This agreement, entered into by and between the Department of Transportation (DOT), Research and Special Programs Administrator (Administrator), and the WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION (State Authority):

WHEREAS, Section 60102 of Title 49 of the United States Code (49 U.S.C.), authorizes the Secretary of Transportation (the Secretary) to prescribe safety standards for the transportation of gas by pipeline;

WHEREAS, the Administrator, acting pursuant to delegations from the Secretary, has established minimum Federal safety standards, applicable to the pipeline transportation of gas, found in 49 CFR Parts 191, 192, 193, and 199;

WHEREAS, Section 60120 of 49 U.S.C., authorizes the Administrator to enforce pipeline safety standards;

WHEREAS, in order to assure public safety regarding the pipeline transportation of gas, the Administrator seeks to ensure compliance with the prescribed Federal safety standards;

WHEREAS, Section 60117(c) of 49 U.S.C. authorizes the Administrator to grant officers, employees, or agent of the Administrator the authority to conduct inspections of pipeline operators and facilities for the purpose of ensuring compliance with the Federal safety standards;

WHEREAS, the Administrator seeks to confer upon the State Authority the authority to participate in the interstate pipeline safety program, with the Office of Pipeline Safety (OPS), to ensure compliance with the Federal safety standards;

WHEREAS, the State Authority has obtained and is exercising jurisdiction, under Section 60105(a) of 49 U.S.C., over all intrastate operators subject to the Act;

WHEREAS, the State Authority has demonstrated, to the satisfaction of OPS, that it is performing all duties and
responsibilities assigned under its Section 60105(a) certification; and

WHEREAS, the State Authority has committed to maintain an equivalent level of oversight of intrastate pipeline transportation; and

' WHEREAS, the State Authority seeks to promote pipeline safety, as demonstrated by its participation in Section 60105(a) certification, and is willing to participate in oversight of interstate pipeline transportation in this State;

THEREFORE, it is mutually agreed as follows:

I. The Administrator, acting through OPS, shall:

A. Cooperate with and assist the State in developing an interstate pipeline safety program that is complementary to the Federal program;

B. Provide technical assistance to the State Authority;

C. Act on cases referred by the State Authority for enforcement within 90 days of the referral by initiating an enforcement action, seeking additional information from the State Authority, notifying the State Authority of any delay in initiation, or declining to initiate action;

D. Keep the State Authority informed of progress towards resolution of enforcement cases;

E. Provide training to the State Authority for the purpose of meeting the conditions of this agreement.

F. Provide the State Authority information needed to carry out its program.

II. The State Authority shall:

A. Follow the practices and procedures published in the current edition of Guidelines for States Participating in the Pipeline Safety Program (Guidelines) and any future additions or modifications which OPS may adopt;

B. Cooperate fully in the Federal evaluation of the State's pipeline safety program, to enable the Administrator to assess the State's compliance with the terms of this agreement;

C. Meet the training requirements for State inspection personnel as outlined in Chapter 4 of the Guidelines applicable to gas pipelines;
D. Assure that, unless waived by the Administrator, State employees involved in the interstate pipeline safety program, including its supervision, do not have financial interests (including employment or contractual relations, but not including retirement programs) in any interstate or intrastate pipeline facility subject to the jurisdiction of Section 60102 of 49 U.S.C.;

E. Obtain OPS approval prior to contracting out any portion of the responsibilities assumed under this agreement;

F. Agree to assume responsibility for and carry out, on behalf of the Administrator, the following actions as further defined in an annual plan as they relate to interstate pipeline transportation:

1. INCIDENT RESPONSE/INVESTIGATIONS:
   a. Respond to incidents at the request of the Regional Director, OPS. Follow OPS guidance on incident coordination procedures.
   b. Follow additional specific requirements for participating in the investigation of an incident as described in the Guidelines, Appendix C, Part V - B: "Federal/State Accident Coordination Procedures." These procedures provide clarification, information, and guidance as to how OPS and the State Authority shall perform their respective roles. However, OPS holds final authority for defining those respective roles.
   c. Witness testing or inspection done by the operator following an incident and evaluate results as needed.
   d. Report noncompliances and hazardous conditions to OPS.

2. SAFETY RELATED CONDITION REPORT/CONTINUOUS MONITORING:
   a. Investigate and monitor corrective measures with respect to reported safety-related conditions, and other local conditions that increase risks to the pipeline.

3. CONSUMER/LOCAL GOVERNMENTAL COMPLAINTS
a. Handle local complaints and related inquiries. If the complaint or inquiry is sensitive or has multi-state implications, consult with OPS.

b. Consistent with state law, refer to OPS requests for enforcement materials involving interstate pipelines inspected under the authority of this agreement.

