



STATE OF WASHINGTON  
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

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**CERTIFIED MAIL**

March 30, 2012

Jason Thackston  
Vice President, Energy Delivery  
Avista Utilities Corporation  
1411 E. Mission, P.O. Box 3727  
Spokane, WA 99202-3727

Dear Mr. Thackston:

**RE: 2012 Natural Gas Public Awareness Inspection – Avista Headquarters**

The Washington Utilities and Transportation Staff (UTC Staff) conducted a Public Awareness effectiveness inspection of Avista Utilities Corporation (Avista) from March 12 - 14, 2012. The inspection included a review of your Public Awareness Program and associated records.

For efficiency and other reasons, the UTC Staff conducted this inspection jointly with representatives from the Oregon Public Utility Commission and the Idaho Public Utilities Commission. However, as you are aware, each of these commissions has separate gas pipeline safety jurisdiction over Avista and each commission will make its own decision regarding the exercise of that jurisdiction regarding this inspection. Therefore, this letter and the attached probable violations are from the Washington Utilities and Transportation Commission only.

Our inspection indicates 23 probable violations as noted in the enclosed report which unless corrected, could potentially lead to future violations of state and/or federal pipeline safety rules.

**Your response is needed**

Please review the attached report and respond in writing by May 11, 2012. 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.



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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, or
- Consider the matter resolved without further commission action.

UTC 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 questions, or if we may be of any assistance, please contact Stephanie Zuehlke at (360) 664-1318.

Sincerely,



David D. Lykken  
Pipeline Safety Director

Enclosure

cc. Mike Faulkenberry, Chief Gas Engineer, Avista

**WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**  
**2012 Natural Gas Public Awareness Effectiveness Inspection**  
**Avista Utilities Corporation - Headquarters**

The following probable violation(s) of Title 49, CFR Part 192 were noted as a result of the 2012 Public Awareness Program (PAP) Inspection of the Avista Utilities Corporation. The inspection included a review of both your records and Public Awareness Program.

**PROBABLE VIOLATIONS**

1. **49 CFR §192.616 Public Awareness.**

(a) *Except for an operator of a master meter or petroleum gas system covered under paragraph (j) of this section, each pipeline operator must develop and implement a written continuing public education program that follows the guidance provided in the American Petroleum Institute's (API) Recommended Practice (RP) 1162 (incorporated by reference, see § 192.7).*

**Finding(s) - Written Public Education Program:**

Avista failed to correct Clearinghouse deficiencies.

2. **49 CFR §192.616 Public Awareness.**

(a) *Except for an operator of a master meter or petroleum gas system covered under paragraph (j) of this section, each pipeline operator must develop and implement a written continuing public education program that follows the guidance provided in the American Petroleum Institute's (API) Recommended Practice (RP) 1162 (incorporated by reference, see § 192.7).*

a. **Finding(s) - Management Support:**

Avista failed to provide evidence of adequate resources used to carry out the PAP.

b. **Finding(s) – Management Support:**

Avista failed to provide evidence or indication of management's participation in the development and implementation of the PAP.

c. **Finding(s) – Management Support:**

Avista failed to provide oversight of external support resources regarding implementation and evaluation efforts of PAP.

3. **49 CFR §192.616 Public Awareness.**

(b) *The operator's program must follow the general program recommendations of API RP 1162 and assess the unique attributes and characteristics of the operator's pipeline and facilities.*

**Finding(s) - Unique Attributes and Characteristics:**

Avista failed to define the specific pipeline assets or systems covered in the program and assess the unique attributes and characteristics of the pipeline and facilities.

