

OPERATOR INSPECTION-SPECIFIC INFORMATION

Inspection Date(s):	September 30, 2014 through October 1, 2014		
Name of Operator:	Avista		
OPS Operator ID:	31232		
State/Other ID:	Idaho, WA, OR		
H.Q. Address: 1411 Mission Ave. Spokane, WA. 99202	Company Officer:	Mike Faulkenberry	
	Title:	Director, Natural Gas	
	Phone Number:	509.495.8499	
	Fax Number:	509.295.4070	
Web Site:		Email Address:	Mike.Faulkenberry@avistacorp.com
Employees Covered by OQ Plan:	110		
Contractors Covered by OQ Plan:	206		
Total Mileage Represented:	3422.95		

Persons Interviewed	Title	Phone Number	Email Address
Randy Bareither	PE, Compliance	509.495.8716	Randy.Bareither@avistacorp.com
William Baker	Gas Manager, QA/QC	509.495.4894	William.baker@avistacorp.com
Jeremy Gall	Training and Development	509.495.2906	Jeremy.gall@avistacorp.com
Steve Schacher	Learning & Development Coordinator	509-495-8839	Steven.schacher@avistacorp.com

To add rows, press TAB with cursor in last cell.

OPS/State Representatives	Region/State
Ellis Hire	Idaho
Rustin Alsup	Idaho
John Ivey	Oregon
Ronda Shupert	Washington

To add rows, press TAB with cursor in last cell.

Remarks:

Mileage Covered by OQ Plan (by Company and State)

List each company and subsidiary separately, broken down by state (using 2-letter designation). If a company has intrastate and/or interstate mileage in several states, use one row per state. If there are both gas and liquid lines, use both the first and second table. For small gas operators (e.g. master meter, LP), use the third table.

Jurisdictional to Part 192 (Gas) Mileage

Company (Gas Operator)	Operator ID	State	Interstate Gathering	Intrastate Gathering	Interstate Transmission	Intrastate Transmission	Interstate Distribution*	Intrastate Distribution*	Remarks
Avista Utilities	31232	ID				72.7	3350.25		
			0	0	0			0	

(To add rows, press TAB with cursor in last cell.)

Jurisdictional to Part 195 (Hazardous Liquid) Mileage

Company (Liquid Operator)	Operator ID	State	Interstate Transmission	Intrastate Transmission	Remarks
					N/A No liquids

(To add rows, press TAB with cursor in last cell.)

Jurisdictional to Part 192 (Gas) Mileage – Small Operators

Company (Small Gas Operator)	Operator ID	State	Small Gas (e.g., master meter)*	LP*	Remarks
					N/A Not a small operator

(To add rows, press TAB with cursor in last cell.)

1. Supply company name and Operator ID, if not the master operator from the first page (i.e., for subsidiary companies).
2. Use OPS-assigned Operator ID. Where not applicable, leave blank or enter n/a.
3. Use only 2-letter state codes in column #3, e.g., TX for Texas.
4. Enter number of applicable miles in all other columns. (Only positive values. No need to enter 0 or n/a.)
5. * Please do not include Service Line footage. This should only be MAINS.

1 - Document Program Plan, Implementing Procedures and Qualification Criteria

1.01 Application and Customization of “Off-the-Shelf” Programs

Does the operator’s plan identify covered tasks and does it specify task-specific reevaluation intervals for individuals performing covered tasks? (Associated Protocols: 1.05, 2.01, 5.02)

<input checked="" type="checkbox"/> No Issues Identified	Inspection Notes: First part of question-4.3.1, Appendix A. Total of 47 covered tasks with evaluation interval-plan was established as of 4/18/01 evidenced by OQ plan document. OQ tasks were developed as of 10/28/02. They were based on MEA.
<input type="checkbox"/> Potential Issues Identified (explain)	
<input type="checkbox"/> N/A (explain)	
<input type="checkbox"/> Not Inspected	
Check exactly one box above.	

1.02 Contractor Qualification

Does the operator employ contractor organizations to provide individuals to perform covered tasks? If so, what are the methods used to qualify these individuals and how does the operator ensure that contractor individuals are qualified in accordance with the operator’s OQ program plan?

