

**BEFORE THE
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION,

Complainant,

v.

CASCADE NATURAL GAS
CORPORATION,

Respondent.

DOCKET PG-150120

DECLARATION OF RYAN
PRIVRATSKY IN SUPPORT OF
CASCADE NATURAL GAS
CORPORATION'S RESPONSE TO
STAFF'S MOTION TO IMPOSE
SUSPENDED PENALTIES

1 Ryan Privratsky declares:

2 I am the Director, System Integrity for Cascade Natural Gas Corporation ("Cascade"), am
over the age of 18 years old, and make the following declaration based on personal knowledge:

3 Cascade entered into an Amended Settlement Agreement, which was approved and
adopted by the Washington Utilities and Transportation Commission ("WUTC" or
"Commission") on June 13, 2018, in Docket PG-150120 ("Amended Settlement"). Cascade has
submitted six-month status reports consistent with the Amended Settlement. Status reports
contain information related to reporting on the completion of maximum allowable operating
pressure ("MAOP") validation as described in the Amended Settlement.

4 On May 23, 2023, Cascade notified WUTC Pipeline Safety Staff that it would conduct a
pressure test of the pipeline segment crossing the Swinomish Channel, consistent with WAC
480-93-170. A true and correct copy of the notification letter is attached hereto as Attachment A.
During the test on June 1, 2023, pressure was held above the minimum test pressure (600 psig)
for the duration of the test, but the pipeline segment sustained a constant pressure drop that did
not appear to be consistent with temperature change. The pipeline segment was placed back into
service to perform a leak survey to pinpoint the location of a potential leak. Pressure was held
above 600 psig during the duration of the 8-hour pressure test and the pipeline segment was

under a 20% pressure reduction before the pressure test was conducted, as required by the Amended Settlement.

5 On June 6, 2023, Cascade conducted a leak survey of the land portion of the pipeline segment and no leaks were discovered.

6 On June 22, 2023, Cascade held a meeting with Scott Rukke, Director of Pipeline Safety at the WUTC, to discuss the MAOP six-month status report and potential delays in completion of Revised Compliance Program Item V.B.1.a.i. At that meeting, Cascade briefly discussed the failed pressure test because the pipeline segment in question was a pipeline segment that might not be completed as required by the Amended Settlement.

7 Over the next couple of months, Cascade completed additional leak surveys. On July 7, 2023, the water crossing was leak surveyed and no leaks were discovered. On July 13, 2023, another leak survey was completed, and no leaks were discovered. On September 29, 2023, another leak survey was completed, and no leaks were discovered.

8 On September 29, 2023, Cascade submitted its MAOP six-month status report. In that report, Cascade mentioned the suspected leak.¹ Because Cascade had been unable to locate a leak, the decision was made to move forward with replacement. Cascade anticipated not being able to have a design completed and permitting in place to replace the 2,946-foot line by December 31, 2023, as required per the Amended Settlement.

9 On October 11, 2023, Cascade met with Scott Rukke and Dennis Ritter, pipeline safety Chief Engineer for the WUTC, to discuss the six-month status report. At this meeting, Cascade discussed extending the deadline for Item V.B.1.a.i. of the Revised Compliance Program. Cascade also discussed all the pipeline segments that were delayed and would not be completed by December 31, 2023, which included the subject pipeline segment and the suspected leak.

¹ Docket PG- 150120, Six Month Status Report at p. 5 (Sept. 29, 2023) (“Without being able to locate a leak, the decision has been made to move forward with replacement.”).

10 On October 13, 2023, Cascade requested an extension to Item V.B.1.a.i. of the Revised
Compliance Program in the Amended Settlement Agreement for Docket PG-150120. Cascade
again mentioned the suspected leak in the request.²

11 On December 4, 2023, Cascade conducted a leak survey that included the subject
pipeline segment, and no leaks were discovered.

12 On March 22, 2024, Cascade discovered the location of the leak. The leak was located in
a farm field away from homes, pedestrian access, and traffic. Cascade established a 100 foot
parameter around the leak with a safety fence, and Cascade notified Anthony Durrrough, pipeline
safety engineer with the WUTC, of the leak. The leak was consistent with a Grade 3 leak
pursuant to WAC 480-93-186, which is the lowest priority of leak.

