

DOCKET PG-150120 - AMENDED SETTLEMENT AGREEMENT

Amend Revised Compliance Program V.B.5

November 25, 2020

Summary

Cascade Natural Gas Corporation (CNGC) has worked diligently to complete baseline assessment requirements on pipeline segments that were incorporated into CNGC's Transmission Integrity Management Program (TIMP) as required by the Revised Compliance Program in the Amended Settlement Agreement (Section V.B.5) that was approved by the Commission in Order 03 in Docket PG-150120. While the majority of these baseline assessments have been completed, CNGC anticipates it will not be able to complete baseline assessments for pipeline segments in three high consequence areas (HCA) by December 31, 2020 due to factors beyond CNGC's control, as described below. An extension of the completion date, to September 30, 2021, will allow CNGC to complete the remaining baseline assessments.

Background

In 2016, CNGC reclassified multiple pipeline segments from High Pressure (HP) distribution to Transmission as a result of maximum allowable operating pressure (MAOP) validation and an increase in the percent of specified minimum yield strength (% SMYS) of line segments to above 20% SMYS. This resulted in 22 new HCA's being added to CNGC's TIMP and the requirements for completing baseline assessments on the pipe located within the HCA. To date CNGC has completed baseline assessments or has been able to reclassify the pipeline segment back to HP distribution, for 17 of the 22 HCA's. CNGC is currently anticipating being able to complete baseline assessments or eliminate an additional 3-4 HCA's by reclassifying the pipeline segment back to HP distribution before December 31, 2020; however, CNGC anticipates the work on 1-3 HCA's will extend past December 31, 2020. The three HCA's that CNGC is anticipating will extend past December 31, 2020 are HCA's 170208-01, 200506-01, and 230801-01. Specific details associated with each of these HCA's are described in more detail below.

CNGC has kept WUTC Pipeline Safety Staff apprised of the potential delays in completing baseline assessments on pipeline segments in these two HCAs. Specifically, CNGC communicated the potential delays and the reasons for the delays to WUTC Pipeline Safety Staff during meetings held on June 11, 2020 and October 28, 2020, and also reported this in the Six-Month Status Report filed on September 18, 2020. The delays are caused by actions of parties beyond the control of CNGC.

The Amended Settlement Agreement and the Commission's order provide that delays in meeting timelines in the Revised Compliance Program due to actions of parties beyond the control of CNGC should not be the basis for imposing suspended penalties.¹ The Commission specifically noted that delays in obtaining easements and rights of way to perform pressure testing or delays in securing permits from municipal authorities qualified as examples of actions beyond the Company's control.² That is the case here, as discussed in more detail below.

CNGC is requesting an amendment to V.B.5. of the Amended Settlement Agreement (Revised Compliance Program) to allow additional time to complete the work on these two HCAs, due to actions of parties beyond the control of CNGC that have prevented CNGC from completing this work.

¹ Amended Settlement Agreement ¶12; Order 03 ¶¶ 48-49. The Commission will narrowly construe "actions qualifying as beyond the Company's control, and the Commission specifically noted it was not to apply to delays by CNGC's contractor, TRC. *Id.*

² Order 03 ¶ 49.

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The current and proposed language is below.

Current Amended Settlement Agreement Language:

5. **ONGOING:** Line segments preliminarily calculated at greater than 20% SMYS will be incorporated into CNGC's transmission integrity management program (TIMP). Baseline assessments for said pipe will be completed by December 31, 2020. Upon completion of MAOP validation, CNGC's TIMP and distribution integrity management program (DIMP) will be re-evaluated and updated as required.

Proposed Amended Settlement Agreement Language:

5. **ONGOING:** Line segments preliminarily calculated at greater than 20% SMYS will be incorporated into CNGC's transmission integrity management program (TIMP). Baseline assessments for said pipe will be completed by September 30, 2021. For baseline assessments not completed by December 31, 2020, the High Consequence Area (HCA) will be leak surveyed monthly until the baseline assessment is completed or removed from CNGC's TIMP. Upon completion of MAOP validation, CNGC's TIMP and distribution integrity management program (DIMP) will be re-evaluated and updated as required.

