



U.S. Department
of Transportation
**Pipeline and Hazardous
Materials Safety
Administration**

1200 New Jersey Avenue SE
Washington DC 20590

2008 Natural Gas State Program Evaluation

for

Washington Utilities and Transportation Commission

Document Legend

PART:

- O -- Representative Date and Title Information
- A -- General Program Qualifications
- B -- Inspections and Compliance - Procedures/Records/Performance
- C -- Interstate Agent States
- D -- Incident Investigations
- E -- Damage Prevention Initiatives
- F -- Field Inspection
- G -- PHMSA Initiatives - Strategic Plan
- H -- Miscellaneous
- I -- Program Initiatives



2008 Natural Gas State Program Evaluation -- CY 2008
Natural Gas

State Agency: Washington
Agency Status:
Date of Visit: 04/22/2009 - 04/24/2009
Agency Representative: Dave Lykken and Anne Soiza (part-time/sick)
PHMSA Representative: Tom Finch
Commission Chairman to whom follow up letter is to be sent:
Name/Title: Mr. Jeff Goltz,, Chairman
Agency: WUTC
Address: 1300 S. Evergreen Park Drive SW
City/State/Zip: Olympia, Washington 98504

Rating:
60105(a): Yes **60106(a):** No **Interstate Agent:** Yes

INSTRUCTIONS:

Complete this evaluation in accordance with the Procedures for Evaluating State Pipeline Safety Program. The evaluation should generally reflect state program performance during CY 2008 (not the status of performance at the time of the evaluation). All items for which criteria have not been established should be answered based on the PHMSA representative's judgment. A deficiency in any one part of a multiple part question should be scored as needs improvement. Determine the answer to the question then select the appropriate point value. If a state receives less than the maximum points, include a brief explanation in the space provided for general comments/regional observations. If a question is not applicable to a state, select NA. Please ensure all responses are COMPLETE and ACCURATE, and OBJECTIVELY reflect state program performance. Increasing emphasis is being placed on performance. This evaluation together with selected factors reported in the state's annual certification/agreement attachments provide the basis for determining the state's pipeline safety grant allocation.

Field Inspection (PART F):

The field inspection form used will allow different areas of emphasis to be considered for each question. Question 13 is provided for scoring field observation areas. In completing PART F, the PHMSA representative should include a written summary which thoroughly documents the inspection.

Scoring Summary

PARTS	Possible Points	Points Scored
A General Program Qualifications	26	26
B Inspections and Compliance - Procedures/Records/Performance	23.5	23
C Interstate Agent States	6	6
D Incident Investigations	7	7
E Damage Prevention Initiatives	9	8
F Field Inspection	12	12
G PHMSA Initiatives - Strategic Plan	10	9.5
H Miscellaneous	3	3
I Program Initiatives	9	9
TOTALS	105.5	103.5
State Rating		98



PART A - General Program Qualifications

Points(MAX) Score

1	Did the state submit complete and accurate information on the attachments to its most current 60105(a) Certification/60106 (a) Agreement? (NOTE: PHMSA Representative to verify certification/agreement attachments by reviewing appropriate state documentation. Score a deficiency in any one area as "needs improvement". Attachment numbers appear in parenthesis) Previous Question A.1, Items a-h worth 1 point each Yes = 8 No = 0 Needs Minor Improvement = 3-7 Needs Major Improvement = 2	8	8
	a. State Jurisdiction and agent status over gas facilities (1)		<input checked="" type="checkbox"/>
	a. State Jurisdiction and agent status over gas facilities (1)		<input checked="" type="checkbox"/>
	b. Total state inspection activity (2)		<input checked="" type="checkbox"/>
	b. Total state inspection activity (2)		<input checked="" type="checkbox"/>
	c. Gas facilities subject to state safety jurisdiction (3)		<input checked="" type="checkbox"/>
	c. Gas facilities subject to state safety jurisdiction (3)		<input checked="" type="checkbox"/>
	d. Gas pipeline incidents (4)		<input checked="" type="checkbox"/>
	d. Gas pipeline incidents (4)		<input checked="" type="checkbox"/>
	e. State compliance actions (5)		<input checked="" type="checkbox"/>
	e. State compliance actions (5)		<input checked="" type="checkbox"/>
	f. State record maintenance and reporting (6)		<input checked="" type="checkbox"/>
	f. State record maintenance and reporting (6)		<input checked="" type="checkbox"/>
	g. State employees directly involved in the gas pipeline safety program (7)		<input checked="" type="checkbox"/>
	g. State employees directly involved in the gas pipeline safety program (7)		<input checked="" type="checkbox"/>
	h. State compliance with Federal requirements (8)		<input checked="" type="checkbox"/>
	h. State compliance with Federal requirements (8)		<input checked="" type="checkbox"/>

SLR Notes:

2	Did the state have an adequate mechanism to receive operator reporting of incidents to ensure state compliance with 60105(a) Certification/60106(a) Agreement requirements (fatality, injury requiring hospitalization, property damage exceeding \$50,000)? (Chapter 6) Previous Question A.2 Yes = 1 No = 0	1	1
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SLR Notes:

Yes they utilize the 800 number for WA pipeline operators to call incidents into them, their own incident database, and print paper copies for their incident books.

3	Has the state held a pipeline safety TQ seminar(s) in the last 3 years? (NOTE: Indicate date of last seminar or if state requested seminar, but T&Q could not provide, indicate date of state request for seminar. Seminars must be held at least once every 3 calendar years.) (Chapter 8.5) Previous Question A.4 Yes = 2 No = 0	2	2
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SLR Notes:

Yes in Seattle May 13-15, 2008.

4	Were pipeline safety program files well-organized and accessible?(NOTE: This also includes electronic files) (Chapter 5) Previous Question A.5 Yes = 1 No = 0	1	1
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SLR Notes:

Yes in their records management system center for paper copies and scanned in their computer I Drive.

5	Did state records and discussions with the state pipeline safety program manager indicate adequate knowledge of PHMSA program and regulations? (Chapter 4.1, Chapter 8.1) Previous Question A.6 Yes = 2 No = 0 Needs Improvement = 1	2	2
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SLR Notes:

Yes state records and discussions with the state pipeline safety program manager indicate adequate knowledge considering only having 8 months experience in 2008 and 4 months in 2009.