* Verify that the operator’s written program includes provisions that require all contractor and subcontractor individuals be evaluated and qualified prior to performing covered tasks, unless the covered task is performed by a non-qualified individual under the direction and observation of a qualified individual. (Associated Protocols: 1.05, 2.02, 3.02)

<input checked="" type="checkbox"/> No Issues Identified	Inspection Notes: Yes. GSM Spec 4.31 Sheets 9 & 10, “contractor qualification” – Shown Northern Pipeline, Loy Clark, Southern Cross, Fugal & Son. Training is hosted on Verisource. Small contractors are OQ’d thru Avista and a report is printed for them to carry.
<input type="checkbox"/> Potential Issues Identified (explain)	
<input type="checkbox"/> N/A (explain)	
<input type="checkbox"/> Not Inspected	
Check exactly one box above.	

1.03 Management of Other Entities Performing Covered Tasks

Has the operator’s OQ program included provisions that require individuals from any other entity performing covered task(s) on behalf of the operator (e.g., through mutual assistance agreements) be evaluated and qualified prior to task performance?

* Verify that other entities that perform covered task(s) on behalf of the operator are addressed under the operator’s OQ program and that individuals from such other entities performing covered tasks on behalf of the operator are evaluated and qualified consistent with the operator’s program requirements. (Associated Protocols: 1.05, 2.02)

<input checked="" type="checkbox"/> No Issues Identified	Inspection Notes: GSM Spec 4.31, Page 10 Assistance agreement-mutual aid. In Avista’s Learning Management System.
<input type="checkbox"/> Potential Issues Identified (explain)	
<input type="checkbox"/> N/A (explain)	
<input type="checkbox"/> Not Inspected	

Check exactly one box above.

1.04 Training Requirements (Initial Qualification, Remedial if Initial Failure, and Reevaluation)

Does the operator's OQ program plan contain policy and criteria for the use of training in initial qualification of individuals performing covered tasks, and are criteria in existence for re-training and reevaluation of individuals if qualifications are questioned? **(Associated Protocols: 5.02)**

<input checked="" type="checkbox"/> No Issues Identified	Inspection Notes: GSM Spec 4.31 sheet 4. Initial qualification of personnel, sheet 5 refresher requalification of personnel and possibly portions of sheets 6,7 & 8 particularly sheet 7, reasonable cause to verify qualification investigations. Requalification is by written test, passing will be between 80% to 100%.
<input type="checkbox"/> Potential Issues Identified (explain)	
<input type="checkbox"/> N/A (explain)	
<input type="checkbox"/> Not Inspected	
Check exactly one box above.	

1.05 Written Qualification Program

Did the operator meet the OQ Rule requirements for establishing a written operator qualification program and completing qualification of individuals performing covered tasks?

- * Verify that the operator's written qualification program was established by April 27, 2001.
- * Verify that the written qualification program identified all covered tasks for the operator's operations and maintenance functions being conducted as of October 28, 2002.
- * Verify that the written qualification program established an evaluation method(s) to be used in the initial qualification of individuals performing covered tasks as of October 28, 2002.
- * Verify that all individuals performing covered tasks as of October 28, 2002, and not otherwise directed or observed by a qualified individual were qualified in accordance with the operator's written qualification program. **(Associated Protocols: 3.01, 7.01)**

<input checked="" type="checkbox"/> No Issues Identified	Inspection Notes: GSM Spec 4.20 Rev 0 (OQ program) was dated 4/18/01. Original covered tasks use the OQ change tracker spreadsheet. Evaluation methods as of 10/28/02. Was exclusively written tests except for pipe joining. Tests are in archive and strongly were based on MEA tests. OQ program rev 1 initial qualification.
<input type="checkbox"/> Potential Issues Identified (explain)	
<input type="checkbox"/> N/A (explain)	
<input type="checkbox"/> Not Inspected	
Check exactly one box above.	

2 - Identify Covered Tasks and Related Evaluation Methods

2.01 Development of Covered Task List

How did the operator develop its covered task list?

* Verify that the operator applied the four-part test to determine whether 49 CFR Part 192 or 49 CFR Part 195 O&M activities applicable to the operator are covered tasks.

* Verify that the operator has identified and documented all applicable covered tasks. **(Associated Protocols: 8.01)**

<input checked="" type="checkbox"/> No Issues Identified	Inspection Notes: GSM 4.31 sheet 3. Used MEA initially. OQ program reviewed annually, changes made as needed.
<input type="checkbox"/> Potential Issues Identified (explain)	
<input type="checkbox"/> N/A (explain)	
<input type="checkbox"/> Not Inspected	
Check exactly one box above.	

