



U.S. Department
of Transportation

Pipeline and Hazardous Materials
Safety Administration

1200 New Jersey Ave., SE
Washington, DC 20590

FEB 27 2009

Mr. Keith A. Meissner
Manager, Safety & Compliance
Cascade Natural Gas Corporation
222 Fairview Avenue North
Seattle, WA 98109-5312

Docket No. PHMSA-2008-0140

Dear Mr. Meissner:

On April 23, 2008, you wrote to the Pipeline and Hazardous Materials Safety Administration (PHMSA) on behalf of Cascade Natural Gas Corporation (Cascade) requesting a special permit to waive compliance from PHMSA's pipeline safety regulation 49 CFR § 192.745, for the operation of certain critical valves on the KB Pipeline in Oregon and Washington states. The pipeline safety regulations in § 192.745 require the operator of each gas transmission pipeline to inspect and partially operate each transmission line valve that might be required during any emergency at intervals not exceeding 15 months, but at least once each calendar year.

PHMSA is granting this special permit (enclosed) to Cascade. The special permit allows Cascade to conduct the valve maintenance inspections required by § 192.745 on the KB Pipeline without partially operating the PBV trunnion mounted ball valves. The intent is to provide Cascade time to inspect, repair or replace the potentially defective valve cap screws on these critical valves. The special permit expires when all the suspect PBV trunnion mounted ball valves have been remedied, or on October 1, 2009, whichever occurs first. This special permit has conditions and limitations and provides some relief from the Federal pipeline safety regulations for Cascade while ensuring that pipeline safety is not compromised.

My staff would be pleased to discuss this special permit or any other regulatory matter with you. John Gale, Director of Regulations (202-366-0434), may be contacted on regulatory matters and Alan Mayberry, Director of Engineering and Emergency Support (202-366-5124), may be contacted on technical matters specific to this special permit.

Sincerely,

Jeffrey D. Wiese
Associate Administrator for Pipeline Safety

Enclosure: Special Permit

U. S. DEPARTMENT OF TRANSPORTATION
PIPELINE AND HAZARDOUS MATERIALS SAFETY ADMINISTRATION (PHMSA)
SPECIAL PERMIT

Docket Number: PHMSA-2008-0140
Pipeline Operator: Cascade Natural Gas Corporation
Date Requested: April 23, 2008
Code Section(s): 49 CFR § 192.745

Grant of Special Permit:

By this order, the Pipeline and Hazardous Materials Safety Administration (PHMSA) grants this special permit to Cascade Natural Gas Corporation (Cascade) for PBV trunnion mounted ball valves on the KB Pipeline in Oregon and Washington states. This special permit allows Cascade to conduct the valve maintenance inspections required by 49 CFR § 192.745 on the KB Pipeline without partially operating the PBV trunnion mounted ball valves. The intent is to provide Cascade time to inspect, repair or replace the valve cap screws on these critical valves. This special permit has conditions and limitations and provides some relief from the Federal pipeline safety regulations for Cascade while ensuring that pipeline safety is not compromised.

PHMSA grants this special permit based on the findings set forth in the “*Special Permit Analysis and Findings*” document, which can be read in its entirety in Docket No. PHMSA-2008-0140 in the Federal Docket Management System (FDMS) located on the Internet at www.Regulations.gov.

Conditions:

The grant of this special permit is subject to the following conditions and stipulations:

- 1) Within 30 days of the grant of this special permit, Cascade must provide to the Director, PHMSA Western Region a list of all known suspect PBV trunnion mounted ball valves to include the valve locations, sizes and installation dates.
- 2) Cascade must continue to visually inspect the PBV trunnion mounted ball valves as required by § 192.745.

- 3) Cascade must conduct leakage surveys of each potentially affected PBV trunnion mounted ball valve using gas detector equipment at least four times each calendar year at intervals not exceeding 4 ½ months. Leakage surveys must continue until the valve is repaired, replaced or determined to be safe.
- 4) The special permit applies only to normal operations. In the event of an emergency, Cascade must operate each PBV trunnion mounted ball valve required to shutdown the pipeline in compliance with 49 CFR Part 192. Each suspect PBV trunnion mounted ball valve operated during an emergency must be checked for leakage as soon as possible after it has been operated and again the next day to confirm the integrity of the valve.
- 5) Cascade must designate alternate valves to be operated in an emergency in the event one of the suspect PBV trunnion mounted ball valves fails to perform an adequate shutdown of the pipeline.
- 6) Not later than July 31, 2009, Cascade must provide to the Director, PHMSA Western Region its investigation findings and a remediation plan to include a schedule for repairing, or replacing the affected PBV trunnion mounted ball valves by October 1, 2009.
- 7) Cascade must provide to Director, PHMSA Western Region quarterly updates on the progress of the valve remediation plan. Quarterly reports should begin with the calendar year quarter during which this special permit is granted and should continue until October 1, 2009, or until the plan is completed, whichever occurs first. The quarterly report is due not later than the last day of the month following the calendar quarter. For example, the quarterly report for the fourth quarter of 2008 is due not later than January 31, 2009.
- 8) If Cascade performs a metallurgical analysis and root cause failure analysis of any PBV trunnion mounted ball valve cap screws on the KB Pipeline system, a copy of the report must be provided to the Director, PHMSA Western Region within 30 days of completion of the analysis report.

Limitations:

PHMSA grants this special permit subject to the following limitations:

- 1) This special permit expires when Cascade has remediated all the suspect PBV trunion mounted ball valves on the KB Pipeline or on October 1, 2009, whichever occurs first.
- 2) PHMSA has the sole authority to make all determinations on whether Cascade has complied with the specified conditions of this special permit.
- 3) Should Cascade fail to comply with any of the specified conditions of this special permit, PHMSA may revoke this special permit and require Cascade to comply with the regulatory requirements in 49 CFR § 192.745.
- 4) PHMSA may revoke, suspend or modify a special permit based on any finding listed in 49 CFR § 190.341(h)(1) and require Cascade to comply with the regulatory requirements in 49 CFR § 192.745.
- 5) Should PHMSA revoke, suspend or modify a special permit based on any finding listed in 49 CFR § 190.341(h)(1), PHMSA will notify Cascade in writing of the proposed action and provide Cascade an opportunity to show cause why the action should not be taken unless PHMSA determines that taking such action is immediately necessary to avoid the risk of significant harm to persons, property or the environment (see 49 CFR § 190.341(h)(2)).
- 6) The terms and conditions of any corrective action order, compliance order or other order applicable to a pipeline facility covered by this special permit will take precedence over the terms of this special permit in accordance with 49 CFR § 190.341(h)(4).

AUTHORITY: 49 U.S.C. 60118(c) and 49 CFR § 1.53.

Issued in Washington, DC on FEB 27 2009.



Jeffrey D. Wiese,

Associate Administrator for Pipeline Safety