



STATE OF WASHINGTON  
UTILITIES AND TRANSPORTATION COMMISSION

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P.O. Box 47250 • Olympia, Washington 98504-7250

(360) 664-1160 • TTY 1-800-833-6384 or 711

*Sent via email*

October 16, 2024

Shawn Lagana  
Director  
AIRGAS Merchant Gas Kalama  
12800 Little York Rd.  
Houston, TX

**RE: 2024 Hydrogen Gas Standard Records and Field Review – Airgas Merchant Kalama –  
(Insp. No. 8755)**

Dear Mr. Lagana:

Staff from the Washington Utilities and Transportation Commission (staff) conducted a Standard Records and Field inspection of AIRGAS Merchant Gas Kalama (Airgas) from October 7, 2024 to October 8, 2024. This inspection included a records review and inspection of pipeline facilities.

Our inspection indicates two probable violation(s) as noted in the enclosed report. We also noted one area of concern, which unless corrected, could potentially lead to future violations of state and/or federal pipeline safety rules.

**Your response needed**

Please review the attached report and respond in writing by November 18, 2024. The response should include how and when you plan to bring the probable violations into full compliance.

**What happens after you respond to this letter?**

The attached report presents staff's decision on probable violations and does not constitute a finding of violation by the commission at this time.

After you respond in writing to this letter, there are several possible actions the commission, in its discretion, may take with respect to this matter. For example, the commission may:

- Issue an administrative penalty under [RCW 81.04.405](#); or
- Issue a complaint under [RCW 81.88.040](#), seeking monetary penalties, changes in the company's practices, or other relief authorized by law, and justified by the circumstances. Any pipeline company that violates any pipeline safety provision of any commission

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Standard Comprehensive Gas Transmission Inspection (Insp. No 8755)  
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order, or any rule in this chapter including those rules adopted by reference, or chapter [81.88](#) RCW is subject to a civil penalty not to exceed \$266,015 for each violation for each day that the violation persists. The maximum civil penalty for a related series of violations is \$2,660,135; or

- Consider the matter resolved without further commission action.

We have not yet decided whether to pursue a penalty or complaint in this matter. Should the commission decide to assess a penalty or initiate a complaint, your company will have an opportunity to respond and formally present its position.

If you have any questions or if we may be of any assistance, please contact Scott Anderson at (360) 481-6978. Please refer to the subject matter described above in any future correspondence pertaining to this inspection.

Sincerely,

Scott Rukke  
Director, Pipeline Safety

cc: Larry Chapman, Plant Manager, Airgas

**UTILITIES AND TRANSPORTATION COMMISSION**  
**2024 Hydrogen Gas Pipeline Safety Inspection**  
**AIRGAS Merchant Gas Kalama**

The following probable violation(s) and areas of concern of Title 49 CFR Part 192.739(a), 192.743(a), and 191.29(a) were noted as a result of the 2024 inspection of Airgas. The inspection included a random selection of records, operation and maintenance (O&M), emergency response, inventory, and field inspection of the pipeline facilities.

**PROBABLE VIOLATIONS**

1. **49 CFR §192.739 Pressure limiting and regulating stations: Inspection and testing.**  
*(a) Each pressure limiting station, relief device (except rupture discs), and pressure regulating station and its equipment must be subjected at intervals not exceeding 15 months, but at least once each calendar year, to inspections and tests to determine that it is—*

**Finding(s):**

Airgas could not provide a test report for 2021. A report was provided 2022 and 2023.

2. **49 CFR §192.743 Pressure limiting and regulating stations: Capacity of relief devices.**  
*(a) Pressure relief devices at pressure limiting stations and pressure regulating stations must have sufficient capacity to protect the facilities to which they are connected. Except as provided in § 192.739(b), the capacity must be consistent with the pressure limits of § 192.201(a). This capacity must be determined at intervals not exceeding 15 months, but at least once each calendar year, by testing the devices in place or by review and calculations.*

**Finding(s):**

Airgas could not provide a test report for 2021. A report was provided 2022 and 2023.

**AREA OF CONCERN**

1. **49 CFR §191.29 National Pipeline Mapping System.**  
*(b) The information required in paragraph (a) of this section must be submitted each year, on or before March 15, representing assets as of December 31 of the previous year. If no changes have occurred since the previous year's submission, the operator must comply with the guidance provided in the NPMS Operator Standards manual available at [www.npms.phmsa.dot.gov](http://www.npms.phmsa.dot.gov) or contact the PHMSA Geographic Information Systems Manager at (202) 366-4595.*

**Finding(s):**

Airgas submitted the 2022 NPMS report, July 20, 2022. All other reports were submitted on time.