HCA 170208-01 – 8” March Point Line #2

Background

CNGC installed the 8” March Point Transmission Line #2 in Skagit County, WA between Summit Park Rd. and N. Texas Rd in 1957. The 8” March Point supplies gas to Skagit County and the City of Anacortes at an MAOP of 360 psig. In 1963, a portion of the pipeline was relocated due to the expansion of SR-20. In addition to relocation, valve station V-003/V-004, was also installed. In 1989, a portion of the pipeline was relocated near the gas station. The 8” March Point Line installed in 1957, the 1963 segment of the March Point Line, and valve setting 017-V-003, 004, are all part of CNGC’s MAOP Determination and Validation Plan, identified as Work Orders 11C1144, 11C5628, and 11C7157 respectively.

HCA 170208-01 on the 8” March Point Line begins at valve setting 017-V-003, 004 and ends north of SR-20. The pipeline is located near a gas station, restaurant, credit union, and car wash, see HCA 170208-01, HCA Survey exhibit. External Corrosion Direct Assessment (ECDA) and Internal Corrosion Direct Assessment (ICDA) were completed in 2012 on all the pipe located within the HCA, except for the pipe located in the casing under SR-20. Minimal external corrosion (< 20% wall loss) was discovered during the direct examinations. Corrosion was attributed to the years the line operated without cathodic protection, prior to cathodic protection being installed in the 1970’s. The severity classification and priority category, determined from the assessment, was Minor and Monitor respectively.

This pipeline is currently under a 20% pressure reduction as required by Item V.B.4 of the Amended Settlement Agreement’s Revised Compliance Program.

Starting in 2016 CNGC contracted with Parametrix to provide statistical analysis of existing pipelines to determine in-situ testing quantities and locations, observation of the exposure of the pipelines and the in-situ testing to determine pipe wall thickness and yield strength. Field testing was conducted in 2016 on the segments of the 8” March Point Line installed in 1957. The 1963 segment of the 8” March Point Line was not in-situ tested because it was inaccessible due to it being located in a casing under SR-20.

The remainder of the 8” March Point Line, north of S. March’s Point Rd, was either pressure tested or replaced in 2018.

Pipe specifications of the pipe located within the HCA consists of the following:

Year Installed	Outside Diameter (inches)	Wall Thickness (inches)	Yield Strength (psig)	% SMYS @ MAOP of 360 psig	% SMYS @ Current Operating Pressure of 286 psig
1957	8.625	0.188	42,300*	19.52	15.51
1957	8.625	0.250	40,700*	15.26	12.12
1963	8.625	0.188	24,000**	34.41	27.34
1989	8.625	0.188	46,000	17.95	14.26

* 80% of Average Yield Strength from in-situ testing

** Assumed value, CNGC has a pipe sample that is being sent in for testing

Proposal

To complete baseline assessment requirements for HCA 170208-01, per the Amended Settlement Agreement, CNGC would have had to perform a direct assessment (ECDA, ICDA), pressure test, or inline inspection. Each of these assessment options presented difficulties in being able to fully assess the pipe located in the HCA and would ultimately leave the pipeline in close proximity to the buildings in the HCA.

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The decision was made in 2017 to move forward with relocating the pipe to a new location away from existing buildings to the west side of Christianson Rd. This option also removes pipe with unknown material specifications, undocumented pressure test, and the cased pipe across SR-20.

The project consists of the replacement of a segment of the 8” Anacortes Line between Satterlee Rd. and Christianson Rd, replacing the valve set connecting the 8” Anacortes Line to the 8” March Point Line, replacing the 8” March Point Line between Summit Park Rd. and S. March’s Point Rd., and installing a new regulator station on the 8” Anacortes Line at Christianson Rd. After the regulator has been installed the 8” Anacortes Line will be downrated between Christianson Rd and the City of Anacortes. The approximate footage of new pipeline will be 3,055’. The approximate footage of pipeline that will be retired is 2,920’. The timeline below reflects the steps CNGC has taken to complete this work and its proposed timeline going forward.

