BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

In the Matter of the Request of

CASCADE NATURAL GAS CORPORATION

DOCKET PG-250369

ORDER 01

Pursuant to WAC 480-93-020 for Approval to Operate a Proposed New 20-Inch Pipeline at a Maximum Allowable Operating Pressure of 500 Pounds per Square Inch Gauge within 100 Feet of Existing Structures Not Owned by Cascade Natural Gas Corporation APPROVING REQUEST

BACKGROUND

- I On May 22, 2025, Cascade Natural Gas Corporation (Cascade or Company) filed with the Washington Utilities and Transportation Commission (Commission) a request for approval to construct and operate a replacement pipeline consisting of 20-inch, steel gas line operating at a maximum allowable operating pressure (MAOP) of 500 pounds per square inch gauge (psig) within 100 feet of 59 existing structures not owned by Cascade in Skagit County, near Burlington and Sedro-Woolley, Washington.
- 2 The Commission has adopted the Code of Federal Regulations (C.F.R.) Title 49, Part 192, and promulgated Washington Administrative Code (WAC) Chapter 480-93 as the minimum standards for gas pipeline construction. WAC 480-93-020 requires a gas pipeline company to obtain approval from the Commission to operate a gas pipeline at greater than 250 psig within 100 hundred feet of any existing buildings not owned by the gas pipeline company.
- ³ Cascade owns and operates an 8-inch steel, high pressure pipeline located both in and adjacent to Burlington and Sedro-Woolley, WA, in Skagit County. Cascade is proposing to replace 6.4 miles of the 8-inch line and construct and operate a 20-inch steel replacement pipeline substantially within the existing 8-inch pipeline right-of-way. The new line will be within 100 feet of 59 structures in Skagit County, near Burlington and Sedro-Woolley, Washington. The MAOP of the proposed pipeline will be 500 psig. Cascade is performing this work to satisfy the Settlement Agreement in Docket PG-150120, maintain core customer needs and support future growth in Skagit County.

Commission Staff reviewed the Company's proposed proximity request and calculations.
Because the facility will be newly constructed, there are no existing records. Staff notes the following facts:

- (a) The proposed MAOP of the new pipeline will be 500 psig.
- (b) The proposed piping and all fittings are commensurate with the proposed MAOP.
- (c) Class location for the proposed pipeline is Class 1 from Pulver Rd to F&S Grade Rd, Class 2 at tie-in on Pulver Rd and Class 3 from F&S Grade Rd to Sapp Rd.
- (d) The approximate distance of the 59 structures from the pipeline to existing structures will be less than 100 feet.
- (e) At the proposed MAOP of 500 psig, the maximum stress level of the new pipe would be 25.62 percent of the specified minimum yield strength (SMYS) and be classified as a transmission pipeline.
- (f) The proposed pipeline and fittings will be pressure tested to a minimum of 750 psig in accordance with the company's procedures prior to operation. This test pressure is at least 1.5 times the MAOP of the pipeline, which is above the requirement for a Class 2 location. This allows for future growth without impacting the pipeline should the class location change to 3.
- (g) Cascade will install rupture mitigation valves at the beginning and end of this new pipeline segment. These valves are designed to close as soon as practicable but within 30 minutes of a rupture identification.
- 5 Staff find that Cascade's proposed construction meets all the pertinent requirements of Title 49 C.F.R. Part 192 and WAC Chapter 480-93.
- 6 Staff recommend that the Commission approve the request subject to the following conditions, designed to minimize the risks to public safety from the proposed pipeline:

- (a) For underground installations, Cascade must electrically inspect (jeep) the pipe coating and repair any coating defects in accordance with the Company's operating standard prior to backfilling.
- (b) For underground installations, Cascade must apply backfill material around the pipe to protect the pipe and coating. The material around the pipe must be free of any sharp rocks or other objects with a maximum particle size of one-half inch and must contain a large percentage of fines, such as sand, native soil, or soil-based select materials.
- (c) Cascade must non-destructively test 100 percent of all welds. Cascade must remedy defects in the welds in accordance with the Company's operating standards and procedures. Cascade must non-destructively test all repaired welds to ensure pipeline integrity and compliance with existing standards.
- (d) Cascade must install cathodic protection within 90 days after the pipeline is installed.
- (e) Cascade must provide notification to the Commission via email to pipelineprogram@utc.wa.gov at least two business days prior to the beginning of project construction.
- (f) Cascade must contact building owners within 100 feet of the new pipeline prior to the Commission's open meeting and inform them of the project construction and any additional information consistent with the public awareness requirements in Title 49 CFR Part 192.616.

