



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

Ref. No. Docket PG-082253

**CERTIFIED MAIL**

October 14, 2014

Don Kopczynski  
Vice President, Energy Delivery  
1411 East Mission  
PO Box 3727  
Spokane, WA 99220-3727

Dear Mr. Kopczynski:

**RE: Review of Remaining Settlement Agreement Items**

Commission staff (staff) conducted a follow-up review of the conditions noted under the terms of the Settlement Agreement (Agreement) approved by the Utilities and Transportation Commission (commission) on January 7, 2011, (docket PG-082253).

Item 1 required that Avista Utilities Corporation (Avista) will offer enhanced education annually for each of the next 3 years and then periodically as needed, after consultation with staff, for city, county, and state personnel responsible for excavations in the vicinity of Aldyl A pipe. Staff verified compliance by performing a records review of filings containing training materials and schedules. Staff concludes that Avista has complied with item 1 in the settlement agreement.

Items 2 and 3 required that Avista perform an inspection of the soil composition when excavations to be performed within the vicinity of Aldyl A pipe are conducted. Staff's records review consisted of a random selection of the last three years "Exposed Pipeline Inspection Reports" and staff concludes that Avista has complied with items 2 and 3 in the settlement agreement.

Item 4 required Avista to perform annual leak surveys of Aldyl A mains or services installed prior to 1987. Staff conducted a review of Avista's annual leak survey records and has determined the Avista has complied with item 4 of the settlement agreement. Avista will continue performing the annual leak surveys on the pre-1987 Aldyl A mains until all known material has been removed from their gas distribution system.

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Item 5 required Avista to file, coincident with the filing of their PHMSA Form F7100.1-1 Annual Report for Gas Distribution System with the commission, a copy of all leak survey records for Aldyl A pipe. Staff verified that Avista did file leak survey records for three years and has complied with item 5 of the agreement.

Item 6 required Avista to pay a monetary penalty to the commission of two hundred thousand dollars (\$200,000) within fifteen calendar days after the date of the commission's order approving this Agreement. The payment was recorded on February 18, 2011, and staff concludes this item has been satisfied.

This letter reflects the opinions and conclusions of commission staff, and does not necessarily reflect the position or conclusions of the commission, should it be called upon to decide these issues in a future proceeding.

If you have questions, please contact Joe Subsits at (360) 664-1322. Please refer to docket number PG-082253 in any future correspondence regarding this matter.

Sincerely,



David D. Lykken  
Pipeline Safety Director

cc: Mike Faulkenberry, Director of Natural Gas, Avista Utilities Corporation