



STATE OF WASHINGTON

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

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(360) 664-1160 • TTY (360) 586-8203

Ref. No. Docket PG-090076

CERTIFIED MAIL

September 14, 2009

Don Kopczynski
Vice President – Operations
Avista Utilities Corporation
East 1411 Mission, MSC 20
PO Box 3727
Spokane, Washington 99220-3727

Dear Mr. Kopczynski:

Subject: 2009 Natural Gas Standard Inspection – Pullman/Clarkston, Washington

The Washington Utilities and Transportation Commission conducted a natural gas inspection of Avista Utilities Corporation – Pullman/Clarkston during the week of June 7, 2009 and June 21-23, 2009. The inspection included a records review and inspection of the pipeline facilities.

Our inspection indicates five probable violations as noted in the enclosed report. We also noted four areas of concern, which unless corrected, could potentially lead to future violation of state and/or federal pipeline safety rules.

Your response is needed

Please review the attached report and respond in writing by October 16, 2009. 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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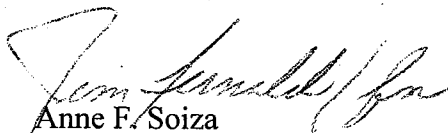
- Institute a complaint, seeking monetary penalties, changes in the company's practices, or other relief authorized by law, or
- Consider the matter resolved without further commission action.

Staff has not yet decided whether to recommend to the commission pursuit of a complaint or penalty in this matter. Should the commission decide to pursue a complaint or penalty, your company will have an opportunity to present its position directly to the commission.

If you have any questions, or if we may be of any assistance, please contact Patti Johnson at (360) 664-1266. Please refer to Docket PG-090076 in any future correspondence regarding this inspection.

Thank you for your company's cooperation during the inspection process and your continued focus on the prevention of pipeline safety issues at your company.

Sincerely,



Anne F. Soiza
Pipeline Safety Director

Enclosure

cc: Mike Faulkenberry, Avista Utilities Corp.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION
2009 Natural Gas Pipeline Safety Inspection
Avista Utilities Corporation – Pullman/Clarkston
Docket PG-090076

The following violations of WAC 480-93, and 49 CFR Part 192 were noted as a result of the 2009 pipeline safety inspection of the Avista Utilities Corporation, Pullman/Clarkston distribution system. The inspection included a review of the records, inventory, and field operations and maintenance of the natural gas facilities.

1. **WAC 480-93-180 (1) 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.*

Charge:

Avista's Operations and Maintenance (O&M) manual did not include plans and procedures for certain applicable requirements under chapter 480-93 WAC.

Finding(s):

Avista's O&M manual does not include a method to identify high occupancy structures.

2. **WAC 480-93-110 (9) Corrosion**

(9) *Each gas pipeline company must have a written atmospheric corrosion control monitoring program. The program must have time frames for completing remedial action.*

Charge:

Avista's written Atmospheric Corrosion Control Monitoring Program does not contain a key element.

Finding(s):

Avista's Atmospheric Corrosion monitoring program does not include detailed procedures for "can't gain access" situations.

3. **49 CFR Part 192.481 Atmospheric Corrosion**

(a) *Each operator must inspect each pipeline or portion of pipeline that is exposed to the atmosphere for evidence of atmospheric corrosion, as follows:*

<i>If the pipeline is located:</i>	<i>Then the frequency of inspection is:</i>
<i>Onshore.....</i>	<i>At least once every 3 calendar years, but with intervals not exceeding 39 months</i>
<i>Offshore.....</i>	<i>At least once each calendar year, but with intervals not exceeding 15 months</i>

- (b) *During inspections the operator must give particular attention to pipe at soil-to-air interfaces, under thermal insulation, under disbonded coatings, at pipe supports, in splash zones, at deck penetrations, and in spans over water.*
- (c) *If atmospheric corrosion is found during an inspection, the operator must provide protection against the corrosion as required by §192.479.*

Charge:

Avista did not inspect all above ground pipe in accordance with this section.

Finding a:

In the 2009 Atmospheric corrosion inspection, meter less risers were not inspected for atmospheric corrosion. Following are several locations:

1. In Uniontown (Pullman District) at the Mobile Home Park on Washington between Church and Woodworth, the following meter less risers were not inspected during the 2009 inspection
 - a. Space 21
 - b. Space 2
 - c. Space 19
 - d. Space 18
 - e. Space 3
 - f. Space 17
 - g. Space 16
 - h. Space 4
 - i. Space 14
2. In Lacrosse (Pullman District) at 114 Leslie.

Charge:

Avista did not conduct adequate atmospheric corrosion inspections.

