



U.S. Department
of Transportation

1200 New Jersey Ave., S.E.
Washington, DC 20590-0001

**Pipeline and Hazardous Materials
Safety Administration**

July 22, 2010

OVERNIGHT EXPRESS MAIL

Mr. David Lykken
Director, Pipeline Safety
Washington Utilities & Transportation Commission
1300 S. Evergreen Park Drive, SW
PO Box 47250
Olympia, WA

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PROJECTS MANAGEMENT
2010 JUL 23 AM 11:33
STATE OF WASH
UTIL. AND TRANSP
COMMISSION

Dear Mr. Lykken:

During April 19-23, 2010, Glynn Blanton, State Evaluator, Office of State Programs, evaluated the pipeline safety program conducted by the Washington Utilities & Transportation Commission (WUTC) from January 1 through December 31, 2009. During this on-site evaluation, information submitted on pipeline safety program compliance as part of the WUTC's annual Certification under Section 60105(a), Title 49, United States Code was reviewed. On May 17-18, 2010, Glynn Blanton accompanied WUTC Engineer Al Jones on a hazardous liquid field inspection of Mc Chord Pipeline Company in Tacoma, WA. On May 19-20, 2010, Glynn Blanton accompanied WUTC Engineer Patti Johnson on natural gas field inspections of the City of Ellensburg Energy Service Department in Ellensburg, WA and the City of Enumclaw Gas Department in Enumclaw, WA. Thank you for the courtesies extended to my program evaluation staff member.

Based on the analysis of both the evaluation and validation of certification documents submitted to the Pipeline and Hazardous Materials Safety Administration (PHMSA), the WUTC is generally in compliance with the requirements for State pipeline safety programs.

I would like to express PHMSA's appreciation for your important participation with the National Association Pipeline Safety Representatives (NAPSR). You serve as an active participant on the ASME B31 Q committee, Plastic Pipe Ad Hoc committee and American Public Gas Association Security and Integrity Foundation Board as a board member representing the NAPSR organization. With your 10 years of experience in pipeline safety serving as Chief Engineer for 6 years, you bring valuable knowledge in making policy and safety decisions effecting natural gas and hazardous liquid operators' compliance with safety regulations. We continue to encourage you and your staff member to actively participate in future NAPSR committees. We do provide invitational travel orders to NAPSR committee members for attendance at these important meetings.

Per our exit briefing in my letter to Chairman Goltz I highlighted the WUTC's accomplishments during 2009 and the issues the WUTC should address to improve its pipeline safety program. You were copied on the Chairman's letter. Chairman Goltz was requested to respond to certain issues within 60 days of receipt of my letter. Upon receiving your copy of the Chairman's response letter, please email me a .pdf copy of the letter to me at Zach.Barrett@dot.gov.

Other areas which require additional attention to strengthen your program and were not included in the Chairman's letter are listed below. A response is not required for these items at this time.

1. The use of all inspection forms either Federal or State should be used as a guide in the performance of the scheduled or random inspections. It was observed a WUTC inspector was not using the WUTC Random Inspection Form-Gas Distribution Revised January, 2007. The WUTC inspector used a note pad to record information from the operator on items asked and reviewed during the two day inspection visits. The form was not used as a guide to perform the inspection. Information on items checked and reviewed was transferred from the note pad to an electronic version of the form at the end of the day or inspection visits. The form lacks a reference regulation or rule next to the items checked by the inspector in determining areas of compliance or non-compliance. The WUTC Random Inspection form should be updated to include the federal regulations and WUTC rules for items checked and reviewed by the inspector. Two points were deducted in the 2009 Natural Gas State Program Evaluation Part F, item 3 due to failure of inspector to indicate each item on the form was "inspected or not applicable" during the inspections performed.
2. Continue to update and enhance the written procedures in WUTC Pipeline Safety Section Policy & Procedures Manual, section 26 & 31 to avoid the loss of points in future State program evaluation reviews. The discussions Glynn Blanton had with you and Mr. Jim Fernald on what items need to be included in the manual pertaining to damage prevention was a positive step. Glynn suggested that Jim contact one of the NAPSRS members who serves on the Common Ground Alliance Education Committee and/or Tom Finch, CATS Manager, Western Region for additional recommendations for updating the manual.
3. Use PHMSA Form-05, Evaluation Report of Gas Pipeline & Compressor Station Construction, in the performance of all future random inspections on natural gas operators under WUTC jurisdiction. The form has a federal regulation section number below each question making it convenient to check for compliance or non-compliance with the work being performed by the operator. The form also is an excellent guide in monitoring the operator's compliance to construction activities and developed by PHMSA Form committee members with input from State program managers. The form is updated or reviewed annually by PHMSA.

The determination of grant funding is based on your agency's filing of required documents on the annual certification and performance of the inspections on the operators under their jurisdiction. Attention to these two important items will help to assure your eligibility for maximum grant funding. Thank you again for your assistance in making available documents and other relative information during this annual State program evaluation. We appreciate your continued support of the pipeline safety program.

Sincerely,

A handwritten signature in black ink, appearing to read "Zach Barrett", with a long, sweeping horizontal stroke extending to the right.

Zach Barrett
Director, State Programs
Pipeline and Hazardous Materials Safety Administration

cc: Glynn Blanton, State Evaluator
Chris Hoidal, Western Region Office