Project Timeline

Date	Key Action(s)
1/1/2017	Proposal received from Parametrix to survey and design Hwy 20 crossing replacement and refinery replacement.
2/1/2017	Contract signed with Parametrix.
5/22/2017	Decision made to explore relocating the line to the west side of Christianson Rd. instead of replacing in its current location. ProSource Technologies LLC is hired to approach Swinomish Tribe about an easement.
6/2/2017	ProSource successfully makes contact with the Swinomish Tribe and communicates we are interested in relocating the 8" pipeline currently on the property to the east of Christianson Rd to the golf course on the west side of Christianson Rd.
6/5/2017	ProSource responds to the Swinomish Tribe's questions and sends them a draft of proposed easement language.
6/14/2017	Swinomish Tribe has some additional questions. ProSource responds with answers the same day.
6/29/2017	The contact with the Swinomish Tribe informs ProSource that the easement will be discussed with the golf course board at the end of July 2017.
8/2/2017	The Swinomish Tribe inquiries about compensation for the easement.
8/10/2017	ProSource makes a formal offer with compensation to buy an easement on the Swinomish Golf Links on behalf of CNGC.
8/14/2017	The Swinomish Tribe responds to our offer with additional questions.
8/18/2017	Answers to the Swinomish Tribes questions are provided.
9/8/2017	After following up multiple times and not receiving a response, the Swinomish Tribe informs ProSource that there is no update on the status of the easement proposal.
10/10/2017	The Swinomish Tribe requests a meeting about the project between CNGC and the golf course. No response yet about the proposal.
10/16/2017	CNGC meets on-site with golf course management at the Swinomish Golf Links. Management communicates their preferred construction window if the project moves forward.
10/17/2017	ProSource sends a follow-up e-mail to the Swinomish Tribe about the meeting.
10/30/2017	Swinomish Tribe has not responded, ProSource attempts to follow up again.
11/10/2017	Swinomish Tribe still has not responded, ProSource attempts to follow up again.
11/27/2017	Swinomish Tribe still has not responded, ProSource attempts to follow up again.
12/18/2017	Swinomish Tribe responds to ProSource meeting follow up by transmitting their notes from the meeting on 10/10/17.
12/21/2017	CNGC responds that the meeting notes are accurate.
1/12/2018	ProSource inquires with the Swinomish Tribe requesting a status update on the easement proposal. There is no response.

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1/23/2018	Swinomish Tribe still has not responded, ProSource attempts to follow up again.
2/14/2018	Swinomish Tribe still has not responded, ProSource attempts to follow up again.
3/1/2018	ProSource successfully contacts Swinomish Tribe which states they will be sending the easement proposal to their attorney for review.
3/20/2018	ProSource inquires with the Swinomish Tribe requesting a status update on the easement proposal. There is no response.
4/4/2018	Swinomish Tribe still has not responded, ProSource attempts to follow up again.
4/12/2018	The Swinomish Tribe responds to CNGC's easement proposal. They request additional compensation from what was offered on 8/10/2017 and request CNGC provide a legal description and exhibit drawing of the easement area. The Swinomish Tribe declines to use CNGC's proposed easement language that was sent in June 2017 and says they can provide CNGC with an easement document for review.
4/17/2018	ProSource responds to the Swinomish Tribe. CNGC agrees to the Swinomish Tribe's compensation proposal and notifies the Swinomish Tribe that a survey will be performed, and legal description prepared once the Swinomish Tribe agrees in principle to granting CNGC the easement.
4/30/2018	ProSource inquires with the Swinomish Tribe requesting a status update on the easement proposal and easement document. There is no response.
5/15/2018	Swinomish Tribe still has not responded, ProSource attempts to follow up again.
6/4/2018	The Swinomish Tribe grants CNGC permission to survey the property. They still have not produced a draft easement document.
6/11/2018	The Swinomish Tribe notifies CNGC that due to vandalism the golf course will need to be closed for 1 month for repairs and asks if the pipeline can be constructed during that timeframe. There is no easement in place, no survey performed, and no permits in place. CNGC explains that permits cannot be applied for and construction cannot take place until the easement has been secured. Per the Swinomish Tribe's request, CNGC sends a draft letter agreement to the Swinomish Tribe agreeing to construction requirements discussed in the on-site meeting on 10/16/2017 and agreeing to the compensation proposed by the Swinomish Tribe on 4/12/2018.
7/6/2018	CNGC reaches out to Parametrix about surveying the golf course property.
7/9/2018	ProSource inquires with the Swinomish Tribe requesting a status update on the easement proposal and easement document. There is no response. CNGC instructs ProSource to begin following up with the Swinomish Tribe on a weekly basis since responses to this point have been lacking.
8/30/2018	CNGC gives Parametrix notice to proceed to split the March Point replacement project into two phases. Phase 1 will go from regulator station 017-R-089 at the Shell Puget Sound Refinery to valve 017-V-006 on North Texas Rd. Phase 2 will go from Satterlee Rd to regulator station 017-R-084.
9/17/2018	The Swinomish Tribe notifies CNGC that the draft easement document is waiting to undergo their legal review. ProSource continues to attempt weekly follow-ups.
10/10/2018	The Swinomish Tribe notifies CNGC that they met with their attorney and would like the path to be a permanent recorded easement and a separate temporary construction easement. CNGC agrees with this approach. They have not yet produced any draft documents.
11/2/2018	Parametrix completes wetland delineation field work on golf course.
11/28/2018	The Swinomish Tribe updates CNGC that they are still awaiting review from their attorney.
12/4/2018	Parametrix delivers wetland delineation to CNGC.
12/17/2018	Parametrix presents CNGC with design options for the Hwy 20 crossing.
1/22/2019	Parametrix places Hwy Crossing Design on hold pending easement outcome.
1/24/2019	The Swinomish Tribe transmits a draft easement and draft temporary construction easement to CNGC for review.

