



STATE OF WASHINGTON
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION
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CERTIFIED MAIL

October 8, 2014

Don Kopczynski
Vice President, Energy Delivery
Avista Utilities Corporation
1411 E. Mission
PO Box 3727
Spokane, WA 99220-3727

Dear Mr. Kopczynski:

**Re: 2014 Natural Gas Transmission Integrity Management Program Inspection –
Headquarters – (Insp. No. 5812)**

We conducted a natural gas Integrity Management Program inspection on September 17-18, 2014, of Avista Utilities Corporation (Avista) transmission facilities. The inspection included an office review of records on September 17, 2014, and a field inspection of the Kettle Falls Transmission pipeline on September 18, 2014.

There were no violations noted for Avista's gas Integrity Management program but our inspection does indicate one probable violation as a result of a leak repair and replacement of a segment of the Kettle Falls transmission pipeline as noted in the enclosed report.

Your response needed

Please review the attached report and respond in writing by November 10, 2014. The response should include how and when you plan to bring the probable violation 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
- Institute a complaint, seeking monetary penalties, changes in the company's practices, or other relief authorized by law, and justified by the circumstances, or



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- Consider the matter resolved without further commission action.

If you have any questions, or if we may be of any assistance, please contact Scott Rukke at (360) 664-1241. Please refer to the subject matter described above in any future correspondence pertaining to this inspection.

Sincerely,



David D. Lykken
Pipeline Safety Director

Enclosure

cc: Mike Faulkenberry, Director of Natural Gas, Avista Utilities Corp.

**UTILITIES AND TRANSPORTATION COMMISSION
2014 Natural Gas Integrity Management Program Inspection
Avista Utilities Corporation – Headquarters**

PROBABLE VIOLATION

1. **49 CFR §192.150 Passage of internal inspection devices**

- (a) *Except as provided in paragraphs (b) and (c) of this section, each new transmission line and each replacement of line pipe, valve, fitting, or other line component in a transmission line must be designed and constructed to accommodate the passage of instrumented internal inspection devices.*

Finding(s):

Avista's Spokane to Kettle Falls transmission pipeline is approximately 72.73 mile long and is comprised of 60.505 miles of 8-inch, 0.188" w.t. X-42 pipeline operating at approximately 27% SMYS, 12.09 miles of 6-inch, 0.156 w.t. and 0.135 miles of 4-inch. There are no high consequence areas (HCA's) on this transmission facility. Although there are no HCA's present, §192.935(d)(3) requires operators of a transmission pipeline operating under 30% SMYS in a class 3 or 4 location to conduct semi-annual leak surveys. Portions of the Kettle Falls transmission pipeline are in a class 3 location. Our review of Avista's leak survey records indicated that in 2014, during one of the semi-annual leak surveys, a grade 3 leak was found in a class 3 area which was determined to be on the pipe seam. A short section of pipe was replaced utilizing TDW M-STOPP fittings, full radius 90° elbows and approximately 98' of 8" 0.322" w.t. pipe. A review of the as-built records for this replacement indicated that the transmission line was not constructed to accommodate the passage of instrumented internal inspection devices as required by subpart §192.150(a).

Although §192.150(a) does give two exceptions from the requirements to construct the line to accommodate an internal inspection device, (§192.150 (b) and (c)) this replacement does not appear to meet either of these exceptions.

- (b) *Not applicable as no facilities meeting this exemption were involved.*
(c) *Not applicable as no petition was submitted under §190.9 of this chapter within 30 days.*

Avista's personnel explained that the replaced segment of pipe was no longer transmission because with the heavier 0.322" w.t. pipe, it was operating under 20% SMYS. We disagree with this contention and believe that the replaced segment of pipeline is still considered transmission because it is a very small segment (98') of an approximately 73 mile transmission pipeline.

In any case the stopple fittings utilized to re-route the pipeline are welded on pipe operating over 20% SMYS and the stopple fittings and configuration using a 90° turn in the piping is what makes the pipeline unable to accommodate passage of an instrumented

internal inspection device. Since this segment of the Kettle Falls transmission pipeline was able to accommodate passage of an instrumented internal inspection device prior to the replacement, and now it is not, we believe it was constructed in violation of §192.150(a).