4. PIPELINE CONSTRUCTION:

a. Monitor pipeline construction and report noncompliance with design and construction standards to OPS.

5. OPERATIONS AND MAINTENANCE TEAM INSPECTIONS:

a. Participate in team inspections by OPS of the operation and maintenance practices of interstate pipelines. Upon consultation with OPS, the state authority may conduct an inspection without OPS participation.

b. Keep OPS fully informed of any state review of operators' written plans and of all other operation and maintenance inspections conducted by state inspectors.

6. RISK MANAGEMENT DEMONSTRATION AUDITS (IN-STATE):

a. Participate in audits of risk management demonstration projects relating to pipelines in the State.

7. SPECIAL PROJECTS: Damage Prevention and Communication with Local Officials.

a. Subject to agreement by OPS, participate in special projects that address damage prevention issues, improve response planning and procedures, and improve communication with local authorities.

G. The State Authority agrees to work with the OPS Regional Director to establish an annual plan for assessing needs, identifying special projects and activities, and conducting and documenting the above activities.

III. It is mutually agreed:

A. The terms "interstate pipeline transportation," "pipeline facilities," and "State" as used in this agreement have the meaning prescribed in Section 60101 of 49 U.S.C.
B. If a State Authority does not follow the procedures and practices of the Guidelines, or the requirements of this agreement, the Administrator may terminate the agreement. Before issuing a written notice of termination, the Administrator shall provide an opportunity for the State Authority to correct any failure to comply with any provision of this agreement. If the State Authority still does not comply, the Administrator shall provide a written notice 30 days prior to terminating this agreement and shall further provide an opportunity for a hearing.

C. The State Authority shall give the Administrator at least 30 days notice of its intention to terminate this agreement.

In witness whereof, the signature of the State Authority is hereby affixed on this ______ day of June, 2000, and of the Administrator is hereby affixed on this ______ day of June, 2000.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

BY

Official Signature
ADMINISTRATOR, RESEARCH AND SPECIAL PROGRAMS ADMINISTRATION, DEPARTMENT OF TRANSPORTATION

BY

Richard Felder
Associate Administrator for Pipeline Safety, Research and Special Programs Administration, DOT
This agreement, entered into by and between the Department of Transportation (DOT), Research and Special Programs Administrator (Administrator), and the WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION (State Authority):

WHEREAS, Section 60102 of Title 49 of the United States Code (49 U.S.C.), authorizes the Secretary of Transportation (the Secretary) to prescribe safety standards for the transportation of hazardous liquids by pipeline;

WHEREAS, the Administrator, acting pursuant to delegations from the Secretary, has established minimum Federal safety standards, applicable to the pipeline transportation of hazardous liquids, found in 49 CFR Parts 195 and 199;

WHEREAS, Section 60120 of 49 U.S.C., authorizes the Administrator to enforce pipeline safety standards;

WHEREAS, in order to assure public safety regarding the pipeline transportation of hazardous liquids, the Administrator seeks to ensure compliance with the prescribed Federal safety standards;

WHEREAS, Section 60117(c) of 49 U.S.C. authorizes the Administrator to grant officers, employees, or agent of the Administrator the authority to conduct inspections of pipeline operators and facilities for the purpose of ensuring compliance with the Federal safety standards;

WHEREAS, the Administrator seeks to confer upon the State Authority the authority to participate in the interstate pipeline safety program, with the Office of Pipeline Safety (OPS), to ensure compliance with the Federal safety standards;

WHEREAS, the State Authority has obtained and is exercising jurisdiction, under Section 60105(a) of 49 U.S.C., over all intrastate operators subject to the Act;

WHEREAS, the State Authority has demonstrated, to the satisfaction of OPS, that it is performing all duties and
responsibilities assigned under its Section 60105(a) certification; and

WHEREAS, the State Authority has committed to maintain an equivalent level of oversight of intrastate pipeline transportation; and

WHEREAS, the State Authority seeks to promote pipeline safety, as demonstrated by its participation in Section 60105(a) certification, and is willing to participate in oversight of interstate pipeline transportation in this State;

THEREFORE, it is mutually agreed as follows:

I. The Administrator, acting through OPS, shall:

A. Cooperate with and assist the State in developing an interstate pipeline safety program that is complementary to the Federal program;

B. Provide technical assistance to the State Authority;

C. Act on cases referred by the State Authority for enforcement within 90 days of the referral by initiating an enforcement action, seeking additional information from the State Authority, notifying the State Authority of any delay in initiation, or declining to initiate action;