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2/19/2019	CNGC forwards draft easement documents to MDUR legal department for review along with CNGC's engineer's comments on the documents.
2/28/2019	CNGC receives comments back from MDUR legal department.
4/18/2019	CNGC has call with MDUR legal department to further discuss the proposed easement and the response.
4/22/2019	CNGC sends the revised documents back to the Swinomish Tribe after incorporating MDUR legal comments.
6/27/2019	Swinomish Tribe returns draft documents with comments to CNGC after reviewing MDUR legal departments proposed edits.
8/16/2019	Latest version of draft easement documents sent to MDUR legal department for review.
8/21/2019	CNGC requests clarification from Swinomish Tribe on some of their comments on the draft easements.
9/10/2019	CNGC receives clarifications from the Swinomish Tribe.
9/20/2019	CNGC responds to the Swinomish Tribe's clarifications with some additional proposed edits to the draft easement documents.
9/27/2019	Parametrix sends draft easement legal descriptions and exhibits to CNGC.
10/22/2019	Swinomish Tribe responds to CNGC's comments from 9/20/2019.
10/31/2019	Conference call between Swinomish Tribe legal department and MDUR legal department to discuss sticking points on draft easements. CNGC receives draft easement documents incorporating revisions agreed to in conference call.
11/5/2019	CNGC notifies Swinomish Tribe that they agree to the latest proposed changes but that some of the agreed upon changes were mistakenly omitted from the latest versions of the documents.
12/19/2019	CNGC and Swinomish Tribe agree to the draft easement language and draft temporary construction agreement language.
1/30/2020	CNGC receives final legal descriptions and exhibits for the easements.
3/26/2020	CNGC sends the Temporary Construction Agreement signed by both parties and easement compensation to the Swinomish Tribe. CNGC has formally secured the easement rights to construct the pipeline.
5/5/2020	Parametrix sends CNGC a map of the new pipeline alignment.
6/5/2020	Parametrix sends CNGC a draft set of construction plans.
6/15/2020	Geotech bores are performed on site this week.
9/1/2020	Final Geotech report received.
8/27/2020	Department of Ecology State Environmental Policy Act (SEPA) application submitted.
9/1/2020	Washington Department of Fish and Wildlife Hydraulic Project Approval (HPA) submitted.
9/3/2020	City of Anacortes downloads SEPA application from FTP site. Skagit County Conditional Use Permit submitted. City of Anacortes MUP application submitted.
9/24/2020	WSDOT Utility Permit/Franchise Application submitted.
10/2/2020	SEPA complete application determination received.
10/5/2020	Parametrix sends CNGC the latest draft set of construction plans. Skagit County Conditional Use Permit complete application determination.
10/9/2020	Cultural resources report received.
10/28/2020	SEPA public notice/comment period ends.
10/30/2020	Skagit County Conditional Use Permit comment period ends.
1/30/2021*	SEPA application processed, Department of Ecology has 120 days (4.25 mo.) from the date of complete application determination to process by code.
3/16/2021*	Washington Department of Fish and Wildlife Hydraulic Project Approval (HPA), 45 days after SEPA determination.

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3/17/2021*	City and County Utility Permits submitted (submitted 1 month prior to construction beginning).
3/30/2021*	Project bid meeting
4/15/2021*	Project awarded to construction contractor
5/1/2021*	Construction begins (2 – 3 months)
8/1/2021*	Project in-service and pipe retired in HCA.

* Estimated dates based on SEPA and HPA permit approvals, dates based on the max time allowed by permitting agency to review and approve permits

HCA 200506-01 – 6” Toppenish-Zillah Line #5

Background

CNGC installed the 6” Toppenish-Zillah Line #5 in Yakima County, WA in 1956. The pipeline starts at the gate station on N. Bonair Rd. north of Zillah and ends north of Toppenish, WA near McDonald Rd. and Buena Way. The 6” Toppenish-Zillah Line supplies gas to the communities of Zillah, Toppenish, Wapato, and Granger, WA at a MAOP of 400 psig. The 6” Toppenish-Zillah Line, installed in 1956, is part of CNGC’s MAOP Determination and Validation Plan, identified as Work Order YakimaL5-1.

