

**BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION**

WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION,

Complainant,

v.

CASCADE NATURAL GAS
CORPORATION,

Respondent.

DOCKET PG-150120

STAFF'S MOTION FOR LEAVE TO
REPLY

I. INTRODUCTION

1 Staff has moved to impose suspended penalties as a result of Cascade's failure to conduct leak surveys pursuant to the Settlement Agreement approved by the Commission in this matter. The Settlement Agreement was agreed to by the parties to resolve issues pertaining to the Company's Maximum Allowable Operating Pressure (MAOP) records. In its motion to impose penalties, Staff argued that Cascade's inaccurate mapping, which was discovered after a nine-month delay in uncovering a leak, means that the Company was not performing the required leak surveys over the pipeline at issue, as ordered by the Commission.

2 Cascade in its response to Staff's motion wrongly portrays the order approving the settlement and spends the majority of its reply focusing on a fact that is not material to the issue at bar. However, Staff does wish to correct a factual inaccuracy, as it does appear Staff was informed of the failed pressure test, and causal possible leak prior to March 22, 2024.

3 The Commission should grant Staff's leave to reply as Cascade's portrayal of the order approving the settlement agreement would benefit from adversarial testing, and Staff

wishes to make a factual correction that, though irrelevant to the motion and request at bar, should be corrected.

II. RELIEF REQUESTED

4 Staff respectfully requests that the Commission grant it leave to file a reply in support of the motion to impose suspended penalties attached to this motion. Additionally, Staff requests that the Commission accept the Amended Declaration of Dennis Ritter.

III. STATEMENT OF FACTS

5 In January 2025, Staff filed a motion to impose penalties after investigation revealed that Cascade's maps of the MTVL1-1 segment of the Anacortes pipeline were off by 120-130 feet. This was discovered after a pressure test on the pipeline failed on June 1, 2023, and Cascade spent nine-months searching for the leak that led to the failure. Cascade alerted the Commission of this pressure test failure and the likely leak. When the leak was discovered, it was revealed that GIS mapping of the pipeline was off by 100-200 feet, meaning leak surveys were not properly occurring over the line. Per the settlement agreement in this docket, approved by the Commission initially in Order 03 and subsequently amended and approved in Order 05, Cascade was required to leak survey the line four times annually.

6 In February 2015, Cascade responded to the motion. In its response, Cascade describes the penalty provision of Order 03, a description Staff seeks to address in its reply. Additionally, Cascade spends the majority of its response discussing when it alerted Staff of the test failure and leak; a correction that Staff seeks to make in its reply, and discuss the relevance of.

7 Staff now seeks leave to reply.

IV. STATEMENT OF ISSUES

8 Should the Commission grant Staff leave to reply?

V. ARGUMENT

9 Good cause exists to allow Staff leave to reply. The Commission should,
accordingly, grant it that leave.

10 Commission rules require Staff file a letter or motion to request that a suspended
penalty be imposed.¹ Commission rules only permit a party to file a reply to any response
with permission of the Commission.² The Commission may grant a reply “only upon a
showing of good cause.”³

11 Good cause exists to authorize a reply here. As explained in the proposed reply, filed
concurrently with this motion, Cascade incorrectly portrays the Commission’s determination
of how the suspended penalty is to be treated in Order 03. Additionally, Cascade’s focus on
an incorrect factual assertion, which Staff would like to correct, subverts the true issue at bar
in this motion. Staff has diligently filed this motion and its reply, and thus granting Staff
leave will not prejudice the Commission or Cascade.

12 The Commission should additionally accept the Amended Declaration of Dennis
Ritter. Commission rules permit amendments to documents “on such terms as promote fair
and just results.”⁴ Staff seeks to correct an incorrect factual assertion. Though the timing of
notice of the leak has no impact on Staff’s assertion that Cascade violated the settlement
agreement, it is important to correct inaccuracies in the record and to ensure declarations
reflect the true course of events. Correcting the record prejudices no party nor the

¹ WAC 480-07-915(8)(b).

² WAC 480-07-370(5)(b).

³ WAC 480-07-370(5)(b).

⁴ WAC 480-07-395(5).

Commission. The corrected declaration along with a redline is being filed concurrently with this motion.

VI. CONCLUSION

13 Staff requests that the Commission grant it leave to file the reply in support of its motion to impose suspended penalties submitted as an attachment to this motion.

DATED this 13th day of February, 2025.

Respectfully submitted,

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