D. Keep the State Authority informed of progress towards resolution of enforcement cases;

E. Provide training to the State Authority for the purpose of meeting the conditions of this agreement.

F. Provide the State Authority information needed to carry out its program.

II. The State Authority shall:

A. Follow the practices and procedures published in the current edition of Guidelines for States Participating in the Pipeline Safety Program (Guidelines) and any future additions or modifications which OPS may adopt;

B. Cooperate fully in the Federal evaluation of the State's pipeline safety program, to enable the Administrator to assess the State's compliance with the terms of this agreement;

C. Meet the training requirements for State inspection personnel as outlined in Chapter 4 of the Guidelines applicable to gas pipelines;
D. Assure that, unless waived by the Administrator, State employees involved in the interstate pipeline safety program, including its supervision, do not have financial interests (including employment or contractual relations, but not including retirement programs) in any interstate or intrastate pipeline facility subject to the jurisdiction of Section 60102 of 49 U.S.C.;

E. Obtain OPS approval prior to contracting out any portion of the responsibilities assumed under this agreement;

F. Agree to assume responsibility for and carry out, on behalf of the Administrator, the following actions as further defined in an annual plan as they relate to interstate pipeline transportation:

1. INCIDENT RESPONSE/INVESTIGATIONS:
   a. Respond to incidents at the request of the Regional Director, OPS. Follow OPS guidance on incident coordination procedures.
   b. Follow additional specific requirements for participating in the investigation of an incident as described in the Guidelines, Appendix C, Part V - B: "Federal/State Accident Coordination Procedures." These procedures provide clarification, information, and guidance as to how OPS and the State Authority shall perform their respective roles. However, OPS holds final authority for defining those respective roles.
   c. Witness testing or inspection done by the operator following an incident and evaluate results as needed.
   d. Report noncompliances and hazardous conditions to OPS.

2. SAFETY RELATED CONDITION REPORT/CONTINUOUS MONITORING:
   a. Investigate and monitor corrective measures with respect to reported safety-related conditions, and other local conditions that increase risks to the pipeline.
3. **CONSUMER/LOCAL GOVERNMENTAL COMPLAINTS**
   a. Handle local complaints and related inquiries. If the complaint or inquiry is sensitive or has multi-state implications, consult with OPS.
   b. Consistent with state law, refer to OPS requests for enforcement materials involving interstate pipelines inspected under the authority of this agreement.

4. **PIPELINE CONSTRUCTION:**
   a. Monitor pipeline construction and report noncompliance with design and construction standards to OPS.

5. **OPERATIONS AND MAINTENANCE TEAM INSPECTIONS:**
   a. Participate in team inspections by OPS of the operation and maintenance practices of interstate pipelines. Upon consultation with OPS, the state authority may conduct an inspection without OPS participation.
   b. Keep OPS fully informed of any state reviews of operators' written plans and of all other operation and maintenance inspections conducted by the state inspectors.

6. **RISK MANAGEMENT DEMONSTRATION AUDITS (IN-STATE):**
   a. Participate in audits of risk management demonstration projects relating to pipelines in the State.

7. **SPECIAL PROJECTS: Damage Prevention and Communication with Local Officials.**
   a. Subject to agreement by OPS, participate in special projects that address damage prevention issues, improve response planning and procedures, and improve communication with local authorities.

G. The State Authority agrees to work with the OPS Regional Director to establish an annual plan for assessing needs, identifying special projects and activities, and conducting and documenting the above activities.

III. It is mutually agreed:
A. The terms "interstate pipeline transportation," "pipeline facilities," and "State" as used in this agreement have the meaning prescribed in Section 60101 of 49 U.S.C.

B. If a State Authority does not follow the procedures and practices of the Guidelines, or the requirements of this agreement, the Administrator may terminate the agreement. Before issuing a written notice of termination, the Administrator shall provide an opportunity for the State Authority to correct any failure to comply with any provision of this agreement. If the State Authority still does not comply, the Administrator shall provide a written notice 30 days prior to terminating this agreement and shall further provide an opportunity for a hearing.

C. The State Authority shall give the Administrator at least 30 days notice of its intention to terminate this agreement.

In witness whereof, the signature of the State Authority is hereby affixed on this ___ day of June 2000, and of the Administrator is hereby affixed on this ___ day of June 2000.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION
BY

Carolyn L. Strickler
Official Signature

ADMINISTRATOR, RESEARCH AND
SPECIAL PROGRAMS ADMINISTRATION,
DEPARTMENT OF TRANSPORTATION

BY

Richard Felder
Associate Administrator for
Pipeline Safety,
Research and Special Programs
Administration, DOT