DISCUSSION

7 The Commission agrees with the Staff's analysis and adopts its recommendations. The Commission's primary objective in regulating natural gas pipelines is to protect public safety. The rules the Commission has promulgated to govern pipelines incorporate and exceed federal requirements and provide flexibility to establish safety standards tailored to individual projects. The Commission's proximity rule, WAC 480-93-020, allows pipeline Staff the opportunity to review construction plans of high-pressure pipelines in close proximity to inhabited structures to address safety considerations. Staff's recommended conditions described in paragraph 6 appropriately minimize the public safety risk associated with the proposed pipeline. Accordingly, we approve the Company's request.

FINDINGS AND CONCLUSIONS

- 8 (1) The Commission is an agency of the State of Washington vested by statute with the authority to adopt and enforce rules for gas pipeline safety.
- 9 (2) Cascade is a gas pipeline company and subject to Commission jurisdiction.
- In WAC 480-93, the Commission has adopted minimum standards for gas pipeline construction. Pursuant to these standards, gas pipelines are designed to withstand higher pressure than the maximum allowable operating pressure (MAOP) prescribed by these rules. The most restrictive gas pipeline safety rules specify that pipelines in a highly populated area must be operated at pressures producing a hoop stress of no greater than 40 percent of the specified minimum yield strength (SMYS) of the pipe. The proposed line will operate at 25.62 percent SMYS.
- (4) Cascade's construction plan indicates that the proposed pipeline will meet or exceed all the pertinent requirements of Title 49 C.F.R. Part 192 and WAC Chapter 480-93. The conditions recommended by Staff add requirements to this installation that minimize the risk of proximity of the pipeline to habitable structures.
- 12 (5) This matter came before the Commission at its regularly scheduled meeting on July 10, 2025.
- (6) The Commission approves Cascade's request to operate a new 20-inch natural gas pipeline segment at a MAOP of 500 psig within 100 feet of existing structures not owned by Cascade because the Company's proposal, with Staff's recommendations, is consistent with the public interest.

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ORDER

THE COMMISSION ORDERS:

- (1) The Commission approves Cascade Natural Gas Corporation's request to construct and operate a new 20-inch, steel natural gas pipeline in Skagit County, near Burlington and Sedro-Woolley, Washington at a maximum allowable operating pressure of 500 pounds per square inch gauge within 100 feet of existing structures subject to the following conditions as set out in paragraph 6 of this order:
 - (a) For underground installations, Cascade must electrically inspect (jeep) the pipe coating and repair any coating defects in accordance with the Company's operating standard prior to backfilling.
 - (b) For underground installations, Cascade must apply backfill material around the pipe to protect the pipe and coating. The material around the pipe must be free of any sharp rocks or other objects with a maximum particle size of one-half inch and must contain a large percentage of fines, such as sand, native soil, or soil-based select materials.
 - (c) Cascade must non-destructively test 100 percent of all welds. Cascade must remedy defects in the welds in accordance with the Company's operating standards and procedures. Cascade must non-destructively test all repaired welds to ensure pipeline integrity and compliance with existing standards.
 - (d) Cascade must install cathodic protection within 90 days after the pipeline is installed.
 - (e) Cascade must provide notification to the Commission via email to pipelineprogram@utc.wa.gov at least two business days prior to the beginning of project construction.
 - (f) Cascade must contact building owners within 100 feet of the new pipeline prior to the Commission's open meeting and inform them of the project construction and any additional information consistent with the public awareness requirements in Title 49 CFR Part 192.616.

15 (2) The Commission retains jurisdiction over the subject matter and Cascade Natural Gas Corporation to effectuate the provisions of this Order.

DATED at Lacey, Washington, and effective July 10, 2025.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

JEFF KILLIP Executive Director and Secretary