4. **49 CFR §192.616 Public Awareness.**

- (d) *The operator's program must specifically include provisions to educate the public, appropriate government organizations, and persons engaged in excavation related activities on:*
  - (1) *Use of a one-call notification system prior to excavation and other damage prevention activities;*
  - (2) *Possible hazards associated with unintended releases from a gas pipeline facility;*
  - (3) *Physical indications that such a release may have occurred;*
  - (4) *Steps that should be taken for public safety in the event of a gas pipeline release; and*
  - (5) *Procedures for reporting such an event.*
- (e) *The program must include activities to advise affected municipalities, school districts, businesses, and residents of pipeline facility locations.*
- (f) *The program and the media used must be as comprehensive as necessary to reach all areas in which the operator transports gas.*

**Finding(s) - Stakeholder Audience Identification:**

Avista's Program Administration failed to provide evidence of a plan that effectively identifies stakeholder audiences including recordkeeping and oversight. Specific examples follow:

- a. Avista identified use of GIS but failed to identify the frequency and data sources used to identify each stakeholder audience.
- b. Avista does not have a process to complete recordkeeping and oversight activities in their plan.
- c. Avista failed to verify and review the accuracy of their stakeholder audience lists.
- d. Avista failed to provide comprehensive records used to determine each stakeholder audience.

5. **49 CFR §192.616 Public Awareness.**

- (c) *The operator must follow the general program recommendations, including baseline and supplemental requirements of API RP 1162, unless the operator provides justification in its program or procedural manual as to why compliance with all or certain provisions of the recommended practice is not practicable and not necessary for safety.*

**Finding(s) - Message frequency and message delivery:**

Avista failed to implement and deliver their baseline and supplemental message information in accordance with their written program for all stakeholder audiences for all locations.

- a. Avista failed to provide documentation that audiences were provided all of the information content described in their plan.

- b. Avista failed to include/represent locations such as the cities of Goldendale and Stevenson in the plan at all.
- c. Avista failed to provide documentation of baseline and supplemental activity reaching locations such as the cities of Goldendale and Stevenson.
- d. Avista's messages are regionalized and all locations are not receiving the information identified in the plan.
- e. Avista failed to address supplemental messages and activities with the required frequency for all stakeholders.

6. **49 CFR §192.616 Public Awareness.**

- (c) *The operator must follow the general program recommendations, including baseline and supplemental requirements of API RP 1162, unless the operator provides justification in its program or procedural manual as to why compliance with all or certain provisions of the recommended practice is not practicable and not necessary for safety.*
- (i) *The operator's program documentation and evaluation results must be available for periodic review by appropriate regulatory agencies.*

**Finding(s) - Written Evaluation Plan:**

Avista failed to evaluate their program implementation and effectiveness and with the required frequency.

- a. Avista failed to complete annual evaluations.
- b. Avista failed to complete all three evaluation methods in accordance with their program language and tables regarding approach, technique, and frequencies.
- c. Avista's written program evaluation plan is ineffective. Avista does not have a process to complete recordkeeping and oversight activities in their plan.

7. **49 CFR §192.616 Public Awareness.**

- (g) *The program must be conducted in English and in other languages commonly understood by a significant number and concentration of the non-English speaking population in the operator's area.*

**Finding(s) – English and other languages:**

Avista's plan failed to identify the frequency by which they will determine the need for an alternate language review.

8. **49 CFR §192.616 Public Awareness.**

- (d) *The operator's program must specifically include provisions to educate the public, appropriate government organizations, and persons engaged in excavation related activities on:*
  - (1) *Use of a one-call notification system prior to excavation and other damage prevention activities;*
  - (2) *Possible hazards associated with unintended releases from a gas pipeline facility;*
  - (3) *Physical indications that such a release may have occurred;*

- (4) *Steps that should be taken for public safety in the event of a gas pipeline release; and*
- (5) *Procedures for reporting such an event.*
- (f) *The program and the media used must be as comprehensive as necessary to reach all areas in which the operator transports gas.*

- 1. **Finding(s) – Message type and content:**  
Avista failed to provide records to verify all information was delivered to each of the stakeholder audiences.
- 2. **Finding(s) – Message type and content:**  
Avista’s written plan failed to include a one-call notification messages for Emergency Officials.

9. **49 CFR §192.616 Public Awareness.**

- (e) *The program must include activities to advise affected municipalities, school districts, businesses, and residents of pipeline facility locations.*
- (f) *The program and the media used must be as comprehensive as necessary to reach all areas in which the operator transports gas.*

**Finding(s) – Messages on pipeline facility locations:**

Avista’s plan failed to include developed and delivered facility location information messages to all affected municipalities and school districts.

