



Idaho Public Utilities Commission

PO Box 83720, Boise, ID 83720-0074

Brad Little, Governor

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

March 10, 2021

Report # I202103

Pat Darras
Intermountain Gas Company
400 N 4th St.
Bismarck, ND 58501

Dear Mr. Darras:

On March 9, 2021 the Idaho Public Utilities Commission, Pipeline Safety Division, pursuant to Chapter 601 of Title 49, United States Code, conducted a Distribution Integrity Management Program Audit of Intermountain Gas Company (IGC).

During the inspection it was observed that some of the Idaho natural gas distribution system owned and operated by IGC was out of compliance on some items. This results in probable violations of the pipeline safety regulations Title 49, Code of Federal Regulations, Part 192. Those probable violation(s) are listed below:

PROBABLE VIOLATIONS

1. **49 CFR §192.605 (a) Procedural manual for operations, maintenance, and emergencies**

Each operator shall prepare and follow for each pipeline, a manual of written procedures for conducting operations and maintenance activities and for emergency response...

IGC Procedure 3451.3

Section 5.2.3 Maintenance Programs states that ... Annual maintenance ensures critical system components are adequately maintained and operational as designed. Annual maintenance is performed on all regulator stations, compressor stations, and critical valves to ensure no adverse operating conditions are present. Regulator stations are checked to ensure set points are correct to achieve regulator lockup and relief set pressures are confirmed that the relief will open at desired set pressures to protect MAOP. Valves are checked annually to ensure the valve is able to open/close and lubricated/greased if needed and/or applicable.

Finding(s):

During field inspections within all the companies districts the PUC has found that not all regulator stations are plumbed for lockup. Therefore, the Meter inspector are unable to demonstrate that the regulators were functioning properly and were able to lock-up when the necessity arrives.

REQUESTED ACTIONS

A reply to this correspondence, as outlined below, is required no later than 45 days from the date of this letter. Please send all documents to our office at 11331 W Chinden Blvd, Boise, Idaho 83714-1021. Be advised that all material you submit in response to this enforcement action may be a public record, subject to disclosure under Idaho's Public Records Law. See Idaho Code §§74-101 et seq.

You have a right to appear before the Pipeline Safety Division in an informal conference before April 26, 2021, at the Commission's offices at 11331 W. Chinden Blvd, Bldg 8, Ste 201-A, Boise. You have the right to present relevant documents to the Pipeline Safety Division at that conference. The Pipeline Safety Division 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. See IDAPA 31.01.01.21-26. If you intend to request an informal conference, please contact the Pipeline Safety Division no later than April 12, 2021.

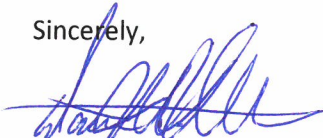
If you wish to dispute the allegations in this Notice, but do not want an informal conference, you may send the Pipeline Safety Division a written reply to this notice. This written reply must be filed with the Commission on or before April 26, 2021 and must be signed by a IGC official with authority to bind the company. The reply must include a complete statement of all relevant facts including a complete description of the corrective action(s) taken and any and all actions to be taken to prevent future failures in these areas of concern.

If you do not respond to this notice by April 26, 2021, you may be subject to statutory civil penalties and further enforcement, as allowed under Idaho law. Idaho Code §61-712A states that "[a]ny 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."

If you have any questions concerning this notice, please contact me at (208) 334-0321. Also, all written responses should be addressed to me at the above address or you may fax your response to (208) 334-4045.

We appreciate your attention to this matter and your effort to promote pipeline safety.

Sincerely,



Darrin M. Ulmer

Pipeline Safety, Program Manager
Idaho Public Utility Commission