



STATE OF WASHINGTON

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

1300 S. Evergreen Park Dr. S.W., P.O. Box 47250 • Olympia, Washington 98504-7250
(360) 664-1160 • TTY (360) 586-8203

Ref. No. Docket PG-070175

CERTIFIED MAIL

May 4, 2007

Jim Hogan
Standards and Compliance Manager
Puget Sound Energy
PO Box 90868 MS: XRD-LL
Bellevue, Washington 98009-0868

Dear Mr. Hogan:

Subject: 2007 Standard Inspection of Kittitas County Distribution System

We conducted a natural gas inspection from April 9 thru April 12, 2007, of Puget Sound Energy's (PSE) Kittitas County distribution system. The inspection included a maintenance records review and inspection of the pipeline facilities.

Our inspection indicates one probable violation, as noted in the enclosed report. We also noted three areas of concern, which unless corrected, could potentially lead to future violations of state and/or federal pipeline safety rules.

Your response needed

Please review the attached report and respond in writing by June 7, 2007. The response should include how and when you plan to bring the probable violations into full compliance. We also request your response to our areas of concern. As we have done in the past, we welcome the opportunity for a meeting to discuss your response to our findings.

What happens after you respond to this letter?

The attached report presents staff's decision on probable violations and does not constitute a finding of violation by the commission at this time.



After you respond in writing to this letter, there are several possible actions the commission, in its discretion, may take with respect to this matter. For example, the commission may:

- Assess an administrative penalty under RCW 80.04.405, or
- Issue a complaint, seeking monetary penalties, changes in the company's, practices, or other relief authorized by law, and justified by the circumstances, or
- Consider the matter resolved without further commission action.

We have not yet decided whether to pursue a complaint or penalty in this matter. Should an administrative law judge decide to pursue a complaint or penalty; your company will have an opportunity to present its position directly to the commissioners.

If you have any questions, or if we may be of any assistance, please contact Al Jones at (360) 664-1321. Please refer to docket number PG-070175 in any future correspondence regarding this inspection.

Thank you for your cooperation and interest in pipeline safety and integrity.

Sincerely,



Alan E. Rathbun
Pipeline Safety Director

Enclosure

The Washington Utilities and Transportation Commission (Commission) has the authority to enforce the minimum safety regulations per Chapter 480-93 of the Washington Administrative Code (WAC) pertaining to the construction, maintenance and operation of pipelines transporting natural gas in the state of Washington. In addition, the Commission adopts the Code of Federal Regulations (CFR) Title 49, Part 191 and 192.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION
2007 Natural Gas Pipeline Standard Inspection Report
Puget Sound Energy – Kittitas County District
Docket No. PG-070175

The following violation of WAC 480-93, which adopts 49 CFR Part 192, was noted as a result of the 2007 pipeline safety inspection of Puget Sound Energy (PSE) Kittitas County distribution system. The inspection included a review of the procedures, records, inventory, and field operations and maintenance of the natural gas facilities.

PROBABLE VIOLATIONS

Part 192.455 External corrosion control: Buried or submerged pipelines installed after July 31, 1971.

Each buried or submerged pipeline installed after July 31, 1971, must be protected against external corrosion, including the following:

(2) It must have a cathodic protection system designed to protect the pipeline in accordance with this subpart, installed and placed in operation within 1 year after completion of construction.

Finding:

The pipe-to-soil cathodic on-potential for the gas main located in Ellensburg along #6 Road near the intersection with Thrall Road was measured at approximately -303 mV. The minimum required on-potential is -850 mV. At this location the gas main transitions from plastic to steel pipe before coming above grade and crossing a creek. The steel pipe is secured to the side of the bridge on #6 Road. The portion of the steel pipe buried in the ground is isolated from the rectifier system and was designed to be protected by a galvanic anode. The anode was found connected to the trace wire used to locate the plastic gas main. Before leaving the site the anode was connected to the steel main and the pipe-to-soil potentials at each end of the bridge was then measured at -1.620 mV. There are approximately 20 other test sites at bridge or above ground crossings in Kittitas County that may have been incorrectly wired.

AREAS OF CONCERN

1. **Part 192.319 Installation of Pipe in a Ditch.**

(b) When a ditch for a transmission line or main is backfilled, it must be backfilled in a manner that: (2) Prevents damage to the pipe and pipe coating from equipment or from the backfill material.

Finding:

The ground cover at block valves and regulator stations consist of 2 to 4-inch crushed rock. The edges of the rock are sharp and could damage the pipe coating where the high pressure gas piping is not protected. The rock is typically two to four inches in depth where the pipe comes above grade. PSE needs to protect the pipe coating with material that complies with their standards.

2. **Part 192.475 Internal Corrosion Control: General.**

(a) Corrosive gas may not be transported by pipeline, unless the corrosive effect of the gas on the pipeline has been investigated and steps have been taken to minimized internal corrosion.

Finding:

During the field inspection at the Cle Elum regulator station, the control lines to the regulators were wrapped with heating tape to prevent ice from blocking the ports on the regulators. Apparently, moisture from the hydro testing of the 21 mile pipeline was not completely removed and ice is forming in the control lines. Moisture in contact with hydrogen sulfide from the gas is corrosive to the pipelines. No apparent remediation steps have been taken to protect the pipeline from internal corrosion other than to monitor the dew point. The potential for internal corrosion is high at low points along the pipeline where moisture collects and where the gas velocity is low.

3. **Part 192.357 Customer Meters and Regulators: Installation.**

(a) Each meter and each regulator must be installed so as to minimize anticipated stresses upon the connecting pipeline and the meter.

Finding:

During the 2001 inspection (Docket No. 010854) meter sets were found at residences in Kittitas County that were not gas customers. PSE removed those meter sets after the inspection. During this inspection, six year later, additional meters were found that are not used or useful without the customer's fuel lines. Again, the meter sets are not adequately supported (Refer to photo on next page).

Data Request:

Please provide a complete list of locations where the service lines are in-place and not providing service. How many of these service lines have meter sets which are not connected to a fuel line?