2.02 Evaluation Method(s) (Demonstration of Knowledge, Skill and Ability) and Relationship to Covered Tasks

Has the operator established and documented the evaluation method(s) appropriate to each covered task?

* Verify what evaluation method(s) has been established and documented for each covered task.

* Verify that the operator's evaluation program ensures that individuals can perform assigned covered tasks.

* Verify that the evaluation method is not limited to observation of on-the-job performance, except with respect to tasks for which OPS has determined that such observation is the best method of examining or testing qualifications. The results of any such observations shall be documented in writing. **(Associated Protocols: 3.01, 3.02)**

<input checked="" type="checkbox"/> No Issues Identified	Inspection Notes: GSM 4.31 Appendix A, rev 15. Criteria guides reviewed. All evaluation methods are knowledge and skill. (Appendix A)
<input type="checkbox"/> Potential Issues Identified (explain)	
<input type="checkbox"/> N/A (explain)	
<input type="checkbox"/> Not Inspected	
Check exactly one box above.	

2.03 Planning for Mergers and Acquisitions (Due Diligence re: Acquiring Qualified Individuals)

Does the operator have a process for managing qualifications of individuals performing covered tasks during program integration following a merger or acquisition (applicable only to operators engaged in merger and acquisition activities)?

* Verify that the OQ program describes the process for ensuring OQ qualifications, evaluations, and performance of covered tasks during the merger with or acquisition of other entities. **(Associated Protocols 3.01 3.02)**

<input checked="" type="checkbox"/> No Issues Identified	Inspection Notes: GSM 4.31, sheet 8.
<input type="checkbox"/> Potential Issues Identified (explain)	
<input type="checkbox"/> N/A (explain)	
<input type="checkbox"/> Not Inspected	
Check exactly one box above.	

3 - Identify Individuals Performing Covered Tasks

3.01 Development/Documentation of Areas of Qualification for Individuals Performing Covered Tasks

Does the operator's program document the evaluation and qualifications of individuals performing covered tasks, and can the qualification of individuals performing covered tasks be verified?

* Verify that the operator's qualification program has documented the evaluation of individuals performing covered tasks.

* Verify that the operator's qualification program has documented the qualifications of individuals performing covered tasks. **(Associated Protocols: 4.02, 7.01)**

<input checked="" type="checkbox"/> No Issues Identified	Inspection Notes: GSM Spec 4.31 sheet 9 (record keeping) Veriforce for large contractors and Avista learning network (LMS) for small contractors and employees.
<input type="checkbox"/> Potential Issues Identified (explain)	
<input type="checkbox"/> N/A (explain)	
<input type="checkbox"/> Not Inspected	
Check exactly one box above.	

3.02 Covered Task Performed by Non-Qualified Individual

Has the operator established provisions to allow non-qualified individuals to perform covered tasks while being directed and observed by a qualified individual, and are there restrictions and limitations placed on such activities?

* Verify that the operator's program includes provisions for the performance of a covered task by a non-qualified individual under the direction and observation by a qualified individual. **(Associated Protocols: 2.01, 2.02)**

<input checked="" type="checkbox"/> No Issues Identified	Inspection Notes: GSM Spec 4.31 sheet 6. Joining and welding and visual inspection are non-observable.
<input type="checkbox"/> Potential Issues Identified (explain)	
<input type="checkbox"/> N/A (explain)	
<input type="checkbox"/> Not Inspected	
Check exactly one box above.	

4 - Evaluate and Qualify Individuals Performing Covered Tasks

4.01 Role of and Approach to “Work Performance History Review”

Does the operator use work performance history review as the sole method of qualification for individuals performing covered tasks prior to October 26, 1999, and does the operator's program specify that work performance history review will not be used as the sole method of evaluation for qualification after October 28, 2002?

* Verify that after October 28, 2002, work performance history is not used as a sole evaluation method.

* Verify that individuals beginning work on covered tasks after October 26, 1999 have not been qualified using work performance history review as the sole method of evaluation. **(Associated Protocols: 2.02)**

<input checked="" type="checkbox"/> No Issues Identified	Inspection Notes: GSM Spec, 4.31 sheet 4. Paragraph 3. No, Avista never used work performance history reviews.
<input type="checkbox"/> Potential Issues Identified (explain)	
<input type="checkbox"/> N/A (explain)	
<input type="checkbox"/> Not Inspected	
Check exactly one box above.	