13 On March 28, 2024, Cascade submitted its MAOP Six-Month Status Report. From
March 29, 2024, through May 2, 2024, the leak was reevaluated on a weekly basis. On
March 29, 2024, Cascade responded to an email from Dennis Ritter regarding the 8” Anacortes
Line MTVL1-1 pressure test records, plan for the leak, and the leak survey records.

14 On April 2, 2024, an engineering project ticket was created for the leak repair. The
contractor was notified of the discovered leak and the need for repair on April 4, 2024. On
April 5, 2024, Cascade answered all the remaining questions not previously answered from
Dennis Ritter’s email of March 29, 2024.

15 The materials for the leak repair were requested on April 9, 2024, and the Scope of Work
was issued to the contractor on April 19, 2024. Due to the cost of the repair, the incident was
reported to the Pipeline and Hazardous Materials Safety Administration (“PHMSA”) (Incident
Report #1397071), and the WUTC was contacted on April 22, 2024. Cascade also responded to
questions from Scott Rukke on this date.

16 A 48-hour update to PHMSA Report #1397219 was made on April 24, 2024. An update
on the leak repair was sent to Dennis Ritter and Scott Rukke.

² Docket PG-150120, Amended Settlement Agreement Request for Extension to V.B.1.a.i. at p. 2 (Oct. 13, 2023).

17 On April 30, 2024, Cascade notified WUTC Staff pursuant to WAC 480-93-170 of the pressure test post-leak repair. Work to repair the leak started on May 2, 2024. Excavation of the existing stopper fitting on the west side of the Swinomish Channel was conducted from May 2 to May 3, 2024. Cascade sent an update on the repair to Dennis Ritter and Scott Rukke on May 3, 2024.

18 From May 4 to May 6, 2024, Cascade excavated the existing stopper fitting on the east side of the Swinomish Channel. Tom Green, pipeline safety engineer with the WUTC, was onsite to observe the leak repair on May 6, 2024.

19 On May 7, 2024, Cascade provided the WUTC with an update on the pressure test date. Similarly, on May 7, 2024, the pipeline segment between stopper fittings was stopped off, isolated, and blown down. The leak was subsequently excavated and pinpointed from May 8 to May 9, 2024. Anthony Dorrough was onsite to observe the leak repair on May 9, 2024.

20 On May 10, 2024, the pipeline segment containing the leak was removed and new pipe was installed. Anthony Dorrough and Tom Green were onsite to observe the leak repair.

21 Cascade pressure tested the pipeline segment between the stoppers on May 13, 2024. The pipeline segment was then reconnected, and gas was reintroduced on May 15, 2024. The pipeline segment was back in service by 7:23 p.m. on the same day.

22 On May 21, 2024, Cascade submitted its 30-day report to the PHMSA. A copy of the report was also sent to Scott Rukke.

23 Dennis Ritter emailed Cascade inquiring whether the repair passed the pressure test and if the line was back in operation on June 4, 2024. Cascade responded on the same day. On June 6, 2024, Dennis Ritter then sent an email inquiring into potential mapping issues and the leak survey over the line. Cascade responded on June 7, 2024.

24 Cascade received follow-up correspondence from Dennis Ritter with additional questions about the leak survey over the line on June 27, 2024. Cascade responded on the same day.

25 Cascade received the final report from Kiefner and Associates on August 22, 2024.
Cascade then submitted its final report to PHMSA and provided a copy to Scott Rukke on
August 29, 2024.

26 On September 27, 2024, Cascade completed its internal Cross-Functional Post-Incident
Review and submitted its MAOP Six-Month Status Report to the Commission. Cascade provided
a copy of its Cross-Functional Post-Incident Review and the Kiefner and Associates report to
WUTC Staff on November 20, 2024.

27 On Friday, November 22, 2024, Cascade received an email from Anthony Dorrrough
requesting a detailed narrative/timeline covering the time from the first discovery of the leak to
the final repair. Cascade responded with the detailed timeline on Monday, November 25, 2024.

28 On December 30, 2024, Cascade received an email from Dennis Ritter asking about
WUTC notification for the pressure test along with additional questions regarding the
identification of the leak and mapping corrections. Cascade responded to the email on
January 3, 2025.

29 On January 6, 2025, Addam Sad, Field Operations Supervisor with Cascade, provided
additional information to WUTC Staff regarding the discovery of the leak.

