

**BEFORE THE WASHINGTON  
UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of	DOCKET PG-230390
AVISTA CORPORATION d/b/a AVISTA UTILITIES'	ORDER 01
2023 Pipe Replacement Program Plan	APPROVING AVISTA'S 2023 PIPE REPLACEMENT PROGRAM PLAN

**BACKGROUND**

- 1 On December 31, 2012, the Washington Utilities and Transportation Commission (Commission) issued its Policy Statement on Accelerated Replacement of Pipeline Facilities with Elevated Risk (Policy Statement).<sup>1</sup> As required by the Policy Statement, each investor-owned gas pipeline utility company filed a Master Plan for replacing pipe that represents an elevated risk of failure in 2013.
- 2 The Policy Statement also requires each investor-owned gas pipeline utility company to file a pipeline replacement plan (PRP) every two years for replacing pipe that represents an elevated risk of failure, beginning June 1, 2013.<sup>2</sup> Each company's plan must include:<sup>3</sup>
- (1) a Master Plan for replacing all facilities with an elevated risk of failure;
  - (2) a Two-Year Plan that specifically identifies the pipe replacement program goals for the upcoming two year period; and, if applicable,
  - (3) a Pipe Location Plan for identifying the location of pipe or facilities that present an elevated risk of failure.

Each Plan must also: (1) target pipe or facilities that pose an elevated risk of failure; (2) be a measured and reasonable response in relation to the elevated risk without unduly burdening ratepayers, and (3) be in the public interest.<sup>4</sup> Finally, each Plan should contain

---

<sup>1</sup> Docket UG-120715 (December 31, 2012).

<sup>2</sup> *Id.* ¶ 43. Subsequent PRP filings should be filed by June 1 every two years thereafter (*i.e.*, June 1, 2015, 2017, 2019, etc.).

<sup>3</sup> *Id.* ¶ 42.

<sup>4</sup> *Id.* ¶¶ 44-56.

a section analyzing its impact on rates.<sup>5</sup> Companies seeking to recover costs must simultaneously file a proposed Cost Recovery Mechanism (CRM) with their Plan.

3 On April 14, 2023, Avista Corporation d/b/a Avista Utilities (Avista or Company) filed its 2023-2025 Pipeline Replacement Plan (2023 Two-Year Plan).

4 Avista's 2023 Two-Year Plan indicates that one type of gas pipe with an elevated risk of failure is present within its Washington service area: Vintage Aldyl-A polyethylene mains.<sup>6</sup> Avista has completed the repair of PE service piping where it transitions to rigid steel service tees and isolated steel, which historically may or may not have had adequate cathodic protection.

5 Avista's 2023 Two-Year Plan is materially unchanged from its 2021 Two Year Plan so no new Master Plan is necessary at this time. Avista is on schedule to meet the requirements of its Master Plan and Two-Year Plan.

6 Avista initiated replacement programs for each of the three types of identified elevated risk pipe prior to filing its initial Plan. As noted in previous Two-Year Plans, Avista completed the PE service tee to rigid steel transitions in 2022. Starting in 2022, Avista increased the total Aldyl-A mileage replaced each year to remain on pace to complete the program within a 20-year timeframe. Avista is planning to replace 17.38 miles in 2023, 19.58 miles in 2024 and 20.34 miles in 2025.

7 Avista's 2023 Two-Year Plan indicates that a Pipe Location Plan is not warranted because the Company knows where its elevated risk pipe is located. This pipe is already on a priority replacement schedule. Commission staff (Staff) agrees with the Company's determination not to include a Pipe Location Plan.

8 Staff concludes that Avista's 2023 Two-Year Plan, analyzed in conjunction with the Company's Distribution Integrity Management Program (DIMP) is measured and its continuation is a reasonable response in relation to the elevated risks identified. Avista's Plan adequately addresses facilities with an elevated risk of failure. Staff has previously audited Avista's DIMP, most recently in 2019, and found that it addresses known threats and implements accelerated actions that adequately address those threats.

9 Staff recommends that the Commission approve Avista's 2023 Two-Year Plan filed on April 14, 2023.

---

<sup>5</sup> *Id.* ¶ 55.

<sup>6</sup> Pre-1984 manufacture and pre-1987 installation [susceptible to slow crack growth (SCG)].

**DISCUSSION**

10 We agree with Staff's recommendation and approve Avista's 2023 Two-Year Plan,  
which is consistent with the Commission's Policy Statement.

**FINDINGS AND CONCLUSIONS**

- 11 (1) The Commission is an agency of the state of Washington vested by statute with  
the authority to regulate the rates, rules, regulations, and practices of public  
service companies, including natural gas companies.
- 12 (2) Avista is a natural gas company and a public service company subject to  
Commission jurisdiction.
- 13 (3) Avista filed its 2023 Two-Year Plan with the Commission on April 14, 2023.
- 14 (4) Avista 2023 Two-Year Plan is a reasonable and measured approach to replace  
pipeline facilities with an elevated risk of failure.

**ORDER**

**THE COMMISSION ORDERS:**

- 15 (1) Avista Corporation d/b/a Avista Utilities' 2023 Two-Year Plan is approved.
- 16 (2) Avista Corporation d/b/a Avista Utilities should file an updated Pipeline  
Replacement Program Plan for 2025-2027 no later than June 1, 2025.
- 17 The Commissioners, having determined this Order to be consistent with the public  
interest, directed the Secretary to enter this Order.

DATED at Lacey, Washington, and effective August 10, 2023.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

AMANDA MAXWELL  
Executive Director and Secretary