BEFORE THE WASHINGTON STATE UTILITIES AND TRANSPORTATION COMMISSION

In the Matter of the Petition of)	DOCKET PG-071605
PUGET SOUND ENERGY, INC.,)	ORDER 01
Petitioner,)	
Seeking Authorization to Operate a Facility with a Maximum Allowable Operating Pressure Greater Than 500 Pounds Per Square Inch Gauge Pursuant to WAC 480-93-020.)))))	ORDER GRANTING REQUEST TO OPERATE A PIPELINE AT PRESSURES EXCEEDING 500 POUNDS PER SQUARE INCH GAUGE
)	

BACKGROUND

- On July 23, 2007, Puget Sound Energy, Inc., (Company) filed with the Washington Utilities and Transportation Commission (Commission) a petition requesting approval to operate a pipeline facility above 500 pounds per square inch gauge (psig) in accordance with WAC 480-93-020.
- WAC 480-93-020 requires gas companies to petition the Commission for approval prior to operating a pipeline above 500 psig.
- 3 The rule prohibits gas companies from operating a facility within five hundred feet of certain buildings, high occupancy structures or areas; or public highways.
- PSE proposes to operate a new Kittitas Gate Station (GS 2548) at a pressure exceeding 500 psig. The proposed station will serve increased demand within Kittitas service area and replaces the existing station (GS 2561) at the same location. Authorization to operate the outlet pressure of GS 2561 was approved in the Commission Order UG-971136 and remains unchanged with the new GS 2548. The Company's station is located at the tie-in to the Williams Northwest Pipeline at the 4200 block of Vantage Hwy in Ellensburg. The new station is designed for a Maximum Allowable Operating Pressure (MAOP) of 1,000 psig. PSE proposes to operate the inlet of the station at a Maximum Operating Pressure (MOP) of 850 psig and the outlet at a MOP of 500 psig. The station will operate at less than 20 percent specified minimum yield strength (SMYS) at the MOP of 850 psig and at the MAOP of 1,000 psig. The Gate Station is classified as a Class 2 location. PSE will design, construct, and operate the regulators, odorizer, heater, and station piping in

accordance to a higher standard of Class 4 location. The station will be within a secured fence enclosure.

- PSE distributed notices to each of the identified property owners, communicated project details and alerted them to the scheduled open meeting. Five property owners were identified including one business within the 500 foot distance to the Gate Station.
- The Commission has adopted the Code of Federal Regulation, Title 49, Part 192 and WAC 480-93 as minimum standards for natural gas pipeline construction. The most restrictive natural gas pipeline safety rules specify that pipelines in a highly populated area (Class 4 Location) be operated at pressures producing a hoop stress of no greater than 40 percent of the SMYS of the pipe. PSE proposes to operate GS-2548 inlet piping at 850 psig and the outlet piping at 500 psig. All piping will operate at a hoop stress less than 20 percent SMYS.
- Commission Staff finds PSE's safety and design measures for the operation of the new Kittitas Gate Station provide added safety to the public. Staff recommends authorization be granted for the proposed project subject to the specified conditions:

(a) Filings and Notices:

Notify the Commission 48 hours prior to the commencement of operating the new Kittitas Gate Station.

(b) **Design and Testing:**

Pressure testing of the GS-2548 piping will be performed at 1.5 times the MAOP in accordance with PSE Gas Operating Standard 2525.3300. Any leak identified during the test will be repaired and the pressure test shall be restarted.

(c) **Operations and Maintenance:**

1. The operating pressures of the new Kittitas Gate Station GS-2548 will not exceed an inlet MOP of 850 psig and outlet MOP of 500 psig without Commission approval.

- 2. The inlet and outlet piping to the new Kittitas Gate Station regulators, heaters, and odorizer will be built to maintain the pipe stress level for natural gas below 20 percent of the SMYS.
- 3. PSE will continue to provide a 24-hour Supervisory Control and Data Acquisition system to monitor the system operating pressures.
- 4. The pipe welds will be radiographically examined at 100 percent of all girth welds or at a minimum 90 percent for the pipeline and above ground piping except welds that cannot be radiographed. PSE will provide upon request, written documentation where radiographs are impractical including the certified radiographer's statement. All welds will be inspected and effects will be replaced or repaired in accordance with PSE standards. All repaired welds will be radiographed to ensure pipeline integrity and compliance with existing standards.
- 5. Leak surveys will continue to be conducted in accordance with PSE Operating Standard 2625.1100. The survey is to be conducted annually, not to exceed 15 months, unless additional surveys are required by Commission rules.

FINDINGS AND CONCLUSIONS

- The Washington Utilities and Transportation Commission is an agency of the state of Washington vested by statute with the authority to regulate public service companies, including every person or corporation transporting natural gas by pipeline, or having for one or more of its principal purposes the construction, maintenance or operation of pipelines for transporting natural gas.

 *RCW 80.28.210.
- 9 (2) PSE is a public service company subject to the jurisdiction of the Commission under the provisions of RCW 80.28.210 and WAC 480-93.
- 10 (3) PSE is engaged in the construction, maintenance, and operation of pipelines used for transporting natural gas in this state. It proposes to increase the operating pressure and construct a new Kittitas Gate Station GS-2548. Additional capacity is needed to serve the Company's Kittitas service area. PSE has agreed to exceed the minimum regulatory requirements by increasing the design strength of the

pipe, radiographically examined girth welds, and by using remote monitoring equipment.

- 11 (4) After examining of the petition and giving consideration to all relevant matters and for good cause shown, the Commission finds it is consistent with the public interest to grant PSE's request to operate the inlet pressure to GS-2548 above 500 psig, subject to conditions in Paragraph 7 of this Order.
- 12 (5) This matter was brought before the Commission at its regularly scheduled meeting on August 29, 2007.

ORDER

THE COMMISSION ORDERS:

- 13 (1) After the effective date of this Order, the petition of Puget Sound Energy, Inc., for authorization to operate a pipeline above 500 psig is granted, in accordance with WAC 480-93-020.
- 14 (2) This authorization is conditioned on the provisions stated in Paragraph 7 of this Order.
- 15 (3) The Commission retains jurisdiction over the subject matter and Puget Sound Energy, Inc., to effectuate the provisions of this Order.

The Commissioners, having determined this Order to be consistent with the public interest, directed the Executive Secretary to enter this Order.

DATED at Olympia, Washington, and effective August 29, 2007.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

CAROLE J. WASHBURN, Executive Secretary