

Agenda Date: December 10, 2020  
Item Number: E1

**Docket:** PG-150120  
Company Name: Cascade Natural Gas Corporation

Staff: Sean Mayo, Pipeline Safety Director  
Joe Subsits, Chief Pipeline Safety Engineer

### **Recommendation**

Approve Cascade Natural Gas Corporation's (Cascade or company) request to extend to September 30, 2021, the deadline for completing Maximum Allowable Operating Pressure (MAOP) validation for the pipeline segments identified in Section V.B.5 of the Amended Settlement Agreement approved by the commission in Docket PG-150120 by amending that section. Staff recommends approving the amending language proposed by Cascade in its filing.

### **Discussion**

In 2016, Cascade settled a complaint filed by commission staff (staff) by agreeing to validate the MAOP of certain pipeline segments operating above 60 pounds per square inch, gauge (psig). The commission adopted that settlement and required Cascade and staff to submit an amended settlement to update the validation plan and the timeline for its implementation. The parties filed the Amended Settlement Agreement as required, and the commission adopted it in 2018. The Amended Settlement Agreement required Cascade to complete baseline assessments on all pipe segments preliminarily calculated to be operating at greater than 20 percent of specified minimum yield strength (SMYS) by December 31, 2020.

On September 22, 2020, Cascade filed a status report indicating that it anticipated potential delays in completing baseline assessments for three segments (segments 200506-01, 170208-01, and 230108-01) due to permitting/access delays or other issues outside of Cascade control. Staff and the company had further discussions regarding potential impediments to completion in October and November 2020.

On November 10, 2020, Cascade submitted a request to extend the completion date of Section V.B.5 of the Revised Compliance Program in the Amended Settlement Agreement from December 31, 2020 to September 30, 2021. Cascade commits to performing monthly leak surveys in the high consequence areas (HCA) associated with the unvalidated pipe segments until the baseline assessment is completed or the segment is otherwise removed from Cascade's transmission integrity management program. Cascade submitted an updated request on November 25, 2020, to add additional justification for the third HCA segment (segment 230108-01). Cascade's filing contains proposed amending language to Section V.B.5 of the Amended Settlement Agreement.

Staff has reviewed Cascade's extension request, accompanying justification, and projected timeline (see Memo Attachments 1- 3), and supports extension of the completion date by amending the Amended Settlement Agreement.

**Conclusion**

Staff recommends the commission grant Cascade's request to extend to September 30, 2021, the deadline for completion of Section V.B.5 of the Revised Compliance Program in the Amended Settlement Agreement by adopting the amending language proposed by Cascade. Cascade has clearly communicated challenges presented by circumstances outside of Cascade control, and in staff's estimation it has taken appropriate, proactive steps to meet the compliance dates associated with MAOP validation specified in the Amended Settlement Agreement.