- 6** Did the state respond in writing within 60 days to the requested items in the Chairman's letter following the Region's last program evaluation? (No response is necessary if no items are requested in letter and mark "Yes") (Chapter 8.1) Previous Question A.8 1 1
 Yes = 1 No = 0

SLR Notes:

Yes because no issues were raised last year. Maybe the WR should point items of the evaluation out in the letter the chairman.

- 7** What actions, if necessary, did the State initiate as a result of issues raised in the Chairperson's letter from the previous year? Did actions correct or address deficiencies from previous year's evaluation? (No response is necessary if no items are requested in letter and mark "Yes") (Chapter 8.1) Previous Question A.8/A.9 1 1
 Yes = 1 No = 0

SLR Notes:

None however they did document that Lex Vinsel could not get registered in to the PL00257 course until July 2009.

Personnel and Qualifications

- 8** Has each inspector fulfilled the 3 year TQ training requirement? If No, has the state been granted a waiver regarding TQ courses by the Associate Administrator for Pipeline Safety? (NOTE: If the State has new inspectors who have not attended all TQ courses, but are in a program which will achieve the completion of all applicable courses within 3 years of taking first course (5 years to successfully complete), or if a waiver has been granted by the applicable Region Director for the state, please answer yes.) (Chapter 4.4) Previous Question A.10 3 3
 Yes = 3 No = 0

SLR Notes:

Yes Lex Vinsel took the 250 course in November 2006 and is taking the last required course PL00257 July 2009.

- 9** Brief Description of Non-TQ training Activities: Info Only Info Only
 Info Only = No Points
 For State Personnel:
 The Clarion training on Stress Corrosion Cracking in Houston by Scott Rukke February 10-13, 2008.
 For Operators:
 None
 For Non-Operator Entities/Parties, Information Dissemination, Public Meetings:

SLR Notes:

- 10** Did the lead inspectors complete all required T&Q OQ courses and Computer Based Training (CBT) before conducting OQ Inspections? (Chapter 4.4.1) Previous Question A.12 1 1
 Yes = 1 No = 0

SLR Notes:

Yes all inspectors have completed all required OQ courses.

- 11** Did the lead inspectors complete all required TQ Integrity Management (IMP) Courses/Seminars and CBT before conducting IMP Inspections? (Chapter 4.4.1) Previous Question A.13 1 1
 Yes = 1 No = 0

SLR Notes:

Yes Kuang, Scott, Al, Joe, and Dave are the only lead inspectors for IMP and they have completed all IMP courses.

- 12** Was the ratio acceptable of Total inspection Person-days to Total Person-days charged to the program by state inspectors? (Region Director may modify points for just cause) (Chapter 4.3) Previous Question B.12 5 5
 Yes = 5 No = 0

A. Total Inspection Person Days (Attachment 2):

668.11

B. Total Inspection Person Days Charged to the Program (220 X Inspection Person Years) (Attachment 7):

220 X 6.51 = 1432.20

Ratio: A / B

668.11 / 1432.20 = 0.47

If Ratio ≥ 0.38 Then Points = 5, If Ratio < 0.38 Then Points = 0

Points = 5

SLR Notes:

Yes -

A.Total Inspection Person Days (Attachment 2)= 668.11

B.Total Inspection Person Days Charged to the program(220*Number of Inspection person years(Attachment 7)=1432.2

Formula:- Ratio = A/B = 668.11/1432.2 = 0.47

- 13** Have there been modifications or proposed changes to inspector-staffing levels? (If yes, describe) Previous Info Only Info Only
Question B.13
Info Only = No Points

SLR Notes:

Yes Anne Soiza April 2008 as the new pipeline safety director . Alan Lundeen replaced Tim Sweeney in June 2008.

- 14** Part-A General Comments/Regional Observations/Computer Inventory Info Only Info Only
Info Only = No Points

SLR Notes:

The federal computer inventory has been spread out amongst the WUTC office. The actual desktop CPU was shipped back to Carrie Brown at Volpe on September 10th last year (2008). No computer inventory this year as all old computer equipment has been written off by PHMSA.

Total points scored for this section: 26

Total possible points for this section: 26



PART B - Inspections and Compliance - Procedures/Records/ Performance

Points(MAX) Score

Inspection Procedures

1	Does the State have a written inspection plan to complete the following? (all types of operators including LNG) (Chapter 5.1) Previous Question B.1 + Chapter 5 Changes + Incorporate LNG <small>Yes = 6.5 No = 0 Needs Improvement = 50% Deduction</small>	6.5	6
a	Standard Inspections (Including LNG) (Max points = 2)	Yes <input checked="" type="radio"/>	No <input type="radio"/> Needs Improvement <input type="radio"/>
b	IMP Inspections (Including DIMP) (Max points = .5)	Yes <input checked="" type="radio"/>	No <input type="radio"/> Needs Improvement <input type="radio"/>
c	OQ Inspections (Max points = .5)	Yes <input checked="" type="radio"/>	No <input type="radio"/> Needs Improvement <input type="radio"/>
d	Damage Prevention (Max points = .5)	Yes <input type="radio"/>	No <input type="radio"/> Needs Improvement <input checked="" type="radio"/>
e	On-Site Operator Training (Max points = .5)	Yes <input type="radio"/>	No <input type="radio"/> Needs Improvement <input checked="" type="radio"/>
e	On-Site Operator Training (Max points = .5)	Yes <input type="radio"/>	No <input type="radio"/> Needs Improvement <input checked="" type="radio"/>
f	Construction Inspections (Max points = .5)	Yes <input checked="" type="radio"/>	No <input type="radio"/> Needs Improvement <input type="radio"/>
f	Construction Inspections (Max points = .5)	Yes <input checked="" type="radio"/>	No <input type="radio"/> Needs Improvement <input type="radio"/>
g	Incident/Accident Investigations (Max points = 1)	Yes <input checked="" type="radio"/>	No <input type="radio"/> Needs Improvement <input type="radio"/>
g	Incident/Accident Investigations (Max points = 1)	Yes <input checked="" type="radio"/>	No <input type="radio"/> Needs Improvement <input type="radio"/>
h	Compliance Follow-up (Max points = 1)	Yes <input checked="" type="radio"/>	No <input type="radio"/> Needs Improvement <input type="radio"/>
h	Compliance Follow-up (Max points = 1)	Yes <input checked="" type="radio"/>	No <input type="radio"/> Needs Improvement <input type="radio"/>

SLR Notes:

Needs Improvement on D. and E. as they just need to include and state the Damage Prevention and On-Site Operator Training in their procedures.

