

**BEFORE THE WASHINGTON STATE
UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of the Petition of)	DOCKET PG-081483
)	
AVISTA CORPORATION,)	ORDER 01
)	
Petitioner,)	CORRECTED ORDER
)	
Seeking Authorization to Operate a)	
Facility with a Maximum Allowable)	
Operating Pressure up to 500 PSIG)	
Pursuant to WAC 480-93-020)	ORDER GRANTING PETITION
.....)	

BACKGROUND

- 1 On July 18, 2008, Avista Corporation (Avista or Company) filed with the Washington Utilities and Transportation Commission (Commission) a petition requesting Commission approval to operate a pipeline up to 500 psig (pounds per square inch gauge).

- 2 A gas pipeline company must have permission from the Commission to operate a pipeline up to and including 500 psig within one hundred feet of certain buildings described in WAC 480-93-020.

- 3 Avista proposes to construct approximately 19,500 feet of 12-inch main from the Nine Mile Falls Gate Station to the 11400 block of North Indian Trail Road (Kettle Falls Main). This main will replace the 8,800 feet of existing 8-inch main from the Indian Trail Gate Station to the 11400 block of North Indian Trail Road. The Kettle Falls Main will have higher capacity and operate at a reduced stress level.

- 4 WAC 480-93-020(1)(b) requires a gas pipeline company to petition the Commission for approval prior to operating a pipeline above 250 psig and up to 500 psig that is within one hundred feet of the following places: “(i) A building that is in existence or under construction prior to the date authorization for construction is filed with the commission, if the building is not owned and used by the petitioning gas pipeline company in its gas operations; or (ii) A high occupancy structure or area that is in existence or under construction prior to the date authorization for construction is filed with the commission.”

The term "building" is defined in WAC 480-93-005(2), and the term "high occupancy structure or area" is defined in WAC 480-93-005(14).

5 Avista is required to have Commission approval in this instance because the company has identified twenty-five (25) buildings within 100 feet of the proposed main. Avista distributed notices to each of the identified property owners, communicating project details and alerting them to the scheduled Commission open meeting.

6 The Commission has adopted the Code of Federal Regulations, Title 49, Part 192, and WAC 480-93 as minimum standards for natural gas pipeline construction. Federal regulations define a Class 3 location as, among others, those with 46 or more buildings intended for human occupancy or where the pipeline lies within 100 yards of a building. In Class 3 Locations, a pipeline's hoop stress is typically limited to no more than 50 percent of the specified minimum yield strength (SMYS) of the pipe. Avista's proposed main is located in an area classified as a Class 3 Location.

7 The most restrictive natural gas pipeline safety rules specify that pipelines within 220 yards of buildings with four or more stories above ground (Class 4 Location) be operated at pressures producing a hoop stress of no greater than 40 percent of SMYS.

8 To provide additional safety, Avista proposes to design and construct the main to exceed the requirements for Class 4 Location by operating at a hoop stress of less than 20 percent of SMYS.

9 Commission Staff reviewed the request and Staff found that Avista's proposed additional measures for the construction and operation of the Kettle Falls Main will provide added safety to the public.

10 Commission Staff reviewed the request and recommended the Commission grant the petition subject to the following condition(s):

a. Filings and Notices:

1. Avista will notify the Commission 48 hours prior to the commencement of construction.

2. Avista will submit a map of the main to the Commission within 30 days of project completion.

b. Design and Construction:

1. Avista will construct the Kettle Falls Main to maintain the hoop stress level of the pipe below 20 percent of SMYS of the pipe material at the maximum allowable operating pressure (MAOP) of 500 pounds per square inch gauge.
2. Avista will perform radiographic inspection of 100 percent of all girth welds unless impractical, in which case at least 90 percent of the welds will be inspected. Upon request by the Commission, Avista will provide written documentation where radiographs are impractical including the certified radiographer's statement. Avista will visually inspect all welds and any defects will be remedied in accordance with Avista's standards. Avista will radiograph all repaired girth welds to ensure pipeline integrity and compliance with existing standards.
3. Avista will test the main to a minimum 750 psig. This test pressure is 1.5 times of the MAOP of 500 psig.
4. Avista will bury the high pressure pipeline with at least 42-inches of cover to provide additional protection.

FINDINGS AND CONCLUSIONS

- 11 (1) The Washington Utilities and Transportation Commission is an agency of the State of Washington vested by statute with the authority to adopt and enforce rules for gas pipeline safety. *RCW 81.88.040 and RCW 81.88.065.*
- 12 (2) Avista is a gas pipeline company and subject to Commission jurisdiction.
- 13 (3) In WAC 480-93, the Commission has adopted minimum standards for gas pipeline construction. Pursuant to these standards, gas pipelines are designed to withstand higher pressure than the maximum allowable operating pressure (MAOP) prescribed by these rules. The most restrictive gas pipeline safety rules specify that pipelines in a highly populated area within 220 yards of buildings

with four or more stories above ground (Class 4 locations) must be operated at pressures producing a hoop stress of no greater than 40 percent of the SMYS of the pipe.

- 14 (4) Avista is proposing to build the new Kettle Falls Main in Spokane County and operate the main up to and including 500 psig. The new main is to replace the existing main between Indian Trail Gate Station to the 11400 block of North Indian Trail Road to meet the gas demand in the area. Avista agrees to the conditions in Paragraph 10 of this Order. These conditions exceed the minimum regulatory requirements.
- 15 (5) This matter came before the Commission at its regularly scheduled meeting on October 30, 2008.
- 16 (6) After reviewing Avista's petition and giving due consideration to all relevant matters and for good cause shown, the Commission finds it is consistent with the public interest to grant Avista's request to operate up to 500 psig, with conditions.

ORDER

THE COMMISSION ORDERS:

- 17 (1) After the effective date of this Order, the petition of Avista Corporation for authorization to operate a pipeline up to 500 pounds per square inch gage is granted.
- 18 (2) This authorization is conditioned on:
- (a) Avista Corporation building the Kettle Falls Main in Spokane County and operating the main up to and including 500 psig.
 - (b) The new main will replace the existing main between Indian Trail Gate Station to the 11400 block of North Indian Trail Road to meet the gas demand in the area.

(c) Avista Corporation agrees to the conditions in Paragraph 10 of this Order. These conditions exceed the minimum regulatory requirements.

- 19 (3) The Commission retains jurisdiction over the subject matter and Avista Corporation to effectuate the provisions of this Order.

The Commissioners, having determined this Order to be consistent with the public interest, directed the Executive Director and Secretary to enter this Order.

DATED at Olympia, Washington, and effective October 30, 2008.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

DAVID W. DANNER, Executive Director and Secretary