HCA 200506-01 on the 6” Toppenish-Zillah Line begins approximately 1,300’ north of Cutler Way and ends approximately 100’ south of Cutler Way. The pipeline is located near Zillah Middle School, see HCA 200506-01, HCA Survey exhibit. The school building is outside of the potential impact circle (PIC), but portions of the school grounds are located within the PIC. An indirect inspection survey was conducted over the pipeline in 2018. Results from the survey showed only monitored priority indications.

The 6” Toppenish-Zillah Line is currently operating at a pressure of 280 psig.

Starting in 2016 CNGC contracted with Parametrix to provide statistical analysis of existing pipelines to determine in-situ testing quantities and locations, observation of the exposure of the pipelines and the in-situ testing to determine pipe wall thickness and yield strength. Field testing was started in 2018 on the 6” Toppenish-Zillah Line installed in 1956, with the completion of 56 locations. Completion of the remainder of the random locations identified south of the Yakima River were unable to be completed due to questions and issues revolving around ROW and easements of the pipe located on Yakama Nation Indian Reservation property. An attempt was made to complete testing of two points representative of the pipe south of the Yakima River in August 2020, which would have fulfilled the material testing requirements south of the Yakima River. Equipment issues during testing allowed testing to be completed on only one of these two test point locations.

Pipe specifications of the pipe located within the HCA based on current assumed and in-situ tested values:

Year Installed	Outside Diameter (inches)	Wall Thickness (inches)	Yield Strength (psig)	% SMYS @ MAOP	Comment
1956	6.625	0.188	24,000	29.37	Current assumed yield strength
1956	6.625	0.188	41,400	17.02	80% of average yield strength from in-situ testing completed in 2018
1956	6.625	0.188	42,000	16.78	Yield strength from in-situ testing completed in August 2020

Proposal

To complete baseline assessment requirements for HCA 200506-01, per the Amended Settlement Agreement, CNGC would have had to perform a direct assessment (ECDA, ICDA), pressure test, or inline inspection. Each of these assessment options presented difficulties in being able to fully assess the pipe located in the HCA, due to the cased crossing across Cutler Way.

The decision was made in 2016 to move forward with in-situ material testing to establish the yield strength of the 6” Toppenish-Zillah Line, rather than utilizing the assumed value of 24,000 psig. A yield strength greater than or equal to 35,300 psig would lower the % SMYS to below 20% and would allow CNGC to reclassify the 6” Toppenish-Zillah line back to H.P. distribution and eliminate the baseline assessment and TIMP requirements. This pipeline was classified as H.P. distribution prior to being reclassified to transmission as part of the MAOP validation efforts.

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To complete the remaining material testing, CNGC plans to conduct the two remaining tests in conjunction with CNGC’s 3” Zillah H.P. Line replacement scheduled to begin construction at the end of November and be completed in December 2020. During this project CNGC will conduct in-situ testing of the pipe at the tie-in location with the new Zillah H.P. Line and test a location south of the Yakima River. If CNGC experiences equipment issues at either of the testing locations, CNGC has a plan in place to remove pipe spools and send them to a lab to be destructively tested to fulfil the material testing requirements. If a successful in-situ test can be completed in December 2020, CNGC will have enough information to be able to reclassify the line to H.P. distribution. If samples need to be removed for destructive testing, CNGC would anticipate having the test results by the end of January 2021, as shown in the timeline below.