2	Did the written Procedures for selecting operators adequately address key concerns? (Chapter 5.1) Previous Question B.2, items a-d are worth .5 point each <small>Yes = 2 No = 0 Needs Improvement = 50% Deduction</small>	2	2
a	Length of time since last inspection	Yes <input checked="" type="radio"/>	No <input type="radio"/> Needs Improvement <input type="radio"/>
a	Length of time since last inspection	Yes <input checked="" type="radio"/>	No <input type="radio"/> Needs Improvement <input type="radio"/>
b	History of Operator/unit and/or location (including leakage , incident and compliance history)	Yes <input checked="" type="radio"/>	No <input type="radio"/> Needs Improvement <input type="radio"/>
b	History of Operator/unit and/or location (including leakage , incident and compliance history)	Yes <input checked="" type="radio"/>	No <input type="radio"/> Needs Improvement <input type="radio"/>
c	Type of activity being undertaken by operator (construction etc)	Yes <input checked="" type="radio"/>	No <input type="radio"/> Needs Improvement <input type="radio"/>
c	Type of activity being undertaken by operator (construction etc)	Yes <input checked="" type="radio"/>	No <input type="radio"/> Needs Improvement <input type="radio"/>
d	For large operators, rotation of locations inspected	Yes <input checked="" type="radio"/>	No <input type="radio"/> Needs Improvement <input type="radio"/>
d	For large operators, rotation of locations inspected	Yes <input checked="" type="radio"/>	No <input type="radio"/> Needs Improvement <input type="radio"/>

SLR Notes:

Yes in their Risk Based Procedures and per their Excel spread sheet.

Inspection Performance

3	Did the state inspect all types of operators and inspection units in accordance with time intervals established in its written procedures? (Chapter 5.1) Previous Question B.3 <small>Yes = 2 No = 0</small>	2	2
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SLR Notes:

Yes but the 15 Master Meter Inspections were in 2005 and will need to be completed in 2010.

4	Did the state inspection form cover all applicable code requirements addressed on the Federal Inspection forms? (Chapter 5.1 (3)) Previous Question B.4 <small>Yes = 1 No = 0</small>	1	1
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SLR Notes:

Yes because they use our federal form with their state rules added in.

5	Did state complete all applicable portions of inspection forms? (Chapter 5.1 (3)) Previous Question B.5	1	1
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Yes = 1 No = 0

SLR Notes:

Yes

6	Did the state initiate appropriate follow-up actions to Safety Related Condition Reports? (Chapter 6.3) Previous Question B.6	.5	.5
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Yes = .5 No = 0

SLR Notes:

Yes on the NWN Gas Lacamas Lake SRC where the pipeline supports were failing.

7	Did the state review operator procedures for determining if exposed cast iron pipe was examined for evidence of graphitization and if necessary remedial action was taken? (NTSB) Previous Question B.7	.5	.5
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Yes = .5 No = 0

SLR Notes:

Yes in 2008 the WUTC did the final verification that all PSE cast iron pipe was in fact replaced in July 2007.

8	Did the state review operator procedures for surveillance of cast iron pipelines, including appropriate action resulting from tracking circumferential cracking failures, study of leakage history, or other unusual operating maintenance condition? (Note: See GPTC Appendix G-18 for guidance) (NTSB) Previous Question B.8	.5	NA
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Yes = .5 No = 0

SLR Notes:

Yes in 2008 the WUTC did the final verification that all PSE cast iron pipe was in fact replaced in July 2007- Per B.7.

9	Did the state review operator emergency response procedures for leaks caused by excavation damage near buildings and determine whether the procedures adequately address the possibility of multiple leaks and underground migration of gas into nearby buildings Refer to 4/12/01 letter from PHMSA in response to NTSB recommendation P-00-20 and P-00-21? (NTSB) Previous Question B.9	.5	.5
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Yes = .5 No = 0

SLR Notes:

Yes they have this as a State Rule and as a state question on their revised federal inspection form.

10	Did the state review operator records of previous accidents and failures including reported third party damage and leak response to ensure appropriate operator response as required by 192.617? (NTSB) Previous Question B.10	1	1
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Yes = 1 No = 0

SLR Notes:

Yes reviewing operator records is on the inspection form as question 104.

Compliance - 60105(a) States

11	Did the state adequately document sufficient information on probable violations? (Chapter 5.2) Previous Question B.14	1	1
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Yes = 1 No = 0 Needs Improvement = .5

SLR Notes:

Yes per the City of Eumenclaw probable violations.

12	Does the state have written procedures to identify the steps to be taken from the discovery to the resolution of a probable violation as specified in the "Guidelines for State Participating in the Pipeline Safety Program"? (Chapter 5.1) Previous Question D(1).1	1	1
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Yes = 1 No = 0 Needs Improvement = .5

SLR Notes:

Yes in their Safety and Consumer Division Compliance and Enforcement Manual.

13	Does the state have written procedures to notify an operator when a noncompliance is identified as specified in the "Guidelines for States Participating in the Pipeline Safety Program"? (Chapter 5.1(4)) Previous Question D (1).2	1	1
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Yes = 1 No = 0 Needs Improvement = .5

SLR Notes:

Yes in their Safety and Consumer Division Compliance and Enforcement Manual.

14	Does the state have a written procedure for routinely reviewing the progress of compliance actions to prevent delays or breakdowns of the enforcement process, as required by the "Guidelines for States Participating in the Pipeline Safety Program"? (Chapter 5.1(5)) Previous Question D(1).3	1	1
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Yes = 1 No = 0 Needs Improvement = .5

SLR Notes:

Yes per their Commission Project tracking system. They need to better reference that and where they have this "Commission Project tracking system" in their procedures.