30 On January 6, 2025, Cascade also received a data request from Dennis Ritter. Cascade
responded to the request on January 17, 2025.

31 It is important to note that it is questionable that failure to survey the pipeline segment
itself amounts to a violation of the Amended Settlement Agreement. Cascade is required to
survey unvalidated pipeline segments with preliminary specified minimum yield strength
("SMYS") calculations of 20% or greater. The pipeline segment in question was operating at a
percentage of SMYS below 20%. To explain, when MAOP validation work began, the
percentage of SMYS on the 8" Anacortes Line was preliminarily calculated as 34.41% at
MAOP. Since the percentage of SMYS was over 30%, the pipeline was required to undergo a
20% pressure reduction per Section V.B.4 of the Amended Settlement Agreement. Through

validation of the pipeline material properties completed in 2017, the percentage of SMYS at MAOP was lowered to 23.59%, but since the pipeline was under the pressure reduction, the pipeline was only able to be operated at a percentage of SMYS of 18.88%. Even with the percentage of SMYS below 30%, Cascade kept the line under the pressure reduction until MAOP validation was completed in 2024. Cascade also kept performing the additional leak surveys called for under Section V.B.3, even with the percentage of SMYS below 20%.

32 Cascade has made significant changes to improve its mapping accuracy. These include:

- making significant improvements and upgrades to its geographic information system (“GIS”);
- implementing SMS to drive process improvement, including GIS and mapping;
- spatially correcting main/service information to align with real world street data and aerial imagery;
- review of as-built documents and correct mapping where required;
- implemented a GPS-based leak survey solution that improved the process of leak survey;
- implemented Maximo with Locusview (High Accuracy GPS System) to improve the accuracy of mapping new facilities; and
- using available information to ensure accuracy of mapping.

I declare under penalty of perjury that the foregoing is true and correct.

EXECUTED AT Kennewick, WA, this 6th day of February, 2025.

/s/ Ryan Privratsky
Ryan Privratsky
Director, System Integrity
Cascade Natural Gas Corporation
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ATTACHMENT A



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May 23, 2023

Scott Rukke, Director - Pipeline Safety Division
Washington Utilities and Transportation Commission
621 Woodland Square Loop SE
Lacey, WA 98503

Subject: WAC 480-93-170 – Pressure Test Notification, 8” Anacortes Transmission Line #1 Pressure Test

Dear Mr. Rukke,

This letter serves as the notification required by WAC 480-93-170 to notify the commission at least three business days prior to commencement of any pressure test of a gas pipeline that will have a Maximum Allowable Operating Pressure (MAOP) that produces a hoop stress of twenty percent or more of the specified minimum yield strength (SMYS) of the pipe used.

The pipeline segment that will be pressure tested is part of CNGC’s 8” Anacortes Transmission Line #1 which begins at Boat Launch Rd and ends at CNGC’s regulator station 017-R-106 at Swinomish Flats Rd. Pipeline segment is shown in the attached map titled – 8” Anacortes Transmission Line. This pipeline segment is being pressure tested as part of CNGC’s MAOP Determination and Validation Plan.

The 8” Anacortes Transmission line currently operates at an MAOP of 360 psig at a percent SMYS of 23.26%. The pipeline segment being tested consists of 2,924’ installed in 1957. The pipe specifications for the segment consists of 8.625” O.D., 0.188” – 0.277” W.T., yield strength of 35,500 psig, coal tar coated pipe and 10.750” O.D., 0.500” W.T., yield strength of 35,000 psig, coal tar coated pipe.

The test is scheduled to be performed on June 1st, 2023. CNGC will provide a schedule update via email if the test date changes. This test will be performed in accordance to Cascade Natural Gas Company Procedure OPS 505 and a job-specific work plan. During the test, the pipeline will be strength tested for 8 hours to a minimum test pressure of 600 psig (maximum test pressure 700 psig) with nitrogen as the test medium.

If you have any questions or require additional information, feel free to contact me at (509) 734-4599 or via email at Ryan.Privratsky@mdu.com.

