POST INSPECTION MEMORANDUM

Inspector: Al Jones/WUTC
Reviewed: Joe Subsits /WUTC
Follow-Up Enforcement: No Violation
PCP* PCO* NOA WL LOC
Director Approval* _____

Date: 8/18/2011

Operator Inspected: **OPID:** 31522 **Region:** Western
Kelso-Beaver Pipeline Company
Portland General Electric
121 SW Salmon Street
Portland, Oregon 97204

Unit Address:
Portland General Electric
Beaver Generating Plant
80997 Kallunki Road
Clatskanie, Oregon 97016

Unit Inspected: Washington portion of pipeline **Unit ID:** 9775
Unit Type: Interstate Gas
Inspection Type: 107-UTC IMP Verification Inspection
Record Location: Beaver, OR.
Inspection Dates: August 16, 2011
AFOD: 1
SMART Activity Number:

Operator Contact: Bob Cosentino, Principal Consultant
Phone: (360) 200-4959 **Fax:** (530) 527-7176 **Emergency:** (800) 433-0252

Unit Description:
The Kelso-Beaver (KB) Pipeline is located in Cowlitz County, Washington. KB Pipeline takes delivery of natural gas from the Williams Northwest Pipeline meter station located east of Kelso, Washington and extends west approximately 18 miles to Columbia County, Oregon. The pipeline crosses under the Columbia River north of the City of Longview, Washington. The pipeline is a 20-inch diameter, API 5L grade X52 material, with a nominal wall thickness of 0.281, 0.344, and 0.375-inches. The pipeline is jointly owned by Portland General Electric (PGE), U.S. Gypsum Company, and Northwest Natural Gas (NWN). The KB Pipeline has two customers located in Oregon at the PGE's Beaver generating station and U.S. Gypsum near Rainier, Oregon.

Facilities Inspected:
Field evaluations were completed on August 16, 2011 for anomalies at S8 and S9 discovered during the MFL (Enduro) inline inspection (ILI) tool data of October 5, 2010. The pipeline was constructed in 1992 with API 5L-X52, 20-inch diameter, wall thickness of 0.281-inch, and coated with fiber bonded epoxy.

- Anomaly S8 is located at engineering station 526+46 near the longitudinal seam at the 1:00 clock position. The ILI data identified the anomaly as a partial through-wall hole of 28% wall loss, but no sign of metal loss was visible. The location of the anomaly was confirmed with data from the tool's GPS, proximity to adjacent downstream girth weld, and above ground marker. NDE identified the anomaly as a "suck back" effect at the toe of the long seam weld. The anomaly passed the mill's UT and hydro test per applicable API code.
- Anomaly S9 is located downstream about 300 feet from S8 and near the longitudinal seam at the 9:30 clock position. See photo A and B. NDE identified surface crack using a long shear wave unit. The cracks were less than $10/1{,}000^{th}$ of an inch in depth and were removed by sanding the pipe surface. Corrosion was eliminated because the FBE coating was in good condition.

Persons Interviewed:
Bob Cosentino, Compliance (360)-200-4959

Probable Violations/Concerns: No Probable violations identified.

Follow up on the history of prior offenses that are still open:

Prior Offenses (for the past 5 years)		
CPF #	**What type of open enforcement action(s)?**	**Status of the regulations(s) violated (Reoccurrence Offenses, Implement a NOA Revision, Completion of PCO or CO, and etc...)**

Recommendations:
Maintain normal inspection cycle.

Comments:
None

Attachments:
PHMSA Form 16 - Gas IMP Field Verification Inspection

Version Date: 5/5/08

Photo "A"
Kelso-Beaver (K-B) Pipeline
Anomaly S9 located near longitudinal seam, 9:30 clock position.
K-B provided the NDE employee with a safety vest with "Cascade Natural Gas" name.
Photo taken by: Al Jones 8/16/2011

Photo "B"
Kelso-Beaver (K-B) Pipeline
Anomaly S9 located below longitudinal seam at 9:30 clock position.
NDE identified surface crack using a long shear wave unit. The cracks were less than 10/1,000th of an inch in depth and were removed by sanding the pipe surface.
Photo taken by: Al Jones 8/16/2011