15	Has the State issued compliance actions for all probable violations discovered? (Note : PHMSA representative has discretion to delete question or adjust points, as appropriate, based on number of probable violations; any change requires written explanation) Previous Question D(1).4	1	1
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Yes = 1 No = 0

SLR Notes:

Yes they either accept and verify the operator's response, or a settlement agreement with the operator. In the Eumenclaw case it may develop to a complaint against them then to a hearing.

16	Did the state follow its written procedures for reviewing compliance actions and follow-up to determine that prompt corrective actions were taken by operators, within the time frames established by the procedures and compliance correspondence, as required by the "Guidelines for States Participating in the Pipeline Safety Program"? Previous Question D(1).5	1	1
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Yes = 1 No = 0 Needs Improvement = .5

SLR Notes:

Their written procedures need a little work but they did review compliance actions and follow-up to determine that prompt corrective actions were taken by operators within the established time frames.

17	If compliance could not be established by other means, did state pipeline safety program staff request formal action, such as a "Show Cause Hearing" to correct pipeline safety violations? (check each states enforcement procedures) Previous Question D(1).6	1	NA
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No = 0 Yes = 1

SLR Notes:

No show cause hearings were necessary in 2008.

18	Did the state adequately document the resolution of probable violations? (Chapter 5.1 (6)) Previous Question D(1).7	1	1
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Yes = 1 No = 0 Needs Improvement = .5

SLR Notes:

Yes per the CNG probable violation concerning using the correct leak detectors. The Sumas Cogeneration NOPV and the Weyerhaeuser Integrity Management Inspection NOPVs.

19	Were compliance actions sent to a company officer? (manager or board member if municipal/government system) (Chapter 5.1(4)) Previous Question D(1).8	.5	.5
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Yes = .5 No = 0

SLR Notes:

Yes per the CNG, the Sumas Cogeneration NOPV and the Weyerhaeuser Integrity Management Inspection NOPVs. They were all sent to a Vice President.

20	Did the compliance proceedings give reasonable due process to all parties? (check each states enforcement procedures) Previous Question D(1).9	1	1
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Yes = 1 No = 0 Needs Improvement = .5

SLR Notes:

Yes in their Consmer Protection Division Compliance and Enforcement Manual the compliance proceedings give reasonable due process to all parties and they have followed their procedures.

Compliance - 60106(a) States

21	Did the state use the current federal inspection form(s)? Previous Question D(2).1	1	NA
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Yes = 1 No = 0 Needs Improvement = .5

SLR Notes:

22 Are results adequately documented demonstrating inspection units were reviewed in accordance with state inspection plan? Previous Question D(2).2 1 NA
Yes = 1 No = 0 Needs Improvement = .5

SLR Notes:

23 Were any probable violations identified by state referred to PHMSA for compliance? (NOTE: PHMSA representative has discretion to delete question or adjust points, as appropriate, based on number of probable violations; any change requires written explanation.) Previous Question D(2).3 1 NA
Yes = 1 No = 0 Needs Improvement = .5

SLR Notes:

24 Did the state immediately report to PHMSA conditions which may pose an imminent safety hazard to the public or to the environment? Previous Question D(2).4 1 NA
Yes = 1 No = 0 Needs Improvement = .5

SLR Notes:

25 Did the state give written notice to PHMSA within 60 days of all probable violations found? Previous Question D(2).5 1 NA
Yes = 1 No = 0 Needs Improvement = .5

SLR Notes:

26 Did the state initially submit adequate documentation to support compliance action by PHMSA on probable violations? Previous Question D(2).6 1 NA
Yes = 1 No = 0 Needs Improvement = .5

SLR Notes:

NA

27 Part B: General Comments/Regional Observations Info Only Info Only
Info Only = No Points

SLR Notes:

Total points scored for this section: 23
Total possible points for this section: 23.5



PART C - Interstate Agent States

Points(MAX) Score

1	Did the state use the current federal inspection form(s)? Previous Question D(3).1 Yes = 1 No = 0 Needs Improvement = .5	1	1
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SLR Notes:

Yes per all of the IA agent inspections that I peer reviewed in 2008.

2	Are results documented demonstrating inspection units were reviewed in accordance with "PHMSA directed inspection plan"? Previous Question D(3).2 Yes = 1 No = 0 Needs Improvement = .5	1	1
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SLR Notes:

Yes results were documented demonstrating inspection units were reviewed in accordance with "PHMSA directed inspection plan" when I entered their inspection information in our SMART database.

3	Did the state submit documentation of the inspections within 60 days as stated in its latest Interstate Agent Agreement form? Previous Question D(3).3 Yes = 1 No = 0	1	1
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SLR Notes:

Yes the state usually submits documentation of the inspections within 30 days but definately within 45 to 60 days.

4	Were any probable violations identified by state referred to PHMSA for compliance? (NOTE: PHMSA representative has discretion to delete question or adjust points, as appropriate, based on number of probable violations; any change requires written explanation.) Previous Question D(3).4 Yes = 1 No = 0	1	1
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SLR Notes:

Yes per the field part of the Williams/Northwest Pipeline II inspection and the Wiliams Plymouth LNG Warning Letter.

5	Did the state immediately report to PHMSA conditions which may pose an imminent safety hazard to the public or to the environment? Previous Question D(3).5 Yes = 1 No = 0 Needs Improvement = .5	1	NA
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SLR Notes:

There were no imminent safety hazards in 2008.

6	Did the state give written notice to PHMSA within 60 days of all probable violations found? Previous Question D(3).6 Yes = 1 No = 0	1	1
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SLR Notes:

Yes they actually submitted written (e-mail) notices within 30 days.

7	Did the state initially submit documentation to support compliance action by PHMSA on probable violations? Previous Question D(3).7 Yes = 1 No = 0 Needs Improvement = .5	1	1
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SLR Notes:

Yes they submitted documentation and the completed federal Violation Report.

8	Part C: General Comments/Regional Observations Info Only = No Points	Info Only	Info Only
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SLR Notes:

Total points scored for this section: 6
Total possible points for this section: 6



PART D - Incident Investigations

Points(MAX) Score

1 Are state personnel following the procedures for Federal/State cooperation in case of an incident? (See Appendix in "Guidelines for States Participating in the Pipeline Safety Program") (Chapter 6.1) Previous Question E.1
 Yes = 1 No = 0 Needs Improvement = .5

SLR Notes:

Yes they are and were following the procedures when the intrastate incidents occurred for the PSE and Avista incidents in 2008.