Finding b:

1. 49 CFR §192.481 requires *Each operator must inspect each pipeline or portion of pipeline that is exposed to the atmosphere.* During the 2009 Atmospheric Corrosion inspection, Avista did inspect the following locations and noted them as

satisfactory. However, the locations had inadequate coating. This also is an indication that adequate air-to-soil interface inspections were not conducted.

- a. In Clarkston at the Vagabond Village Mobile Home Park, 1505 Elm St, Space 24 meter 38832 and Space 21 meter 195042
- b. In Pullman, at Brian's Body Shop on Hwy 2.

4. **49 CFR Part 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-*
 - (4) *Properly installed and protected from dirt, liquids, or other conditions that might prevent proper operation.*

Charge:

Avista's Mooney Series 20 and/or 20S Pilots are not adequately protect from possible accumulations of dirt, liquids or other conditions that might prevent proper operation.

Finding(s):

Avista does not take adequate precautions to protect Mooney Series 20 and/or 20S Pilots from possible accumulations of dirt, liquids or other conditions that might prevent proper operation. Staff understands Avista purchases and receives pre-assembled regulators that include Mooney Series 20 and/or 20S Pilots for use in district regulator stations. Avista installs these pilots as received from the manufacturer.

Each of these pilots has a sideways vent that may allow entry of dirt or liquid to build up if the pilot vent is oriented in positions other than facing downward without taking additional measures to prevent the possible entry foreign matter.

While a review of Mooney's Installation/Operation/Maintenance Manual for Series 20/20S/20H/20HS Pilots notes that Series 20 pilots may be installed "in any position", the manual does recommend that "the vent connection be installed "face down" when the pilot is mounted on the regulator so that condensation will drain away instead of accumulating and possibly freezing."

5. **WAC 480-93-170(7) Tests and reports for pipelines**

- (7) *Each gas pipeline company must keep records of all pressure tests performed for the life of the pipeline and must document the following information*
 - (a) *Gas pipeline company's name;*
 - (b) *Employee's name;*
 - (c) *Test medium used;*
 - (d) *Test pressure;*

- (e) Test duration;
- (f) Line pipe size and length;
- (g) Dates and times; and
- (h) Test results.

Charge:

Avista did not document all required elements.

Repeat Violation of Docket PG-070013

Finding(s):

Avista did not document the (g) dates and times at the following addresses.

1. 2902 Airport Rd, Pullman completed 7-24-2008
2. Near the intersect of Clark and Parvin Rd, Palouse-Albion, completed 9-17- 2008
3. 1895 SW Barclay Ct., completed 7-24-2008

AREAS OF CONCERN

1. **WAC 480-93-200(7)(b)(ii)**

- (7) *Each gas pipeline company must file with the commission the following annual reports no later than March 15 for the preceding calendar year:*
 - (b) *A report titled, "Damage Prevention Statistics." The Damage Prevention Statistics report must include in detail the following information:*
 - (i) *Number of gas-related one-call locate requests completed in the field;*
 - (ii) *Number of third-party damages incurred; and*

Finding(s):

Avista failed to correctly report the number of third party damages incurred because the definition of damage found in RCW 19.122 and required by WAC 480-93-250 was not used. Updated annual reports were received prior to the formal exit interview.

2. **WAC 480-93-018 (5) 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 could not demonstrate that its maps were updated within six months of when it completed a construction activity. Avista's computerized mapping system did record the date each facility was mapped. However, the same data field was used to capture the date a facility was viewed in the mapping system. Consequently, the map entry date was lost in

many instances. Prior to the exit meeting, Avista committed to save the map entry date before the end of 2009.

3. **WAC 480-93-110 (9) Corrosion**

(9) *Each gas pipeline company must have a written atmospheric corrosion control monitoring program. The program must have time frames for completing remedial action.*

Finding(s):

Avista's Atmospheric Corrosion monitoring program does not include or the intent is not obvious on all elements of the plan. Examples are:

1. The remediation timeframe is not clear. Avista should include a reference to the corrosion remediation timeframe section.
2. The actual atmospheric corrosion record location is in Spokane, not the individual districts. It is our understanding that Avista intends to revise the plan to reflect where records are actually located.

4. **WAC 480-93-018 (1) Records.**

(1) *Each gas pipeline company must maintain records sufficient to demonstrate compliance with all requirements of 49 CFR §§ 191, 192 and chapter 480-93 WAC.*

Charge:

Avista does not maintain records sufficient to demonstrate compliance.

Finding(s):

During the inspection, Avista stated during its annual HP survey, the Pullman District did not document that pipeline markers were replaced under WAC 480-93-124.