



## Idaho Public Utilities Commission

P.O. Box 83720, Boise, ID 83720-0074

C.L. Butch Otter, Governor

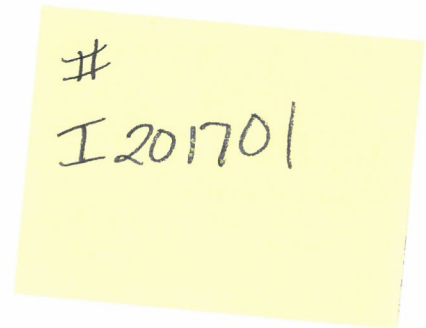
Paul Kjellander, Commissioner  
Kristine Raper, Commissioner  
Eric Anderson, Commissioner

### NOTICE OF PROBABLE VIOLATION

#### CERTIFIED MAIL - RETURN RECEIPT REQUESTED

May 16, 2017

Hart Gilchrist  
VP, Operations  
Intermountain Gas Company  
555 S. Cole Road  
Boise, Idaho 83709



Dear Mr. Gilchrist

On January 18, 2017, representatives of the IPUC inspected Intermountain Gas Company's (IGC) pipeline safety records and procedures required under 49 C.F.R. §191 & 192 the Idaho Pipeline system owned and operated by Intermountain Gas Company.

Intermountain Gas Company Regulator Station # 30069 experienced pilot regulator filter failure due to contaminants in filter subsequently causing over pressure and a unintentional release of gas on two separate occasions. Initial release was at 6:00pm on 12-14-2016 for approximately 98 minutes and then an un-reported second release occurring at 4:41pm on 12-16-2016 for 63 minutes. As a part of this inspection, based on these findings, the IPUC found the following.

It appears that Intermountain Gas Company has committed probable violations of the pipeline safety regulations, Title 49, CFR Parts 191 and 192. The probable violations are in reference to a reportable incident that occurred on December 14, 2016, and reported on PHMSA Form F 7100.1, Report # 201601264658, filing on December 28, 2016:

**Probable Violation 1: Intermountain Gas Company failed to timely notify the National Response Center per their response on PHMSA Form F 7100.0, Part A- Key Report Information line item # 6- National Response Center Report Number and item #7- time reported to NRC.**

This is a violation of IGC Procedure 3010.5 and violation of 49 CFR Part 191, subpart §191.5(b).

IGC had an obligation to comply with the following;

- a. IGC Procedure 3010.5- Natural Gas Emergency Response Plan, Appendix C, Initial Telephone Report to Federal Agency states: If the incident is reportable by telephone to the OPS, the following information is reported to the 24-hour number at the earliest practical moment following notification of the incident:
  1. Name of Company (Intermountain Gas Company)
  2. Name and telephone number of person calling.
  3. Define incident that has occurred.
  4. Time incident occurred, day and hours (24-hour time).
  5. Location of incident.
  6. Fatalities or personal injuries, if any.
  7. Cause of incident and extent of damage.
  
- b. §191.5 Immediate Notice of Certain Incidents.
  - (a) At the earliest practicable moment following discovery, each operator shall give notice in accordance with paragraph (b) of this section of each incident as defined in §191.3.
  - (b) Each notice required by paragraph (a) of this section must be made to the National Response Center either by telephone to 800-267-2675 or electronically at <http://www.nrc.uscg.mil> and must include the following information:
    - (1) Names of operator and person making report and their telephone numbers.
    - (2) The location of the incident.
    - (3) The time of the incident.
    - (4) The number of fatalities and personal injuries, if any.
    - (5) All other significant facts that are known by the operator that are relevant to the cause of the incident or extent of the damages.

**Probable Violation 2:** Intermountain Gas Company failed to produce requested Forms 431 and 433.

This is a violation of IGC Procedure 3370.2 and violation of 49 CFR Part 192, subpart §192.605(a).

IGC had an obligation to comply with the following;

- a. IGC Procedure 3370.2- Material and/or Component Failures states: Forms 431 and 433 are to be completed per procedure.

IGC Definitions; Component... any part or system of parts within a unit including valves, REGULATORS, strainers or other manufactured devices whose integrity or reliability is necessary to maintain safety.

Failure... any time a COMPONENT or material is not performing as intended, expected, warranted or represented.

- b. §192.605 Procedural manual for operations, maintenance, and emergencies.

Each operator shall include the following in its operating and maintenance plan:

- (a) General. Each operator shall prepare and follow for each pipeline, a manual of written procedures for conducting operations and maintenance activities and for emergency response. For transmission lines, the manual must also include procedures for handling abnormal operations. This manual must be reviewed and updated by the operator at intervals not exceeding 15 months, but at least once each calendar year. This manual must be prepared before operations of a pipeline system commence. Appropriate parts of the manual must be kept at locations where operations and maintenance activities are conducted.

Intermountain Gas Company did not review documentation that these procedures were followed.