Sincerely,

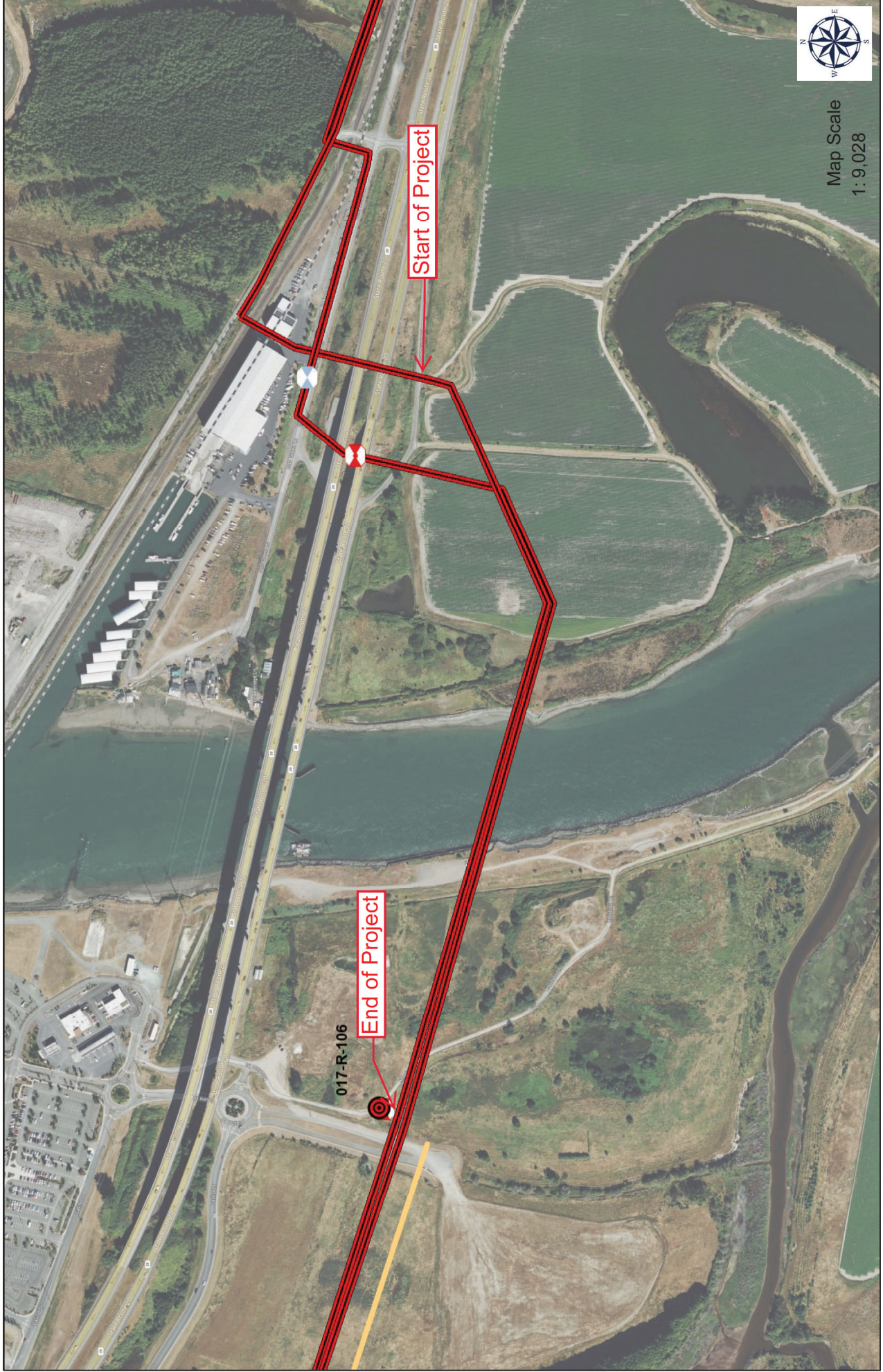
A handwritten signature in black ink, appearing to read "Ryan Privratsky".

Ryan Privratsky
Director, System Integrity

Enclosure

CC: Patrick Darras – Vice President, Engineering & Operation Services
Mike Schoepp – Director, Operation Services
Josh Sanders – Director, Policy & Procedures
John Bailey – Engineer, System Integrity

8" Anacortes Transmission Line



Notes:

Test Segment: Boat Launch Rd to R-106

This map is a user generated static output from the GIS Web Viewer mapping website and is for reference only. It is not to be relied upon for construction purposes. It is provided for planning purposes only.
FIELD LOCATES ARE REQUIRED FOR LOCATION OF UTILITY FACILITIES