10. **49 CFR §192.616 Public Awareness.**

- (c) *The operator must follow the general program recommendations, including baseline and supplemental requirements of API RP 1162, unless the operator provides justification in its program or procedural manual as to why compliance with all or certain provisions of the recommended practice is not practicable and not necessary for safety.*

- 1. **Finding(s) - Baseline Message Delivery Frequency:**  
Avista failed to provide records evidencing *what* they provided to stakeholders in each and every message they sent.
- 2. **Finding(s) - Baseline Message Delivery Frequency:**  
Avista failed to provide records evidencing *when* they provided information to stakeholders in each and every message they sent.

11. **49 CFR §192.616 Public Awareness.**

- (c) *The operator must follow the general program recommendations, including baseline and supplemental requirements of API RP 1162, unless the operator provides justification in its program or procedural manual as to why compliance with all or certain provisions of the recommended practice is not practicable and not necessary for safety.*

**Finding(s) - Considerations for Supplemental Program Enhancements:**

Avista considered relevant factors for supplemental enhancements but failed to effectively address them.

- a. Avista failed to provide documentation that audiences were provided all of the information content described in their plan.
- b. Avista failed to include/represent locations such as the cities of Goldendale and Stevenson in the plan at all.
- c. Avista failed to provide documentation of baseline and supplemental activity reaching locations such as the cities of Goldendale and Stevenson.
- d. Avista's messages are regionalized and all locations are not receiving the information identified in the plan.
- e. Avista failed to address supplemental messages and activities with the required frequency for all stakeholders.

12. **49 CFR §192.616 Public Awareness.**

(c) *The operator must follow the general program recommendations, including baseline and supplemental requirements of API RP 1162, unless the operator provides justification in its program or procedural manual as to why compliance with all or certain provisions of the recommended practice is not practicable and not necessary for safety.*

1. **Finding(s) - Maintaining Liaison with Emergency Response Officials:**  
Avista's plan failed to identify how they will maintain their liaison relationship with all required emergency officials.
2. **Finding(s) - Maintaining Liaison with Emergency Response Officials:**  
Avista failed to provide records evidencing the maintaining of a liaison relationship with all required emergency officials.
3. **Finding(s) - Maintaining Liaison with Emergency Response Officials:**  
Avista failed to provide records evidencing notification to emergency response officials of the location of their emergency response plan (EOP).
4. **Finding(s) - Maintaining Liaison with Emergency Response Officials:**  
Avista failed to provide records evidencing what/whether emergency response organizations have adequate and proper resources to respond.
5. **Finding(s) - Maintaining Liaison with Emergency Response Officials:**  
Avista failed to provide records evidencing/ensured required information was communicated to all emergency response officials including those that did not attend training/information sessions held by the operator.

13. **49 CFR §192.615 Emergency plans.**

- (c) *Each operator shall establish and maintain liaison with appropriate fire, police, and other public officials to:*
- (1) *Learn the responsibility and resources of each government organization that may respond to a gas pipeline emergency;*
  - (2) *Acquaint the officials with the operator's ability in responding to a gas pipeline emergency;*
  - (3) *Identify the types of gas pipeline emergencies of which the operator notifies the officials; and,*
  - (4) *Plan how the operator and officials can engage in mutual assistance to minimize hazards to life or property.*

1. **Finding(s):**

Avista failed to provide records evidencing they have established and maintained liaison with appropriate fire, police, and other public officials.

2. **Finding(s):**

Avista failed to provide records evidencing that they learned the responsibility and resources of each government organization that may respond to a gas pipeline emergency.

14. **49 CFR §192.616 Public Awareness.**

- (c) *The operator must follow the general program recommendations, including baseline and supplemental requirements of API RP 1162, unless the operator provides justification in its program or procedural manual as to why compliance with all or certain provisions of the recommended practice is not practicable and not necessary for safety.*
- (i) *The operator's program documentation and evaluation results must be available for periodic review by appropriate regulatory agencies.*

1. **Finding(s) – Measuring program implementation:**

Avista failed to complete self-audits for the years 2009 and 2010.

2. **Finding(s) – Measuring program implementation:**

Avista failed to measure their program implementation using all methodologies identified in their plan.