Timeline

Date	Key Action(s)
01/31/2017	Kickoff meeting with Parametrix to begin in-situ material testing work on the 6” Toppenish-Zillah Line.
02/15/2017	Initial discussion with Al Pinkham, Yakama Nation DNR Engineering, on access of roadways along 6” Toppenish-Zillah Line. Email to Cialita Keys - Yakama Nation Environmental Review Coordinator
02/15/2017	Sent project information packet (description and maps) to: <ul style="list-style-type: none"> - Kate Valdez - Yakama Nation THPO Official - Reuben Bending - ROW/BIA Karen Lucei's Supervisor - Rocco Clark – BIA - Larry Nelson - BIA Wapato Irrigation Project Office
05/18/2017	Easement search on the 6” Toppenish-Zillah Line.
07/11/2017	Email from Al Pinkham - Yakama Nation DNR Engineering, stating Fraley and Meyers Roads under Yakima County Jurisdiction- work with them for ROW and Yakama Nation Trust Real Estate Services for ROW on trust property.
08/01/2017 – 08/31/2017	Multiple emails and phones calls with Reuben Bending and Karen Lucei with BIA ROW on lease/easement, property information on the Yakama Nation Reservation.
09/20/2017	Testing of the points on the Yakama Nation, south of the Yakima River, delayed to 2019 due to easement and ROW issues on the Yakama Nation Reservation.
10/12/2017 – 02/20/2018	Multiple correspondence with: <ul style="list-style-type: none"> - Gordon Wind - Engineer for WIPO - Brianna Buettner - Yakama Nation Engineering - Karen Lucei - BIA ROW Working through easement and ROW issues.
2/20/2018	Parametrix and CNGC site visit to perform visual observation of pipeline locations in the field.
2/28/2018 – 7/20/2018	Multiple correspondences with: <ul style="list-style-type: none"> - Karen Lucei - BIA ROW - Reuben Bending - BIA ROW - Elizabeth Sanchey - Yakama Nation Environmental Review Coordinator - Dave Lundgren - Yakama Nation ROW Attorney - Michelle Sandoval, Johnson Meninick, Jessica Lally - Yakama Cultural Resources Program - Kate Valdez – THPO Continuing to work through easement and ROW questions and issues south of the Yakima River on the Yakama Nation.
7/30/2018	DasCo mobilizes construction crew to Zillah to begin excavation on the 6” Toppenish-Zillah points north of Yakima River, 56 locations.

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7/31/2018	DasCo and ABI Services begin testing on 6” Toppenish-Zillah Line north of the Yakima River.
8/1/2018 – 8/7/2018	Emails to/from Dave Lundgren - Yakama Nation ROW Attorney, requesting status on determination of member owned or not on fee parcels, request to Land Enterprises has been made for fee land ownership, and draft agreement.
8/15/2018	Dasco and ABI Services complete 56 testing locations on the 6” Toppenish-Zillah points north of the Yakima River.
3/26/2019	Notification received from ABI Services, in-situ testing contractor, that will no longer be offering field testing services.
3/26/2019 – 7/24/2020	Continued conversations and correspondence with the BIA and Yakama Nation working through easement and ROW issues. Lack of movement and response by the Yakama Nation and BIA to resolve easement and ROW issues to allow locations on Yakama Nation property from being tested.
7/24/2020	New in-situ testing contractor (Massachusetts Material Testing, MMT), technology, and application of 49 CFR Part 192.607 Verification of Pipeline Material Properties and Attributes reduces testing points required south of the Yakima River to two locations.
8/20/2020	Meeting between CNGC, Parametrix, and MMT to discuss testing of points south of the Yakima River, schedule, responsibilities, and safety.
8/26/2020	Tested Location #2 near the intersection of Buena Way and E. McDonald Rd.
8/27/2020	Tested Location #1, test could not be completed due to significant electrical background noise. MMT ordered additional equipment to compensate equipment issues.
8/28/2020	Additional equipment arrived, still unable to reduce background noise enough to obtain valid data. Discontinued testing, decision to perform additional testing at a future date.
9/2/2020	Testing to occur in conjunction with the replacement of the 3” Zillah H.P. Line. MMT will perform the testing.
11/30/2020*	Construction begins on the replacement of the 3” Zillah H.P. Line
12/16/2020*	In-situ testing of the 2 remaining locations, removal of pipe spools if needed.
12/17/2020*	Pipe spools sent to lab for destructive testing (if required).
1/31/2021*	Results of destructive testing received (if required).

* Estimated dates based on current project schedule

HCA 230108-01 – 8” Attalia Line #1

Background

CNGC installed the 8” Attalia Line #1 in Franklin and Walla Walla Counties, WA in 1958. The pipeline starts at CNGC’s gate station on N. Oregon St. north of Pasco, WA and ends north of Wallula, WA near Depot Rd. and the PCA Wallula Containerboard Mill. The 8” Attalia Line supplies gas to the communities of Pasco and Burbank, along with multiple commercial and industrial customers along the pipeline’s route at a MAOP of 300 psig. The 8” Attalia Line, installed in 1958, is part of CNGC’s MAOP Determination and Validation Plan, identified as Work Order 01C4776.

