**BEFORE THE WASHINGTON**

**UTILITIES AND TRANSPORTATION COMMISSION**

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| In the Matter of the Investigation of the Gas Pipeline System of  Cascade Natural Gas CorporationCascade Natural Gas Corporation  CNG  . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . | ) ) ) ) ) ) ) ) ) | DOCKET PG-150120PG-150120  ORDER 0101  ORDER ACCEPTING AGREEMENT AND CLOSING DOCKET |

**BACKGROUND**

1. February 12, 2015The Washington Utilities and Transportation Commission (Commission) regulates the safety of gas pipelines, including those owned and operated by Cascade Natural Gas Corporation (CNG or Company). Commission Staff (Staff) conducted gas pipeline inspections in the Longview, Bellingham and Kennewick districts, in March, May, and October 2013, respectively.
2. Staff sent Inspection Reports to CNG on April 11, May 29, and November 5, 2013, alleging several violations of Commission statutes and rules and identifying areas of concern. CNG provided a written response to the reports on May 10, June 28, and December 18, 2013. CNG and staff engaged in further discussion regarding the investigation, Staff’s findings, and CNG’s responses, and subsequently reached an agreement to resolve the issues Staff identified.
3. On February 3, 2015February 3, 2015, Commission Staff and CNG filed a “Stipulated Agreement to Close Docket” (the Agreement). The Agreement is attached as Exhibit A to, and incorporated into, this Order. The Agreement addresses certain issues in this docket, including compliance and specific steps CNG will take to improve its system and practices.
4. The Agreement is not effective until it is accepted by the Commission. If CNG fails to comply with the terms of the Agreement or this Order, the Commission may invoke its authority to assess penalties for violations of a Commission order.

**DISCUSSION**

1. The terms of the Settlement Agreement are not contrary to law or public policy and reasonably resolve all issues in this proceeding. The Settlement Agreement supports the Commission’s goal of compliance by requiring the Company to take specific actions to bring its system and practices in line with regulations governing natural gas pipelines. Given these factors, we find the Settlement Agreement is consistent with the public interest and should be approved as filed.

**FINDINGS AND CONCLUSIONS**

1. (1) The Washington Utilities and Transportation Commission is an agency of the State of Washington vested by statute with the authority to regulate the safety of gas pipeline companies.
2. (2) CNG is a gas pipeline company operating in the state of Washington subject   
    to Commission jurisdiction.
3. (3) Commission Staff conducted inspections of CNG’s gas pipeline system in the Longview, Bellingham, and Kennewick districts in March, May, and October 2013, respectively.
4. (4) Commission Staff and CNG have entered into a Settlement Agreement, attached as Exhibit A to, and incorporated into, this Order, as an appropriate resolution of the issues raised by the inspections in March, May, and October 2013.
5. (5) After reviewing the Agreement entered into between CNGand Commission Staff, and giving due consideration, the Commission finds that the Agreement is in the public interest and represents an appropriate resolution of the issues raised by the inspections of CNG’s natural gas pipelines in the Longview, Bellingham and Kennewick districts in March, May, and October 2013, respectively.
6. (6) The Settlement Agreement is effective date as of the date of this Order.

**ORDER**

**THE COMMISSION ORDERS:**

1. (1) The Settlement Agreement is approved without condition, is attached as Exhibit A to, and incorporated into, this Order, and is adopted as the final resolution of the disputed issues in this docket.
2. (2) The Commission retains jurisdiction to effectuate the terms of this Order.

DATED at Olympia, Washington, and effective February 12, 2015.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

DAVID W. DANNER, Chairman

PHILIP B. JONES, Commissioner

ANN E. RENDAHL, Commissioner