2 Are state personnel familiar with the jurisdictional authority and Memorandum of Understanding between NTSB and PHMSA? (See Appendix in "Guidelines for States Participating in the Pipeline Safety Program") (Chapter 6 ? Appendix D) Previous Question E.2
 Yes = .5 No = 0

SLR Notes:

Yes Joe Subsits and Marina answered this question correctly.

3 Did the state keep adequate records of incident notifications received? Previous Question E.3
 Yes = 1 No = 0 Needs Improvement = .5

SLR Notes:

Yes for the 3 federal reportable incidents and the many state reportable incidents.

4 If an onsite investigation of an incident was not made, did the state obtain sufficient information by other means to determine the facts and support the decision not to go on-site? Previous Question E.4
 Yes = 1 No = 0 Needs Improvement = .5

SLR Notes:

An onsite investigation was not made on the two PSE incidents because they were known 3rd party damage incidents in just the \$70,000 range.

5 Were investigations thorough and conclusions and recommendations documented in an acceptable manner? Previous Question E.5, comprehensive question worth 2 points total
 Yes = 2 No = 0 Needs Improvement = 1

- a. Observations and Document Review Yes No Needs Improvement
- b. Contributing Factors Yes No Needs Improvement
- c. Recommendations to prevent recurrences where appropriate Yes No Needs Improvement

SLR Notes:

Yes per the Avista material failure investigation to date the pipe is still safely stored in Avista's evidence locker. They have a couple of data requests out as this incident occurred on 12-26-08.

6 Did the state initiate enforcement action for violations found during any incident investigation(s)? Previous Question E.6 Variation
 Yes = 1 No = 0 Needs Improvement = .5

SLR Notes:

The state is initiating enforcement action for violations found during the 12-26-08 AVISTA / Odessa incident Investigation.

7 Did the state assist region office by taking appropriate follow-up actions related to the operator incident reports to ensure accuracy and final report has been received by PHMSA? (validate annual report data from operators concerning incidents/accidents and investigate discrepancies) (Chapter 6) Previous Question E.7/E.8
 Yes = .5 No = 0

SLR Notes:

Yes they have always followed up within 10 days concerning any accident or any 7100 form we have requested follow up on.

8 Part D: General Comments/Regional Observations Info Only Info Only
 Info Only = No Points



SLR Notes:

Total points scored for this section: 7
Total possible points for this section: 7



PART E - Damage Prevention Initiatives

Points(MAX) Score

- | | | | |
|----------|--|---|---|
| 1 | Has the state reviewed directional drilling/boring procedures of each pipeline operator or its contractor to determine if they include actions to protect their facilities from the dangers posed by drilling and other trench less technologies? Previous Question B.11
Yes = 2 No = 0 Needs Improvement = 1 | 2 | 1 |
|----------|--|---|---|

SLR Notes:

This is not a federal inspection checklist question on our abbreviated short or long inspection form.

- | | | | |
|----------|--|---|---|
| 2 | Did the state inspector check to assure the pipeline operator is following its written procedures pertaining to notification of excavation, marking, positive response and the availability and use of the one call system? New 2008
Yes = 2 No = 0 | 2 | 2 |
|----------|--|---|---|

SLR Notes:

Yes per our federal inspection form and per reports that the WUTC has mandated that the operator submit.

- | | | | |
|----------|---|---|---|
| 3 | Did the state encourage and promote the adoption of the Common Ground Alliance Best Practices document to its regulated companies as a means of reducing damages to all underground facilities? Previous Question A.7
Yes = 2 No = 0 Needs Improvement = 1 | 2 | 2 |
|----------|---|---|---|

SLR Notes:

Yes Alan Lundeen is continuing Tim Sweeney's work on this.

- | | | | |
|----------|---|---|---|
| 4 | Has the agency or another organization within the state collected data and evaluated trends on the number of pipeline damages per 1,000 locate requests? New 2008
Yes = 1 No = 0 | 1 | 1 |
|----------|---|---|---|

SLR Notes:

Yes per their Damage Prevention Statistics Mandatory Reporting forms for Gas Operators that they have been collecting since 2005.

- | | | | |
|----------|--|---|---|
| 5 | Did the state review operators' records of accidents and failures due to excavation damage to ensure causes of failure are addressed to minimize the possibility of recurrence as required by 192.617?
Yes = 2 No = 0 | 2 | 2 |
|----------|--|---|---|

SLR Notes:

Yes the WUTC checks these records to ensure causes of failure are addressed and this question is on our federal standard gas inspection form. This is question #104 on the WUTC inspection form.

- | | | | |
|----------|---|-----------|-----------|
| 6 | Part E: General Comments/Regional Observations
Info Only = No Points | Info Only | Info Only |
|----------|---|-----------|-----------|

SLR Notes:

Total points scored for this section: 8
Total possible points for this section: 9



PART F - Field Inspection

Points(MAX) Score

1 Operator, Inspector, Location, Date and PHMSA Representative Info Only Info Only
Info Only = No Points

Name of Operator Inspected:
 Puget Sound Energy

Name of State Inspector(s) Observed:
 Joe Subsits

Location of Inspection:
 Jackson Prairie Storage Facility, 239 Zandecki Road, Chehalis, WA 98532

Date of Inspection:
 June 8-11, 2009

Name of PHMSA Representative:
 Tom Finch

SLR Notes:
 I did not have time to be physically present during this inspection. I have evaluated all of the different WUTC Engineers and Inspectors in my previous seven (7) years of annual performance field evaluations.

2 Was the operator or operator's representative notified and/or given the opportunity to be present during inspection? New 2008 1 1
Yes = 1 No = 0

SLR Notes:
 Yes

3 Did the inspector use an acceptable inspection form/checklist and was the form/checklist used as a guide for the inspection? (New regulations shall be incorporated) Previous Question F.2 2 2
Yes = 2 No = 0

SLR Notes:
 Yes per the forms that I peer reviewed.

4 Did the inspector thoroughly document results of the inspection? Previous Question F.3 2 2
Yes = 2 No = 0

SLR Notes:
 Yes per the forms that I peer reviewed.