HCA 230108-01 on the 8” Attalia Line begins in the Snake River and ends approximately 640’ from the river’s edge in Hood Park near Burbank, WA. The pipeline is located near camping and day use areas, see HCA 230108-01, HCA Survey exhibit. The park’s campground and day use areas are only open for use between May and October of each year.

Starting in 2016 CNGC contracted with Parametrix to provide statistical analysis of existing pipelines to determine in-situ testing quantities and locations, observation of the exposure of the pipelines and the in-situ testing to determine pipe wall thickness and yield strength. Field testing was started in May 2017 on the 8” Attalia Line pipeline segment installed in 1958, with the completion of 88 locations. Completion of the remaining 108 random locations were not completed due to a decision to change from performing material and pressure testing to installing a new gate station and pipeline. This decision provides increased reliability by providing a back feed to the existing 8” Attalia Line, allows the 8” Attalia Line to be downrated to an MAOP of 200 psig., and provides additional supply for proposed customer growth in the Port of Walla Walla.

Starting in June 2017 CNGC began to identify pipeline routes to connect to the 8” Attalia Line. CNGC also began survey, design, and permitting for the 6.1 mile 12” pipeline in 2017, which continued through the beginning of 2019. In May 2019 pipeline construction began with the installation of most of the new pipeline, except for 1.5 miles. The 1.5 miles could not be installed in 2019 due to the Port of Walla Walla road project being delayed and postponed until April 2020. The portions of pipeline located in these sections involved heavy grading, which needed to be completed before the pipeline could be installed.

A majority of the remaining 1.5 miles of pipeline (except two directional drills and LeGrow irrigation pipeline crossing) not installed in 2019, was completed earlier in 2020 in conjunction with the Port of Walla Walla's road extension project. The remaining 1,000’ of pipe not able to be installed earlier this year was due to construction difficulties with the Simplot railroad directional drill, waiting on completion of portions of the Port of Walla Walla’s road improvement project to allow for completion of the Union Pacific Railroad (UPRR) directional drill, and awaiting approval to cross the LeGrow irrigation pipeline.

Also, in 2020 the new gate station was installed, along with Regulator Station, R-128, connecting to the existing 8” Attalia Line.

Pipe specifications of the pipe located within the HCA consists of the following:

Year Installed	Outside Diameter (inches)	Wall Thickness (inches)	Yield Strength (psig)	% SMYS @ MAOP of 300 psig	% SMYS @ MAOP of 200 psig	Comment
1958	8.625	0.188	24,000	28.67	19.12	Current assumed yield strength
1958	8.625	0.188	41,900	16.42	10.95	80% of average yield strength from the 88 in-situ tests completed in 2017

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Proposal

To complete baseline assessment requirements for HCA 230108-01, per the Amended Settlement Agreement, CNGC would have had to perform a direct assessment (ECDA, ICDA), pressure test, or inline inspection. Each of these assessment options presented difficulties in being able to fully assess the pipe located in the HCA.

Once the remaining pipeline segments are installed between the new gate station and Regulator Station, R-128, the new gate station and regulator station will be commissioned and the MAOP on the existing 8” Attalia Line will be downrated to an MAOP of 200 psig. Downrating to an MAOP of 200 psig. satisfies MAOP validation requirements on the 8” Attalia Line and lowers the % SMYS to below 20%, allowing the line to be reclassified back to HP distribution. All of the pipe segments located between the existing gate station and the end of the 8” Attila Line will be classified as HP distribution. Completion of the remaining work has begun and CNGC is working on ways to be able to complete the remaining work by December 31, 2020, but current schedule provided by CNGC’s contractor puts completion into January 2021.

The timeline below reflects the steps CNGC has taken to complete this work and its proposed timeline going forward.

