



STATE OF WASHINGTON
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

1300 S. Evergreen Park Dr. S.W., P.O. Box 47250 • Olympia, Washington 98504-7250
(360) 664-1160 • TTY (360) 586-8203

CERTIFIED MAIL

November 8, 2012

Don Kopczynski
Vice President, Energy Delivery
Avista Utilities Corporation
P.O. Box 3727
Spokane, WA 99220-3727

Dear Mr. Kopczynski:

**RE: 2012 Natural Gas Standard Inspection – Avista Utilities Corporation,
Pullman/Clarkston Districts**

Staff from the Washington Utilities and Transportation Commission (staff) conducted a natural gas standard inspection from August 29 to September 6, 2012, of Avista Utilities Corporation (Avista), Pullman/Clarkston Districts. The inspection included a records review and inspection of the pipeline facilities.

Our inspection indicates four probable violations as noted in the enclosed report.

Your response needed

Please review the attached report and respond in writing by December 11, 2012. 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 81.88.040, or

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- Institute a complaint, seeking monetary penalties, changes in the company's practices, or other relief authorized by law, and justified by the circumstances, or
- Consider the matter resolved without further commission action.

We have not yet decided whether to pursue a complaint or penalty in this matter. Should an administrative law judge decide to pursue a complaint or penalty, your company will have an opportunity to present its position directly to the commissioners.

If you have any questions, or if we may be of any assistance, please contact Patti Johnson at (360) 664-1266. Please refer to the subject matter described above in any future correspondence pertaining to this inspection.

Sincerely,



David D. Lykken
Pipeline Safety Director

Enclosure

cc: Mike Faulkenberry, Chief Gas Engineer, Avista

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION
2012 Natural Gas Pipeline Safety Inspection
Avista Utilities Corporation-Pullman/Clarkston Districts

The following probable violations of Title 49 CFR Part 192 and WAC 480-93 were noted as a result of the 2012 inspection of the Avista Utilities Corporation (Avista). The inspection included a random selection of records, operation and maintenance (O&M) activities, emergency response, inventory, and field inspection of the pipeline facilities.

PROBABLE VIOLATIONS

1. **49 CFR §192.481 Atmospheric corrosion control: Monitoring.**
(a) Each operator must inspect each pipeline or portion of pipeline that is exposed to the atmosphere for evidence of atmospheric corrosion, as follows.

Finding(s):

Avista failed to conduct an atmospheric corrosion inspection of a meter less riser found by electric power pole #035069.

2. **WAC 480-93-018 Records.**
(5) Each gas pipeline company must update its records within six months of when it completes any construction activity and make such records available to appropriate company operations personnel.

Finding(s):

Avista failed to map the meter less riser located by electric power pole #035069.

3. **49 CFR §192.481 Atmospheric corrosion control: Monitoring.**
(b) During inspections the operator must give particular attention to pipe at soil-to-air interfaces, under thermal insulation, under disbanded coatings, at pipe supports, in splash zones, at deck penetrations, and in spans over water.

Finding(s):

Avista has failed to inspect pipe at pipe supports and at spans over water. Avista failed to inspect pipe a pipe supports at industrial meter 3034. During the inspection the pipe was lifted and atmospheric corrosion was found and remediated.

4. **WAC 480-93-180 Plans and Procedures.**
(1) Each gas pipeline company must have and follow a gas pipeline plan and procedure manual (manual) for operation, maintenance, inspection, and emergency response activities that is specific to the gas pipeline company's system. The manual must include plans and procedures for meeting all applicable requirements of 49 CFR §§ 191, 192 and chapter 480-93 WAC, and any plans or procedures used by a gas pipeline company's associated contractors.
(3) The manual must be written in detail sufficient for a person with adequate training to perform the tasks described. For example, a manual should contain

specific, detailed, step-by-step instructions on how to maintain a regulator or rectifier, conduct a leak survey or conduct a pressure test.

Finding 1:

Avista failed to follow its O&M manual and turn in a mapping error found during a leak survey at a meter less riser located near electric power pole #035069, in accordance with O&M Section 4.11.

Finding 2:

Avista failed to include a clear procedure for Pipeline Markers as described in WAC 480-93-124.

Finding 3:

Avista's O&M manual failed to require that pipe on all pipe supports be inspected for atmospheric corrosion in accordance with 49 CFR §192.481 (b).