INTERMOUNTAIN GAS COMPANY

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December 13, 2018

Mr. Joe Leckie Executive Director Idaho Public Utilities Commission P.O. Box 83720-0074 Boise, ID 83720-0074

Subject: Response to November 16, 2018 LETTER OF CONCERN – Owyhee District

Dear Mr. Leckie,

This letter is intended to address the November 16, 2018 Letter of Concern regarding the onsite specialized inspection of our Nampa inspection unit conducted by the Idaho Public Utilities Commission on August 22-23, 2018.

ITEMS OF CONCERN

- 1. §192.197(c) (2) Control of the pressure of gas delivered from high-pressure distribution systems reads: ... A service regulator and a monitoring regulator set to limit, to a maximum safe value, the pressure of the gas delivered to the customer.
- 2. §192.739(a) (4) Pressure limiting and regulating station: Inspection and testing reads: Properly installed and protected from dirt, liquids, or other conditions that might prevent proper operation. Which is also covered in IGC Procedure 4306 Sec 4.1.1.
- 3. IGC Procedure 3112.5 Sec 5.5 reads: A strainer or filter may be installed upstream of the regulator(s) in areas where slag or debris is a concern.

During your inspection it was noted that eight stations had either the primary or secondary regulators fail to properly lock-up when tested. The primary cause of these failures was metal shavings, weld slag or sulfur.

Intermountain Gas Response

Intermountain Gas Company (IGC) has controlled the pressure of the gas delivered to our customers at a safe value, therefore we maintain that we are in compliance with §192.197(c)(2). However, as a result of your investigation, we reviewed all regulator stations within the Company to determine the frequency of regulator failure. Over a three-year period, the average success rate of lock-up on the primary regulator was 87.6% as found, and on the secondary regulator was 98% as found. After maintenance, 100% of the primary and secondary regulators locked-up properly prior to the conclusion of each annual inspection. Additionally, all IGC regulator stations have relief valves sufficiently sized to handle a complete failure of the largest capacity regulator.

IGC Procedure 3112 Sec 5.5 references strainers and filters upstream of the regulator(s) in regulator stations. Though the language is discretionary, as a proactive measure we are investigating their application at each IGC regulator station that failed lock-up two or more times during the three-year period from 2016 – 2018. As a whole, each station

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operated properly, preventing overpressurization of the distribution system. Notwithstanding the few regulators that required maintenance, we believe IGC has met the intent of §192.739(a)(4).

Please contact Josh Sanders at (701) 222-7773 with questions or comments.

Respectfully Submitted,

Pat Darras

Vice President, Engineering & Operations Services

Intermountain Gas Company