15. **49 CFR §192.616 Public Awareness.**

- (c) *The operator must follow the general program recommendations, including baseline and supplemental requirements of API RP 1162, unless the operator provides justification in its program or procedural manual as to why compliance with all or certain provisions of the recommended practice is not practicable and not necessary for safety.*



**Finding(s) – Acceptable methods for program implementation audits:**

Avista failed to complete annual self-audits in accordance with their plan which identifies three methods of self-audits are to be completed annually.

16. **49 CFR §192.616 Public Awareness.**

(c) *The operator must follow the general program recommendations, including baseline and supplemental requirements of API RP 1162, unless the operator provides justification in its program or procedural manual as to why compliance with all or certain provisions of the recommended practice is not practicable and not necessary for safety.*

**Finding(s) – Program Changes and Improvements:**

Avista failed to perform annual assessment audits of their program in 2009 and 2010. Avista performed their first self-audit in January 2012.

- a. Avista failed to develop and implement changes in its program as a result of their annual assessment audit.
- b. Avista's plan fails to identify timeframe for changes/improvements/corrective action documented in their annual audit/review.

17. **49 CFR §192.616 Public Awareness.**

(c) *The operator must follow the general program recommendations, including baseline and supplemental requirements of API RP 1162, unless the operator provides justification in its program or procedural manual as to why compliance with all or certain provisions of the recommended practice is not practicable and not necessary for safety.*

**Finding(s) – Evaluating program effectiveness:**

Avista failed to complete an effectiveness evaluation of their program that meets with regulatory requirements.

18. **49 CFR §192.616 Public Awareness.**

(c) *The operator must follow the general program recommendations, including baseline and supplemental requirements of API RP 1162, unless the operator provides justification in its program or procedural manual as to why compliance with all or certain provisions of the recommended practice is not practicable and not necessary for safety.*

**Finding(s) – Measure program outreach:**

Avista failed to measure program outreach by tracking actual program outreach for each stakeholder audience within all areas along all assets and systems covered by their program.

19. **49 CFR §192.616 Public Awareness.**

- (c) *The operator must follow the general program recommendations, including baseline and supplemental requirements of API RP 1162, unless the operator provides justification in its program or procedural manual as to why compliance with all or certain provisions of the recommended practice is not practicable and not necessary for safety.*

**Finding(s) – Measure percentage stakeholder reached:**

Avista failed to measure percentage of stakeholders reached. Avista failed to represent all regional areas in their study.

20. **49 CFR §192.616 Public Awareness.**

- (c) *The operator must follow the general program recommendations, including baseline and supplemental requirements of API RP 1162, unless the operator provides justification in its program or procedural manual as to why compliance with all or certain provisions of the recommended practice is not practicable and not necessary for safety.*

**Finding(s) – Measure understandability of message content:**

Avista failed to evaluate effectiveness and assess the percentage of intended stakeholder audiences that understood and retained the key information in the messages received, within all assets and systems covered by its program. Avista failed to represent all regional areas in their study.

21. **49 CFR §192.616 Public Awareness.**

- (c) *The operator must follow the general program recommendations, including baseline and supplemental requirements of API RP 1162, unless the operator provides justification in its program or procedural manual as to why compliance with all or certain provisions of the recommended practice is not practicable and not necessary for safety.*

**Finding(s) – Measure Desired Stakeholder Behavior:**

Avista failed to evaluate effectiveness and examine results to determine if the stakeholders have demonstrated the intended learned prevention behaviors.

22. **49 CFR §192.616 Public Awareness.**

- (c) *The operator must follow the general program recommendations, including baseline and supplemental requirements of API RP 1162, unless the operator provides justification in its program or procedural manual as to why compliance with all or certain provisions of the recommended practice is not practicable and not necessary for safety.*

**Finding(s) – Measure Bottom-Line Results:**

Avista failed to evaluate effectiveness and examine bottom-line results of its program.

23. **49 CFR §192.616 Public Awareness.**

(c) *The operator must follow the general program recommendations, including baseline and supplemental requirements of API RP 1162, unless the operator provides justification in its program or procedural manual as to why compliance with all or certain provisions of the recommended practice is not practicable and not necessary for safety.*

**Finding(s) – Program changes:**

Avista failed to evaluate effectiveness and did not document needed changes and/or modifications to its program.