



Idaho Public Utilities Commission

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

Brad Little, Governor

Eric Anderson, President
John Chatburn, Commissioner
John R. Hammond, Jr., Commissioner

Letter of Concern

October 31, 2022

Report # I202205

Pat Darras – Vice President of Engineering & Operations Services
Intermountain Gas Company
400 N 4th St.
Bismarck, ND 58501

Dear Mr. Darras:

On Oct 3-6, 2022, the Idaho Public Utilities Commission, Pipeline Safety Division, pursuant to Chapter 601 of Title 49, United States Code, conducted a Procedural, Records and Field inspection of Intermountain Gas Company's (IGC) Rexburg LNG Plant.

As a result of the inspection, it appears there are area(s) of concern that do not fully meet the intent of the pipeline safety regulations Title 49, Code of Federal Regulations, Part 193 for calendar year 2021.

The item(s) listed below are of concern:

1. **49 CFR §191.15 Transmission systems; gathering systems; liquefied natural gas facilities; and underground natural gas storage facilities: Incident report.**

(d) *Supplemental report.* Where additional related information is obtained after an operator submits a report under paragraph (a), (b), or (c) of this section, the operator must make a supplemental report as soon as practicable, with a clear reference by date to the original report.

Finding(s):

OPS 9 Gas Emergency Notification and Reporting (3.8.1) does not contain the verbiage as soon as practicable as required by 49 CFR §191.15.

2. 49 CFR §193.207 Monitoring operations.

Each component in operation or building in which a hazard to persons or property could exist must be monitored to detect fire or any malfunction or flammable fluid that could cause a hazardous condition. Monitoring must be accomplished by watching or listening from an attended control center for warning alarms, such as gas, temperature, pressure, vacuum, and flow alarms, or by conducting an inspection or test at intervals specified in the operating procedures.

Finding(s):

IGC procedure 4552.2 Rexburg LNG Recognizing Abnormal Operating Conditions (Step 1.3-1.3.6) does not require Vaporization Technicians to monitor and observe both audible or visual alarm in the Control Building during regular working hours that may indicate abnormal operating conditions, including vacuum alarms as required by 49 CFR §193.2707.

3. 49 CFR §193.2515 Investigation of failures.

(a) Each operator shall investigate the cause of each explosion, fire, or LNG spill or leak which results in:

- (1) Death or injury requiring hospitalization; or
- (2) Property damage exceeding \$10,000

(b) As a result of the investigation, appropriate action must be taken to minimize recurrence of the incident.

(c) If the Administrator or relevant state agency under the pipeline safety laws (49 U.S.C. 60101 et seq.) investigates an incident, the operator involved shall make available all relevant information and provide reasonable assistance in conducting the investigation. Unless necessary to restore or maintain service, or for safety, no component involved in the incident may be moved from its location or otherwise altered until the investigation is complete or the investigating agency otherwise provides. Where components must be moved for operational or safety reasons, they must not be removed from the plant site and must be maintained intact to the extent practicable until the investigation is complete or the investigating agency otherwise provides.

Finding(s):

IGC Procedure 4563 Rexburg LNG Material and/or Component Failure does not contain the verbiage as required by 49 CFR §193.2515 (c).

4. 49 CFR §193.2617 Repairs.

(a) Repair work on components must be performed and tested in a manner which:

(1) As far as practicable, complies with the applicable requirements of Subpart D of this part; and

(2) Assures the integrity and operational safety of the component being repaired.

(b) For repairs made while a component is operating, each operator shall include in the maintenance procedures under § 193.2605 appropriate precautions to maintain the safety of personnel and property during repair activities.

Finding(s):

IGC Procedure 4555 Rexburg LNG Equipment and Components (Step 2.12) does not contain the verbiage as required by 49 CFR §193.2617 Repairs (a)

5. NFPA 59A Standard for the Production, Storage, and Handling of Liquefied Natural Gas (LNG) 2001 Edition.

9.9 Other Operations.

9.9.2 Taking an LNG container out of service shall not be regarded as a normal operation and shall not be attempted on any routine basis. All such activities shall require the preparation of detailed procedures.

Finding(s):

IGC Procedure 4554 Section 1.1 does not contain the verbiage as required by NFPA 59A Section 9.9.2.

6. 49 CFR §193.2911 Security lighting.

Where security warning systems are not provided for security monitoring under § 193.2913, the area around the facilities listed under § 193.2905(a) and each protective enclosure must be illuminated with a minimum in service lighting intensity of not less than 2.2 lux (0.2 ft^c) between sunset and sunrise..

Finding(s):

IGC Procedure 4566 (Step 4.5.2) needs to have the verbiage as required by 49 CFR §193.2911.

The above-mentioned item(s) were brought to the attention of IGC compliance representatives during the inspection. We would request that you review these matter(s) and respond in writing within 30 days regarding the above issue(s) including any planned corrective actions.

If you have any questions concerning this notice, please contact me at (208) 334-0333. All written responses should be addressed to me at: 11331 W Chinden Blvd, Ste 201-A, Boise, Idaho 83714 or you can fax your response to (208) 334-3762.

Because of the good faith that you have exhibited up to this time, we expect that you will take action to bring your program into compliance with pipeline safety regulations.

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

Sincerely,

A handwritten signature in black ink, appearing to read 'J. Brooks', with a long horizontal flourish extending to the right.

Jeff Brooks

Pipeline Safety, Program Manager
Idaho Public Utility Commission