INTERMOUNTAIN GAS COMPANY

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June 5, 2019

Mr. Darrin Ulmer Pipeline Safety, Program Manager Idaho Public Utilities Commission P.O. Box 83720-0074 Boise, ID 83720-0074

Subject: Response to April 30, 2019 Notice of Probable Violations – Boise District

Dear Mr. Ulmer,

This letter is intended to address the April 30, 2019 Notice of Probable Violations identified by Idaho Public Utilities Commission (IPUC) during the April 8-11, 2019 field inspection of Intermountain Gas Company (IGC) equipment in the Boise District.

PROBABLE VIOLATIONS

1. 49 CFR §192.739(a) (1) Pressure limiting and regulating station: Inspection and testing.

Each pressure limiting station, relief device (except rupture discs), and pressure regulating station and its equipment must be subject at intervals not exceeding 15 months, but at least once each calendar year, to inspection and tests to determine that it is (1) In good mechanical condition.

Finding:

During the inspection it was noted that 5 regulator stations on the list were not plumbed for lock-up. Meter inspector was unable to demonstrate that the regulators were functioning properly and were able to lock-up when the necessity arrives.

Intermountain Gas Response

The primary run of Regulator Station 40086 is plumbed to test for lock-up. On March 13, 2019 during the Annual Regulator Station Inspection, the primary regulator locked up at 56 psig. The secondary regulator, set 5 psig lower than the primary, was not flowing gas at the time of inspection; therefore, it was locked-up at the time of inspection.

While performing the 2018 Annual Regulator Station Inspections, IGC inspected and tested the four other stations identified as not plumbed for lock-up (40048, 40087, 40091, and 40092). It is recognized that the test methods utilized by IGC were not as definitive as a gauge reading. However, the inspection and test practices utilized did give clear indications that the stations were in good mechanical condition. Therefore, IGC maintains that we have remained compliant with §192.739(a)(1).

Because of the findings in this inspection, IGC has completed a data review of all regulator stations inspections from the previous year. From this review it has been determined that 89 regulator stations are not plumbed for a gauge or other appurtenance to test for lock-up. Subsequently, IGC is conducting an engineering review of each of the 89 regulator stations to determine the best solution to resolve the issues pertaining to lock-up testing. The engineering review will include a schedule and plan for the retrofit, replacement, or abandonment of the 89 regulator stations. IGC anticipates completing this engineering review by December 31, 2019.

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2. §192.739(a) (4) Pressure limiting and regulating station: Inspection and testing.

Pressure limiting and regulating stations: 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.

Finding:

During the inspection it was noted that regulator stations 40072 (primary), 40085 (primary), 40086 (primary), 40049 (primary), 40032 (primary), 40098 (primary) and 40094 (primary) had one of its regulators fail to lock up at the pre-established set point preventing proper operation.

Intermountain Gas Response

During the 2018 Annual Regulator Station Inspections, the primary regulators at three of the above-mentioned stations (40085, 40049, and 40098) failed to lock up due to debris in the regulator. They were rebuilt on site and subsequently locked up properly. The primary regulators at the four remaining stations sited (40072, 40058, 40032 and 40094) locked up as expected during their annual inspection. Additionally, as mentioned in IGC's December 13, 2018 response to IPUC's Letter of Concern, we are currently investigating the application of filtration devises at each IGC regulator station that failed lock-up two or more times during the three-year period from 2016-2018. This initial data review is scheduled to be completed by June 28, 2019, with a plan of remediation to be completed by December 31, 2019. This plan will include a schedule and possible debris filtration solution.

3. 49 CFR § Appendix D of Part 192 – Criteria for Cathodic Protection and determination of measurements.

I. Criteria for cathodic protection – A. Steel... (1) A negative (cathodic) voltage of at least 0.85 volt, with reference to a saturated copper-copper sulfate half-cell. Determination of this voltage must be made with the protective current applied, and IAW section II and IV of this appendix.

Findings:

During the inspection it was noted that at the following locations CP readings were below the standard: Casing 42509702 (-0.79), 42509703 (-0.79) and Reg Station 40048 (-0.53). CP technician was aware and investigating the cause.

Intermountain Gas Response

The above locations with low CP readings, (42509702, 42509703, and 40048) all belong to isolation district 425-097. Reads for Regulator Station 40048 are taken at 1300 Amity. While performing the annual inspection on March 20, 2019, our Corrosion Control Technician found the pipe-to-soil reads to be below criteria. The Technician began promptly investigating the cause for these low reads. After a full investigation of the isolation district and concluding there wasn't sufficient cathodic protection, the technician bonded isolation district 425-097 to isolation district 425-230 on April 12, 2019, remedying the issue 30 days after discovery. Shown below are the reads taken during the 2018 and 2019 annual inspections and after bonding the districts.

ID	Location	Date	P/S Read	Description
4250971	Isolation District 425-097 (1300 Amity)	4/19/2019	-1.53 V	After bonding
		3/20/2019	-0.73 V	2019 Annual Inspection
		3/26/2018	-1.47 V	2018 Annual Inspection
42509703	Casing at Enterprise & Boeing, South Scepter	4/19/2019	-1.53 V	After bonding
		3/20/2019	-0.81 V	2019 Annual Inspection
		3/26/2018	-1.41 V	2018 Annual Inspection

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42509702	Casing at Enterprise & Boeing, North Scepter	4/19/2019	-1.53 V	After bonding
		3/20/2019	-0.81 V	2019 Annual Inspection
		3/26/2018	-1.53 V	2018 Annual Inspection

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

Respectfully Submitted,

Pat Darras

Vice President, Engineering & Operations Services

Intermountain Gas Company