



STATE OF 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

*Sent Via Email and Electronic Return Receipt*

October 5, 2018

Heather Rosentrater  
Vice President, Energy Delivery  
Avista Utilities Corporation  
1411 East Mission  
PO Box 3727 MSC-61  
Spokane, WA 99220-3727  
[heather.rosentrater@avistacorp.com](mailto:heather.rosentrater@avistacorp.com)

**RE: 2017 Natural Gas Transmission Integrity Management Program Inspection (TIMP)  
Avista Utilities Corporation – Headquarters (Insp. No. 7259)**

Dear Ms. Rosentrater:

Staff from the Washington Utilities and Transportation Commission (staff) conducted a TIMP inspection on Sept.13-15, and Nov. 14, 2017 of Avista Utilities Corporation (Avista), Headquarters Unit. The inspection included a records review and a field inspection of the Kettle Falls transmission pipeline facilities.

Although no apparent violations were noted as a result of this inspection staff conveyed concerns with Avista's interpretation of the definition of transmission as defined in 49 CFR Part 192.3. As noted in our report, Avista had previously replaced approximately 3.8 miles of transmission pipeline with heavier wall pipe thus reducing its stress level to below 20 percent of the specified minimum yield strength (SMYS). Since it was below 20 percent of the SMYS, Avista no longer considered the pipeline to be transmission. On Dec. 8, 2017, staff requested an interpretation of the definition of transmission from the Pipeline and Hazardous Materials Safety Administration (PHMSA). Staff received PHMSA's response on Sept. 27, 2018. PHMSA has concluded that although the segment in question operates below 20 percent of the SMYS, it still meets the functional definition of transmission as defined in Part 192.3.

It is our understanding that this segment of transmission pipeline may contain a High Consequence Area (HCA) or an Identified Site<sup>1</sup>, which would make it subject to the integrity management requirements found in Part 192, Subpart O. Accordingly, staff requests that Avista provide us with the following:

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<sup>1</sup> § 192.903 - Definitions

- a plan and intended timeline for Avista to complete a review of this segment of transmission pipeline
- a plan and intended timeline to implement your integrity management program if it is determined that an HCA/Identified Site exists

Please respond to this letter by Nov. 7, with the above requested information.

If you have any questions, please contact Scott Rukke at (360) 664-1241 or Joe Subsits at (360) 664-1322.

Sincerely,



Sean C. Mayo  
Pipeline Safety Director

cc: Mike Faulkenberry, Director of Natural Gas, Avista [mike.faulkenberry@avistacorp.com](mailto:mike.faulkenberry@avistacorp.com)  
Randy Bareither, Pipeline Safety Engineer, Avista [randy.bareither@avistacorp.com](mailto:randy.bareither@avistacorp.com)