5 Did the inspector check to see if the operator had necessary equipment during inspection to conduct tasks viewed? (Maps, pyrometer, soap spray, CGI, etc.) New 2008 1 1
Yes = 1 No = 0

SLR Notes:
 Yes

6 What type of inspection(s) did the state inspector conduct during the field portion of the state evaluation? (i.e. Standard, Construction, IMP, etc) New 2008 Info Only Info Only
Info Only = No Points

SLR Notes:
 Standard Inspection of PSE's Jackson Prairie Gas Storage Facility.

7 Did the inspector adequately review the following during the field portion of the state evaluation? (check all that apply on list) New 2008, comprehensive question worth 2 points total 2 2
Yes = 2 No = 0 Needs Improvement = 1

- a. Procedures
- b. Records
- c. Field Activities/Facilities
- d. Other (Please Comment)

SLR Notes:



8 Did the inspector have adequate knowledge of the pipeline safety program and regulations? (Liaison will document reasons if unacceptable) Previous Question F.8 2 2
 Yes = 2 No = 0

SLR Notes:

Yes

9 Did the inspector conduct an exit interview? (If inspection is not totally complete the interview should be based on areas covered during time of field evaluation) Previous Question F.10 1 1
 Yes = 1 No = 0

SLR Notes:

Yes

No probable noncompliance was identified and five Areas of Concerns were addressed in the Gas Storage Field Review Report during the exit interview.

10 During the exit interview, did the inspector identify probable violations found during the inspections? Previous Question F.11 1 1
 Yes = 1 No = 0

SLR Notes:

Yes -

No probable noncompliance was identified and five Areas of Concerns are addressed in the Gas Storage Field Review Report include: ventilation system at the compressor stations, corrosion at above ground pipe supports, Abnormal Operating Conditions, Gas Operating Standards and review of effectiveness of training, and low CP at Triethylene Glycol piping.

11 What did the inspector observe in the field? (Narrative description of field observations and how inspector performed) Info Only Info Only
 Info Only = No Points

SLR Notes:

The operator's O&M manual was initially reviewed by UTC staff in 2005. Since the last inspection in August 2007, the gas storage field has been expanded by approximately 28% of its working storage capacity, ten new injection/withdrawal wells have been constructed, and a new turbine compressor station completed. This inspection reviewed the maintenance records, OQ field verification on covered tasks, IMP Field Verification Inspection, and the following field items:

Four transmission lines ROWs from Williams Gate Station to Jackson Prairie Storage Facility including BP's Olympic Pipeline crossing, block valves, rectifiers, CP test sites, cased road crossings. OQ Field verification was conducted on covered task and IMP Field verification was conducted as part of this inspection.

12 Best Practices to Share with Other States - (Field - could be from operator visited or state inspector practices) Info Only Info Only
 Info Only = No Points

SLR Notes:

I believe this is a great example of a Gas Storage facility Inspection.

13 Field Observation Areas Observed (check all that apply) Info Only Info Only
 Info Only = No Points

- a. Abandonment
- b. Abnormal Operations
- c. Break-Out Tanks
- d. Compressor or Pump Stations
- e. Change in Class Location
- f. Casings
- g. Cathodic Protection
- h. Cast-iron Replacement
- i. Damage Prevention
- j. Deactivation

- k. Emergency Procedures
- l. Inspection of Right-of-Way
- m. Line Markers
- n. Liaison with Public Officials
- o. Leak Surveys
- p. MOP
- q. MAOP
- r. Moving Pipe
- s. New Construction
- t. Navigable Waterway Crossings
- u. Odorization
- v. Overpressure Safety Devices
- w. Plastic Pipe Installation
- x. Public Education
- y. Purging
- z. Prevention of Accidental Ignition
- A. Repairs
- B. Signs
- C. Tapping
- D. Valve Maintenance
- E. Vault Maintenance
- F. Welding
- G. OQ - Operator Qualification
- H. Compliance Follow-up
- I. Other

SLR Notes:

14 Part F: General Comments/Regional Observations

Info Only Info Only

Info Only = No Points

SLR Notes:

Jackson Prairie storage is the 14th largest storage reservoir in the United States in terms of capacity for natural gas withdrawal and delivery to consumers. The facility is co-owned with equal rights with Puget Sound Energy, Avista Utilities, and Williams Northwest Pipeline. The facility was authorized for underground storage of natural gas in 1963 and certified for commercial service in 1970. Today, the facility has storage for 23 billion cubic feet and is expanding capacity to 25 billion cubic feet by 2012 with an additional 48 billion cubic of "cushion" to provide pressure in the reservoirs. The facility consists of a series of deep, underground reservoirs of porous sandstone deposits approximately 1,000 to 3,000 feet below the ground surface. The storage facility has 102 wells spread across 3,200 acres for injection and withdrawal points for natural gas. The facility can meet up to 25% of the Pacific Northwest's peak natural gas demand on the coldest winter days. Major components of the facility includes: well points, gathering lines, filtration, coalesce, dehydration, compression units for injection to the storage field or interstate pipeline, cathodically protected transmission pipelines protected by impressed current system, and SCADA control unit.

Total points scored for this section: 12
 Total possible points for this section: 12



PART G - PHMSA Initiatives - Strategic Plan

Points(MAX) Score

Risk base Inspections - Targeting High Risk Areas

1 Does state have process to identify high risk inspection units? 1.5 1.5
Yes = 1.5 No = 0

Risk Factors (criteria) to consider may include:

Miles of HCA's, Geographic area, Population Density

Length of time since last inspection

History of Individual Operator units (leakage, incident and compliance history, etc.)

Threats - (Excavation Damage, Corrosion, Natural Forces, Other Outside Forces, Material or Welds, Equipment, Operations, Other)

SLR Notes:

a. Yes they have this in their GIS mapping system. b. Length of time is in their procedures for prioritizing operator inspections. c. History is in their procedures for prioritizing operator inspections. d. Yes they factor the results of their (standard) inspections.

2 Are inspection units broken down appropriately? (see definitions in Guidelines) .5 0.5
Yes = .5 No = 0

SLR Notes:

Yes per Dave Lykken's spread sheet Master Inspection Workplan - Unit Inspection History and planning.

