

**BEFORE THE WASHINGTON  
UTILITIES AND TRANSPORTATION COMMISSION**

WASHINGTON UTILITIES AND  
TRANSPORTATION COMMISSION,

Complainant,

v.

CASCADE NATURAL GAS  
CORPORATION,

Respondent.

DOCKET PG-150120

ORDER 07

APPROVING EXTENSION OF  
DEADLINE ESTABLISHED IN  
AMENDED SETTLEMENT  
AGREEMENT

**BACKGROUND**

1 On July 12, 2016, the Washington Utilities and Transportation Commission  
(Commission) issued a formal complaint (Complaint) against Cascade Natural Gas  
Corporation (Cascade or Company). The Complaint alleged that Cascade violated Order  
01 in this docket, entered on February 12, 2015, when it failed to file its maximum  
allowable operating pressure (MAOP) compliance plan by August 12, 2015, and that the  
Company failed to maintain required records or documentation of its MAOP.

2 The Commission convened a prehearing conference on August 31, 2016, and entered  
Order 02, Prehearing Conference Order (Order 02) on September 2, 2016. Order 02 also  
provided notice of an evidentiary hearing set for March 22, 2017.

3 On December 15, 2016, Commission Staff (Staff) and Cascade filed a Settlement  
Agreement (Settlement), which purported to resolve all of the issues in this proceeding.

4 On March 20, 2017, the Commission entered Order 03, Final Order Approving and  
Adopting Settlement Agreement with Conditions. On March 27, 2017, both Staff and  
Cascade jointly filed a letter indicating their acceptance of the conditions set forth in  
Order 03.

5 On March 29, 2018, Staff and Cascade filed an Amended Settlement Agreement  
(Amended Agreement) as required by the original Settlement §B(1)(d)(ii), which stated:

(Cascade) and Commission Staff will file an Amended Settlement Agreement  
with the Commission by March 31, 2018, that reflects a completion date by which

(Cascade) will document the basis for validation of all the high pressure (greater than 60 psig) MAOP for the additional segments identified by TRC.

- 6 On June 13, 2018, the Commission entered Order 05, Final Order Approving and Adopting Amended Settlement Agreement. In Order 05, the Commission waived a portion of a suspended penalty and adopted the parties' Amended Agreement.
- 7 In the Narrative Supporting the Amended Agreement, Cascade and Staff agreed to revise the work schedule detailed in the Settlement "to more adequately address risk for the entire population of segments and facilities missing critical documentation to validate MAOP." This revised work schedule is detailed in in Section V.B of the Amended Agreement, "Revised Compliance Program."
- 8 Item 1 of the Revised Compliance Program stated: "CNGC will document the basis for validation of the MAOP of every pipeline segment and facility operating above 60 psig. Such documentation will be completed in accordance with the provisions of 49 C.F.R. § 192.619 as it currently exists, or as it may be amended by PHMSA. CNGC will meet the following timelines: a) For all segments and facilities identified as missing critical information necessary for documenting the basis for validation of MAOP: i) CNGC will document the basis for validation of the MAOP on 100 percent of the segments and facilities having a risk score of greater than or equal to 75, as set forth in the MAOP Determination & Validation Plan dated March 2018, by December 31, 2023."
- 9 On October 13, 2023, Cascade filed a Request for Extension to Section V(B)(1)(a)(i), requesting that the Commission extend the completion date of Section V(B)(1)(a)(i) of the Revised Compliance Program in the Amended Settlement Agreement from December 31, 2023, to December 31, 2024. In its request, Cascade notes it will have 10 segments (4.60 miles) and 6 facilities remaining to validate at the December 31, 2023, deadline. Cascade believes it can complete these remaining validations within the one-year extension.
- 10 Staff has reviewed Cascade's extension request, accompanying justification, and projected timeline and supports modifying the Amended Agreement to extend the completion date.

## DISCUSSION

- 11 We grant Cascade's request to extend the completion date of Section V(B)(1)(a)(i) of the Revised Compliance Program in the Amended Agreement from December 31, 2023, to December 31, 2024. Pursuant to WAC 480-07-385(2)(a), the Commission may grant a

continuance of any deadline imposed by a rule or order when the moving party demonstrates good cause, and the continuance will not prejudice any party or the Commission. Here, we find that the parties' agreement constitutes good cause, and that neither the Commission nor the parties will be prejudiced by granting the extension.

12 Cascade anticipates that it will not be able to complete validation of all segments with a risk score at or above 75 by the December 31, 2023, deadline set by the Amended Agreement due to factors beyond the Company's control. Accordingly, we grant Cascade's request for extension.

### FINDINGS AND CONCLUSIONS

- 13 (1) The Commission is an agency of the State of Washington vested by statute with the authority to regulate the safety of gas pipeline companies. RCW 81.88.040 and RCW 81.88.065.
- 14 (2) Cascade is a gas pipeline company operating in the state of Washington and subject to Commission jurisdiction.
- 15 (3) On March 19, 2018, Staff and Cascade entered into the Amended Agreement as an appropriate resolution of the issues raised by the inspection in Docket PG-150120, which required Cascade to perform mitigation of all unvalidated line segments and facilities, with a risk score at or above 75, by December 31, 2023.
- 16 (4) On October 13, 2023, Cascade filed a Request for Extension requesting a continuance of this deadline from December 31, 2023, to December 31, 2024.
- 17 (5) Pursuant to WAC 480-07-385(2)(a), the Commission may grant a continuance of any deadline imposed by a rule or order when the moving party demonstrates good cause, and the continuance will not prejudice any party or the Commission.
- 18 (6) This matter came before the Commission at its regularly scheduled meeting on December 21, 2023.
- 19 (7) After reviewing Cascade's request for a continuance, and giving due consideration, the Commission finds that Cascade demonstrates good cause for a continuance to December 31, 2024, and that this continuance should be granted.

**ORDER**

**THE COMMISSION ORDERS:**

- 20 (1) The deadline for Cascade Natural Gas Corporation to complete baseline assessments of pipe segments associated with Section V(B)(1)(a)(i) of the 2018 Amended Settlement Agreement is extended to December 31, 2024.
- 21 (2) The Commission retains jurisdiction over the subject matter and Cascade Natural Gas Corporation to effectuate the terms of this Order, including enforcement of the Agreement, if necessary.
- 22 The Commissioners, having determined this Order to be consistent with the public interest, directed the Executive Secretary to enter this Order.

DATED at Lacey, Washington, and effective December 21, 2023.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

KATHY HUNTER  
Acting Executive Director and Secretary