is experiencing high bending stresses in the Flow Slide Area. The WUTC continues to recommend that the pipeline be shut down, depressurized, and the section around the Flow Slide Area be exposed in order to relieve pipe stress. Cascade Natural Gas should consult with their geotechnical consultant to install French drains up-slope of the pipeline to minimize water from flowing into the area around the pipeline. If the section of the pipeline is to be buried again, we recommended the installation of strain gages and piezometers to measure external forces on the pipeline. This will enable you to monitor pipe stress and ground water level. As an alternative to the strain gauges, the pipe section may be relocated above-ground and placed on supports that accommodate ongoing scope movement.

We hope you will consider this area of concern as an opportunity to improve your existing pipeline safety program. If we can answer any questions or be of any help, please call us at (720) 963-3160.

No reply to this letter is required. If you choose to reply, in your correspondence please refer to **CPF 5-2009-0027C**.

Sincerely,



Chris Hoidal
Director, Western Region
Pipeline and Hazardous Materials Safety Administration

cc: PHP-60 Compliance Registry
PHP-500 T. Finch (#123888)
WUTC - Anne Soiza
WUTC - David Lykken