Project Timeline

Date	Key Action(s)
6/22/2017	Additional customer interest in the Port of Walla Walla.
7/1/2017	Two pipeline routes identified to connect 8” Attalia Line to TC Energy’s Gas Transmission Northwest (GTN) system.
8/10/2017	Application of Service submitted to GTN.
10/1/2017	Preliminary pipeline route selected.
11/6/2017	Request for Proposal (RFP) sent to consultants for engineering design and survey.
11/24/2017	RFP question submittal deadline.
11/29/2017	RFP proposals due.
12/6/2017	RFP completion of proposal review.
12/12/2017	Route altered to coincide with Port of Walla Walla’s industrial park expansion and road improvement project.
12/15/2017	RFP Short-list interviews – JUB, Parametrix & MacKay Sposito
12/22/2017	RFP notification of selection – MacKay Sposito
1/29/2018	Consultant project start-up.
2/12/2018	Survey permissions granted and survey work starts.
4/16/2018	Port of Walla Walla provides a refined easement alignment for new water and gas locations.
8/2/2018	30% pipeline plans developed.
10/11/2018	Bonneville Power Administration (BPA) permit submitted, and initial feedback was CNGC was good to proceed. Corrosion Control identifies potential issues with the proximity to BPA towers and BPA confirmed there was an oversight that required a minor route adjustment/jog.
11/1/2018	BPA approved permit.
11/21/2018	SEPA permit submitted.
11/21/2018	Conditional Use permit submitted.
11/21/2018	Critical Areas permit submitted.
12/21/2018	Signed GTN Interconnect Agreement.
12/20/2018	Meeting with WSDOT, Port of Walla Walla, landowners, and other utilities to understand WSDOT’s intentions for their future phase 8 construction alignment that will parallel the existing power easement and proposed natural gas easement.
1/22/2019	Pacific Power permit submitted.

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1/24/2019	Walla Walla County Right of Way permit submitted.
2/5/2019	Bringing on Historical Research Associates to perform cultural study digs along the alignment and put together an inadvertent discovery plan to satisfy Department of Archaeological Historic Preservation (DAHP).
2/8/2019	Invitation sent for construction pre-bid meeting.
2/14/2019	Realignment at Attalia East Rd and Worden Rd due to proposed future WSDOT on-ramp for new Highway 12 Phase 8.
2/19/2019	SWPPP Plan compiled.
2/20/2019	Contractor pre-bid meeting.
3/7/2019	Regulator Station drawings finalized and sent to fab shop for fabrication.
3/8/2019	Final pipeline drawing complete.
3/18/2019	Wallula pipe order submitted.
3/20/2019	Contractor bid submittals due.
3/22/2019	Notification to contractors and awarding of project bid.
4/11/2019	UPRR acknowledgement letter signed.
4/18/2019	Contractor contract signed.
5/1/2019	Plot plan with GTN for Attalia gate station.
5/13/2019	Pipe delivered in revised laydown yard.
5/15/2019	Pre-Construction meeting with Brothers Pipeline, Port of Walla Walla, District Management and Construction Services.
5/20/2019	Construction start date.
5/23/2019	GTN 30% plans received for station alignment.
6/7/2019	Brush clearing for pipe install along Worden Rd.
6/13/2019	Port of Walla Walla approved ROW and easements.
9/3/2019	Strebin & First Fruits signed easements.
10/8/2019	Project on pause due to Port of Walla Walla road project being delayed since July and postponement eventually leading into April of 2020, 1.5 miles of pipeline is in the direct alignment that involves heavy grading.
10/24/2019	Pipe moved to alternate laydown yard per PCA need of yard space for plant shutdown.
3/10/2020	Attalia station plans at 100% and emailed to fab shop for fabrication.
5/26/2020	Contractor signed contract for Attalia gate station.
6/9/2020	Restart of Wallula pipeline construction and start of Attalia gate station.
7/1/2020	Failed bore under Simplot owned rail spur.
7/6/2020	Reordered bore pipe for Simplot bore.
7/17/2020	UPRR notification to proceed and setup flagging.
8/1/2020	Failed second bore under Simplot owned rail spur.
8/7/2020	Attalia station pressure tested and tied into pipeline.
7/30/2020	Station restoration complete and finalized.
7/30/2020	Demobilized while obtaining final approvals for bore depth variance and LeGrow irrigation crossing.
9/8/2020	Reordered bore pipe for Simplot bore.
11/4/2020	Simplot bore variance approved from 23' depth of cover to as little as 10' of cover.
11/9/2020	Remobilized to Wallula to finish tie-in work, pressure test and gas the pipeline.
11/16/2020	Simplot signed LeGrow crossing allowance documents. Previously agreed on terms.
12/1/2020*	Begin Simplot railroad directional drill.
12/5/2020*	Complete Simplot railroad directional drill.
12/7/2020*	Begin UPRR railroad directional drill.
12/11/2020*	Complete UPRR railroad directional drill.
12/19/2020*	Tie-in pipeline to regulator station.

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12/21/2020*	Pressure test pipeline.
1/4/2021*	Perform taps, and purge and pack the new pipeline.
1/9/2021*	Commission new gate station and regulator station.
1/12/2021*	Complete downrate.

* Estimated dates based on Contractors schedule to complete remaining work