3 Consideration of operators DIMP Plan? (if available and pending rulemaking) Info Only Info Only
Info Only = No Points

SLR Notes:

NA

4 Does state inspection process target high risk areas? .5 0.5
Yes = .5 No = 0

SLR Notes:

Yes they inspect LDC high risk areas annually.

Use of Data to Help Drive Program Priority and Inspections

5 Does state use data to analyze effectiveness of damage prevention efforts in the state? (DIRT or other data, etc) .5 0.5
Yes = .5 No = 0

SLR Notes:

Yes per the other data we looked at under the damage prevention questions.

6 Has state reviewed data on Operator Annual reports for accuracy? .5 0.5
Yes = .5 No = 0

SLR Notes:

Yes they look at each operator's annual report during inspections. The admin person also looks at the reports for accuracy and to denote any unusual changes.

7 Has state analyzed annual report data for trends and operator issues? .5 0.5
Yes = .5 No = 0

SLR Notes:

They look for trends such as increases in leaks and lost gas, and reduction in bare pipe from year to year.

8 Has state reviewed data on Incident/Accident reports for accuracy? .5 0.5
Yes = .5 No = 0

SLR Notes:

Yes they enter data in their database and then review the following 7100 reports for accuracy.

9 Does state do evaluation of effectiveness of program based on data? (i.e. performance measures, trends, etc.) .5 0.5
 Yes = .5 No = 0

SLR Notes:

Yes they have a Government Management Accountability and Performance (GMAP) submitted to their Commissioners and Governor at least annually.

10 Did the State input all operator qualification inspection results into web based database provided by PHMSA in a timely manner upon completion of OQ inspections? Previous Question B.15 .5 0.5
 Yes = .5 No = 0

SLR Notes:

Yes they did in 2008.

11 Did the State submit their replies into the Integrity Management Database (IMDB) in response to the Operators notifications for their integrity management program? Previous Question B.16 .5 0.5
 Yes = .5 No = 0

SLR Notes:

Yes they have within the last 3 years.

12 Have the IMP Federal Protocol forms been uploaded to the IMDB? Previous Question B.17 .5 0.5
 Yes = .5 No = 0

SLR Notes:

Yes they uploaded the Weyerhaeuser IMP inspection in 2008.

13 Did the State ask Operators to identify any plastic pipe and components that has shown a record of defects/leaks and what those operators are doing to mitigate the safety concerns? Previous Question B.18 .5 0.5
 Yes = .5 No = 0

SLR Notes:

This is an annual reporting requirement that the WUTC mandates that the gas operators submit describing possible defective or defective material including plastic pipe.

14 Has state confirmed transmission operators have submitted information into National Pipeline Mapping System (NPMS) database along with any changes made after original submission? .5 0
 Yes = .5 No = 0

SLR Notes:

Not yet. The state can ask if the operator has but how do they confirm that the transmission operators have submitted information into National Pipeline Mapping System (NPMS) database along with any changes made after original submission if the state does not have access to NPMS.

Accident/Incident Investigation Learning and Sharing Lessons Learned

15 Has state shared lessons learned from incidents/accidents? (i.e. NAPSRS meetings and communications) .5 0.5
 Yes = .5 No = 0

SLR Notes:

They did this in 2008 when they submitted their state report at the NAPSRS WR Meeting. In PHMSA Forums Dave has an article on the PBV valve situation and on accurate leak surveys.

16 Does the State support data gathering efforts concerning accidents? (Frequency/Consequence/etc) .5 0.5
 Yes = .5 No = 0

SLR Notes:

Yes they have always responded to PHMSA and NAPSRS data gathering efforts per my knowledge and per our WR Accident Investigator.

17 Does state have incident/accident criteria for conducting root cause analysis? Info Only Info Only
 Info Only = No Points

SLR Notes:

They investigate for the root cause for NOPVs. Al Jones has recently attended the PHMSA course for this in Houston. They could develop this further.

18 Does state conduct root cause analysis on incidents/accidents in state? Info Only Info Only

Info Only = No Points

SLR Notes:

Yes for NOPVS after an incident.

19 Has state participated on root cause analysis training? (can also be on wait list) .5 0.5

Yes = .5 No = 0

SLR Notes:

Al Jones has recently attended the PHMSA course for this in Houston PL3600 RootCause\Incident investigation Course. This course was presented by Conger & Elsea just last February 2009.

Transparency - Communication with Stakeholders

20 Other than pipeline safety seminar does State communicate with stakeholders? (Communicate program data, .5 0.5
pub awareness, etc.)

Yes = .5 No = 0

SLR Notes:

Yes per their email LIST SERVE that goes to all stakeholders including myself.

21 Does state share enforcement data with public? (Website, newsletters, docket access, etc.) .5 0.5

Yes = .5 No = 0

SLR Notes:

Yes per their WUTC website and their email LIST SERVE that goes to all stakeholders.

22 Part G: General Comments/Regional Observations Info Only Info Only

Info Only = No Points

SLR Notes:

Total points scored for this section: 9.5
Total possible points for this section: 10



PART H - Miscellaneous

Points(MAX) Score

1 What were the major accomplishments for the year being evaluated? (Describe the accomplishments, NAPSR Activities and Participation, etc.) .5 0.5
Yes = .5 No = 0

SLR Notes:

Meeting set for June 2009 to revisit the dig law. Damage data - Anne is checking damages to know that ~ 70% of all damages are third party hits. Anne checked the 2007 and 2008 gas data for incidents. Attended the NAPSR National Meeting. Dave is on ASME B31 Q committee and plastic pipe ad hoc committee. Kuang is on the ASME B31 Committee.

2 What legislative or program initiatives are taking place/planned in the state, past, present, and future? (Describe initiatives (i.e. damage prevention, jurisdiction/authority, compliance/administrative, etc.) .5 0.5
Yes = .5 No = 0

SLR Notes:

Quickly getting up to speed and further concerning Damage Prevention and preesing for authority to enforce damage prevention. Working on shoring up and increasing their incident root cause investigations.

3 Any Risk Reduction Accomplishments/Projects? (i.e. Cast iron replacement projects,bare steel,third-party damage reductions, etc.) .5 0.5
Yes = .5 No = 0

SLR Notes:

Yes all cast iron has been replaced in WA State. They currently have PSE on a bare steel pipe replacement project and are working on getting damage prevention legislation through in 2009.