**Probable Violation 3:** Intermountain Gas Company failed to report a release at the Nampa Gate Regulator Station # 30069 occurring on December 16, 2016 at 4:41 pm. Nampa Gate pressure log data and IGC Gas Loss Report-Form 308 obtained from prior reportable incident on December 14, 2016, PHMSA Form F 7100.1, Report # 20160128, filing date December 28, 2016, indicates that there was a release for approximately 64 minutes according to the time log and pressures. The volume of gas released would have exceeded the reportable incident criteria of three million cubic feet or more. The IPUC believes that this event should have been a recordable incident reportable to PHMSA, NRC and IPUC.

This is a violation of IGC Procedure 3010.5 as well as violations of 49 CFR Part 191, subparts §191.5(b), §191.9(a), and 49 CFR Part 192, subpart §192.605(a).

IGC had an obligation to comply with the following;

a. IGC Procedure 3010.5- Natural Gas Emergency Response Plan, Appendix C, Initial Telephone Report to Federal Agency states: If the incident is reportable by telephone to the OPS, the following information is reported to the 24-hour number at the earliest practical moment following notification of the incident:

1. Name of Company (Intermountain Gas Company)
2. Name and telephone number of person calling.
3. Define incident that has occurred.
4. Time incident occurred, day and hours (24-hour time).
5. Location of incident.
6. Fatalities or personal injuries, if any.
7. Cause of incident and extent of damage.

b. §191.5 Immediate Notice of Certain Incidents.

(a) At the earliest practicable moment following discovery, each operator shall give notice in accordance with paragraph (b) of this section of each incident as defined in §191.3.

(b) Each notice required by paragraph (a) of this section must be made to the National Response Center either by telephone to 800-267-2675 or electronically at <http://www.nrc.uscg.mil> and must include the following information:

- (1) Names of operator and person making report and their telephone numbers.
- (2) The location of the incident.
- (3) The time of the incident.
- (4) The number of fatalities and personal injuries, if any.
- (5) All other significant facts that are known by the operator that are relevant to the cause of the incident or extent of the damages.

c. §191.9 Distribution System: Incident Report

(a) Except as provided in paragraph (c) of this section, each operator of a distribution pipeline system shall submit Department of Transportation Form RSPA F 7100.1 as soon as practicable but not more than 30 days after detection of an incident required to be reported under §191.5.

d. §192.605 Procedural manual for operations, maintenance, and emergencies.

Each operator shall include the following in its operating and maintenance plan:

(a) General. Each operator shall prepare and follow for each pipeline, a manual of written procedures for conducting operations and maintenance activities and for emergency response. For transmission lines, the manual must also include procedures for handling abnormal operations. This manual must be reviewed and

**updated by the operator at intervals not exceeding 15 months, but at least once each calendar year. This manual must be prepared before operations of a pipeline system commence. Appropriate parts of the manual must be kept at locations where operations and maintenance activities are conducted.**

**Intermountain Gas Company did not review documentation that these procedures were followed.**

Under Title 6, Idaho Statutes, You are subject to civil penalty under 61-712A. Civil penalty for violation. Any person who violates or fails to comply with, or who procures, aids or abets any violation of title 61, Idaho Code, governing safety of pipeline facilities and the transportation of gas, or of any order, decision, rule or regulation duly issued by the Idaho public utilities commission governing the safety of pipeline facilities and the transportation of gas, shall be subject to a civil penalty of not to exceed two thousand dollars (\$2,000) for each violation for each day that the violation persists. However, the maximum civil penalty shall not exceed two hundred thousand dollars (\$200,000) for any related series of violation.

A reply to this letter is required no later than 45 days from the date of this letter. Please send all documents to our office at P.O. Box 83720-0074, Boise, Idaho 83720-0074. Be advised that all material you submit in response to this enforcement action is subject to being made publicly available.

You have a right to appear before the Pipeline Safety Division in an informal conference before July 7, 2017 at the Commission's offices at 472 W. Washington ST, Boise. You have the right to present relevant documents to the Commission at the conference. At the informal conference, the Commission will make available to you any evidence which indicates that you may have violated the law, and you will have the opportunity to rebut this evidence. If you intend to request an informal conference, please contact the Pipeline Safety Division no later than June 20, 2017.

If you wish to dispute the allegations in this notice, but do not want the informal conference, you may send to the Pipeline safety Division at the above address a written reply to this notice. This written reply must be filed with the Commission on or before July 7, 2017, and must be signed by a Company Official. The reply must include a complete statement of all relevant facts including a complete description of the corrective action you took to correct the non-compliance and actions to be taken to prevent future repeat failures in these areas of concern.

If you do not respond to this notice, as specified above, by July 7, 2017, you will be deemed to have admitted the allegations and will be subject to statutory civil penalties.

If you have any questions concerning this notice, please contact me at (208) 334-0331. Also all written responses should be addressed to me at the above address or you may fax your response to (208) 334-3762.

Very truly yours,

V. Joe Leckie  
Executive Administrator  
Idaho Public Utilities Commission

**Attached Forms/Documents:**

**PHMSA F 7100.1**

**NAMPA GATE IGC PSI.PV**

**IGC PROCEDURE 3370.2**

**IGC PROCEDURE 3010.5/ APPENDIX C**

**IGC GAS LOSS REPORT-FORM 308**

**PHMSA FACT SHEET**

**NAMPA GATE PHOTOS**

**IPUC FORM 1**