



**Avista Corp.**  
 1411 East Mission P.O. Box 3727  
 Spokane, Washington 99220-0500  
 Telephone 509-489-0500  
 Toll Free 800-727-9170

August 14, 2019

**VIA – UTC Web-Portal**

Mark L. Johnson  
 Washington Utilities and Transportation Commission  
 621 Woodland Square Loop SE, Lacey, WA 98503  
 P.O. Box 47250  
 Olympia, Washington 98504-7250

Dear Mr. Johnson,

Attached for filing with the Commission is an electronic copy of Avista Corporation’s, dba Avista Utilities’ (“Avista” or “the Company”), proposed additions, revisions, and deletions to the following tariff sheets, WN U-29:

- |                                     |           |  |
|-------------------------------------|-----------|--|
| Original Sheet 181                  |           |  |
| Original Sheet 181A                 |           |  |
| Original Sheet 181B                 |           |  |
| Original Sheet 181C                 |           |  |
| Original Sheet 181D                 |           |  |
| Original Sheet 181E                 |           |  |
| Original Sheet 182C                 |           |  |
| 1 <sup>st</sup> Revision Sheet 116A | Canceling | Original Sheet 116A                            |
| 1 <sup>st</sup> Revision Sheet 126A | Canceling | Original Sheet 126A                            |
| 6 <sup>th</sup> Revision Sheet 131A | Canceling | Substitute 5 <sup>th</sup> Revision Sheet 131A |
| 2 <sup>nd</sup> Revision Sheet 131B | Canceling | 1 <sup>st</sup> Revision Sheet 131B            |
| 6 <sup>th</sup> Revision Sheet 132A | Canceling | Substitute 5 <sup>th</sup> Revision Sheet 132A |
| 2 <sup>nd</sup> Revision Sheet 132B | Canceling | 1 <sup>st</sup> Revision Sheet 132B            |
| 4 <sup>th</sup> Revision Sheet 146A | Canceling | 3 <sup>rd</sup> Revision Sheet 146A            |
| 2 <sup>nd</sup> Revision Sheet 148  | Canceling | 1 <sup>st</sup> Revision Sheet 148             |
| 1 <sup>st</sup> Revision Sheet 182  | Canceling | Original Sheet 182                             |
| 2 <sup>nd</sup> Revision Sheet 182A | Canceling | 1 <sup>st</sup> Revision Sheet 182A            |
| 1 <sup>st</sup> Revision Sheet 182B | Canceling | Original Sheet 182B                            |

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The Company is requesting to cancel the following tariff sheets:

Original Sheet 116B  
Original Sheet 116C  
Original Sheet 116D  
Original Sheet 126B  
Original Sheet 126C  
Original Sheet 126D  
2<sup>nd</sup> Revision Sheet 146B  
1<sup>st</sup> Revision Sheet 146C  
Original Sheet 146D  
2<sup>nd</sup> Revision Sheet 148A  
2<sup>nd</sup> Revision Sheet 148B  
1<sup>st</sup> Revision Sheet 148C  
Original Sheet 148D  
Original Sheet 148E

The proposed tariff revisions contained herein are the by-product of lessons learned from the Enbridge pipeline incident (as explained further below), and are ultimately designed to clarify the provisions applicable to interruptible and transportation customers, and the curtailment processes for all natural gas customers. The Company requests that the proposed revisions to the tariff sheets listed above become effective September 27, 2019.

### **Background**

On October 9, 2018, a rupture occurred on a natural gas transmission pipeline owned and operated by Enbridge. The rupture ignited at the site, north of Prince George, B.C. This event caused Avista to activate the Company's emergency operations plan to address the shortage of natural gas within the Pacific Northwest. Several of Avista's Oregon customers were curtailed the day after the event in order to maintain the integrity of the Company's natural gas distribution system. All customer curtailments were lifted on October 11, 2018, two days after the incident. After conducting an "after action" debrief of the Company's response to the event, Avista created a cross-function team of employee's to address areas for improvement, process opportunities, and communication related to its curtailment procedures and associated tariffs. The proposed tariffs are a result of this teams efforts to clarify and streamline the Company's curtailment process.

## Summary of Changes

As noted earlier, the proposed changes are a product of lessons learned from the Enbridge pipeline incident. The following is a high-level summary of the revisions for clarification in the tariffs identified by Avista's cross-function team. Due to the number of changes being proposed, Avista has also provided several redline tariffs as attachments to this filing in order to highlight the changes. The redline documents are included in Appendix A.

- Moved the terms and conditions listed in transportation natural gas schedules 116, 126, 146, and 148, to a new Schedule 181, "Natural Gas Transportation Service Terms and Conditions." This change will make it easier for the Company to manage the terms and conditions consistently in a single schedule, rather than managing them in four separate schedules.
- Revised the terms and conditions in the new Schedule 181 as follows:
  - Reorganized the schedule into sections;
  - Added a definitions section where all terms related to the transportation of natural gas are defined;
  - Removed redundant language;
  - Revised entitlement and balancing conditions to better align with the requirements of natural gas transmission pipelines; *and*
  - Updated provisions related to customers moving to, or from sales service schedules and transport schedules, and vice versa, with an emphasis on making it easier for customers to return to sales service schedules from transport schedules.
- Revised Schedules 131 and 132, Interruptible Service, to ensure the tariff language is consistent with the terms and conditions applicable to transportation customers.
  - Removed curtailment penalty language and made reference to Schedule 182, Plan for Natural Gas Service Curtailment; *and*
  - Made backup generation a recommendation, not a requirement.
- The following are revisions to the Company's Schedule 182:
  - Updated the name of the Schedule to, "Plan for Natural Gas Service Curtailment";
  - Clarified the process by which the Company would curtail customers in the event curtailment is eminent, including curtailing customers by their schedule instead of by amount of usage; and
  - Increased the curtailment penalty from \$1 per therm to \$10 per therm. This is consistent with other utilities in the state of Washington and is intended to motivate customers to quickly curtail their usage of natural gas.

In conclusion, Avista respectfully requests the Commission approve the proposed tariff changes with an effective date of September 27, 2019. The Company believes the terms and conditions for interruptible and transportation customers are clearer and the process for curtailment has been more defined allowing for greater operational flexibility. These changes will enable the Company to more effectively manage complex events as they unfold, as well as limit the number of customers curtailed.

In accordance with WAC 480-100-195, the Company has provided notice to affected customers due to requesting an increase to the curtailment fee. A copy of the customer notice is attached to this filing as Appendix B.

Thankfully, events like the Enbridge incident are rare, however, if an event such as this does arise, the proposed tariff language should make the curtailment process easier to navigate for Avista employees and customers alike. If you have any questions regarding this filing, please contact Garrett Brown at 509-495-2133, or myself at 509-495-4975.

Sincerely,

*/s/Linda Gervais*

Linda Gervais  
Senior Manager, Regulatory Policy & Strategy  
Avista Utilities  
509-495-4975  
[linda.gervais@avistacorp.com](mailto:linda.gervais@avistacorp.com)