4 Did the state participate in/respond to surveys or information requests from NAPSR or PHMSA? 1 1
Yes = 1 No = 0

SLR Notes:

They have responded to surveys such as our D&A survey and NAPSR surveys that I know of.

5 Sharing Best Practices with Other States - (General Program) .5 0.5
Yes = .5 No = 0

SLR Notes:

They share best practices through their state reports and close coordination with their neighbors especially the PBV Valve issue and Special Permit Request.

6 Part H: General Comments/Regional Observations Info Only Info Only
Info Only = No Points

SLR Notes:

Total points scored for this section: 3
Total possible points for this section: 3



PART I - Program Initiatives

Points(MAX) Score

Drug and Alcohol Testing (49 CFR Part 199)

- | | | | |
|----------|--|---|---|
| 1 | Has the state verified that operators have drug and alcohol testing programs?
<small>Yes = 1 No = 0</small> | 1 | 1 |
|----------|--|---|---|

SLR Notes:

The WUTC has been doing that since 1999 and even wrote PSE up for their D&A Program. Our PHMSA D&A form is 12 years old and needs to be updated and then our D&A training needs to be updated.

- | | | | |
|----------|---|----|-----|
| 2 | Is the state verifying that operators are conducting the drug and alcohol tests required by the operators program (random, post-incident, etc.)
<small>Yes = .5 No = 0</small> | .5 | 0.5 |
|----------|---|----|-----|

SLR Notes:

Yes when they perform the O&M headquarters inspections per their WUTC D&A forms

- | | | | |
|----------|--|----|-----|
| 3 | Is the state verifying that any positive tests are responded to in accordance with the operator's program?
<small>Yes = .5 No = 0</small> | .5 | 0.5 |
|----------|--|----|-----|

SLR Notes:

Yes when there are positive tests per their D&A Form.

Qualification of Pipeline Personnel (49 CFR Part 192 Subpart N)

- | | | | |
|----------|--|---|---|
| 4 | Has the state verified that operators have a written qualification program?
<small>Yes = 1 No = 0</small> | 1 | 1 |
|----------|--|---|---|

SLR Notes:

Yes they have verified interstate and intrastate operators have written qualification programs.

- | | | | |
|----------|---|----|-----|
| 5 | Has the state reviewed operator qualification programs for compliance with PHMSA rules and protocols?
<small>Yes = .5 No = 0</small> | .5 | 0.5 |
|----------|---|----|-----|

SLR Notes:

Yes they have and even had to go after and NOPV/CP Weyerhaeuser to get their OQ program in order.

- | | | | |
|----------|---|----|-----|
| 6 | Is the state verifying that persons who perform covered tasks for the operator are qualified in accordance with the operator's program?
<small>Yes = .5 No = 0</small> | .5 | 0.5 |
|----------|---|----|-----|

SLR Notes:

Yes they do when they perform standard inspections they perform the OQ field verification inspections.

- | | | | |
|----------|---|----|-----|
| 7 | Is the state verifying that persons who perform covered task for the operator are requalified at the intervals specified in the operator's program?
<small>Yes = .5 No = 0</small> | .5 | 0.5 |
|----------|---|----|-----|

SLR Notes:

Yes they check the OQ cards and the persons for qualification when they perform an OQ field inspection.

Gas Transmission Pipeline Integrity Management (49 CFR Part 192 Subpart O)

- | | | | |
|----------|---|---|---|
| 8 | Has the state verified that all operators with transmission pipelines have either adopted an integrity management program (IMP), or have properly determined that one is not required?
<small>Yes = 1 No = 0</small> | 1 | 1 |
|----------|---|---|---|

SLR Notes:

All of their state gas operators in HCAs have Gas IMP programs. Dave Lykken made this effort and verified the HCAs with the UTC's GIS system. They just performed Weyerhaeuser's Gas IMP inspection.

- | | | | |
|----------|---|----|-----|
| 9 | Has the state verified that in determining whether a plan is required, the operator correctly calculated the potential impact radii and properly applied the definition of a high consequence area?
<small>Yes = .5 No = 0</small> | .5 | 0.5 |
|----------|---|----|-----|

SLR Notes:



Yes they verified that the operators properly applied the definition of a high consequence area - no operator used the PIR.

10	Has the state reviewed operator IMPs for compliance with Subpart O? (In accordance with State Inspection plan) Yes = .5 No = 0	.5	0.5
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SLR Notes:

Yes they have IMP inspected all Gas operators except Georgia Pacific who is scheduled for a July 7, 2009 IMP inspection.

11	Is the state monitoring operator progress on the inspections, tests and remedial actions required by the operator's IMP, including that they are being done in the manner and schedule called for in its IMP? Yes = .5 No = 0	.5	0.5
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SLR Notes:

They do by performing the IMP Field Verification on Interstate operators. Eventually they will start checking the intrastate operators.

12	Is the state verifying that operators are periodically examining their transmission line routes for the appearance of new HCAs? Yes = .5 No = 0	.5	0.5
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SLR Notes:

Yes as part of the field validation of the interstate operators.

Public Awareness (49 CFR Section 192.616)

13	Has the state verified that each operator has developed a continuing public awareness program? (due date was 6/20/06 for most operators, 6/20/07 for certain very small operators, 6/13/08 for master meters) Yes = .5 No = 0	.5	0.5
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SLR Notes:

Yes per their inspection form questions number 96 through question 103. which covers master meter operators.

14	Has the state reviewed the content of these programs for compliance with 192.616 (by participating in the Clearinghouse or by other means)? Yes = .5 No = 0	.5	0.5
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SLR Notes:

Yes back in 2007.

15	Is the state verifying that operators are conducting the public awareness activities called for in its program? Yes = .5 No = 0	.5	0.5
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SLR Notes:

Yes per the questions in their state specific inspection form. The Avista Odessa incident is being looked at as an example of not being able to train volunteer fire departments.

16	Part I: General Comments/Regional Observations Info Only = No Points	Info Only	Info Only
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SLR Notes:

Total points scored for this section: 9
Total possible points for this section: 9