4.02 Evaluation of Individual’s Capability to Recognize and React to AOCs

Are all qualified individuals able to recognize and react to AOCs? Has the operator evaluated and qualified individuals for their capability to recognize and react to AOCs? Are the AOCs identified as those that the individual may reasonably anticipate and appropriately react to during the performance of the covered task? Has the operator established provisions for communicating AOCs for the purpose of qualifying individuals?

* Verify that individuals performing covered tasks have been qualified in recognizing and reacting to AOCs they may encounter in performing such tasks. **(Associated Protocols 3.01)**

<input checked="" type="checkbox"/> No Issues Identified	Inspection Notes: GSM Spec 4.31 sheet 5. AOCs - Training and on the job, then come in for testing. AOC’s are anchored in the knowledge check. Some oral and some written. Appendix A has AOCs listed. Refresher training is how new AOCs are communicated.
<input type="checkbox"/> Potential Issues Identified (explain)	
<input type="checkbox"/> N/A (explain)	
<input type="checkbox"/> Not Inspected	
Check exactly one box above.	

5 - Continued/Periodic Evaluation of Individuals Performing Covered Tasks

5.01 Personnel Performance Monitoring

Does the operator's program include provisions to evaluate an individual if the operator has reason to believe the individual is no longer qualified to perform a covered task based on: covered task performance by an individual contributed to an incident or accident; other factors affecting the performance of covered tasks?

* Verify that the operator's program ensures re-evaluation of individuals whose performance of a covered task may have contributed to an incident or accident.

* Verify that the operator has established provisions for determining whether an individual is no longer qualified to perform a covered task, and requires reevaluation.

(Specific Protocols: 2.02)

<input checked="" type="checkbox"/> No Issues Identified	Inspection Notes: GSM Spec 4.31 sheet 6 & 7. Post incident investigation. Re-evaluation after disqualification sheet 8.
<input type="checkbox"/> Potential Issues Identified (explain)	
<input type="checkbox"/> N/A (explain)	
<input type="checkbox"/> Not Inspected	
Check exactly one box above.	

5.02 Reevaluation Interval and Methodology for Determining the Interval

Has the operator established and justified requirements for reevaluation of individuals performing covered tasks?

* Verify that the operator has established intervals for reevaluating individuals performing covered tasks. **(Associated Protocols: None)**

<input checked="" type="checkbox"/> No Issues Identified	Inspection Notes: GSM Spec 4.31 appendix A. Operator had option to complete every 5 yrs, however chose to be proactive and do it every 3 yrs.
<input type="checkbox"/> Potential Issues Identified (explain)	
<input type="checkbox"/> N/A (explain)	
<input type="checkbox"/> Not Inspected	
Check exactly one box above.	

6 - Monitor Program Performance; Seek Improvement Opportunities

6.01 Program Performance and Improvement

Does the operator have provisions to evaluate performance of its OQ program and implement improvements to enhance the effectiveness of its program?

(Associated Protocols: None)

<input checked="" type="checkbox"/> No Issues Identified	Inspection Notes: GSM Spec 4.31, sheet 9.
<input type="checkbox"/> Potential Issues Identified (explain)	
<input type="checkbox"/> N/A (explain)	
<input type="checkbox"/> Not Inspected	
Check exactly one box above.	

7 - Maintain Program Records

7.01 Qualification “Trail”(i.e., covered task; individual performing; evaluation method(s); continuing performance evaluation; reevaluation interval; reevaluation records)

Does the operator maintain records in accordance with the requirements of 49 CFR 192, subpart N, and 49 CFR 195, subpart G, for all individuals performing covered tasks, including contractor individuals?

- * Verify that qualification records for all individuals performing covered tasks include the information identified in the regulations.
- * Verify that the operator's program ensures the retention of records of prior qualification and records of individuals no longer performing covered tasks for at least five years.
- * Verify that the operator's program ensures the availability of qualification records of individuals (employees, contractors and third party entities) currently performing covered tasks, or who have previously performed covered tasks. **(Associated Protocols: 1.05, 3.01)**

<input checked="" type="checkbox"/> No Issues Identified	Inspection Notes: GSM Spec 4.31. Appendix A. Veriforce and LMS has three out of the four. methods of verifying can be found thru other records.
<input type="checkbox"/> Potential Issues Identified (explain)	
<input type="checkbox"/> N/A (explain)	
<input type="checkbox"/> Not Inspected	
Check exactly one box above.	

8 - Manage Change

8.01 Management of Changes (to Procedures, Tools, Standards, etc.)

Does the operator's OQ program identify how changes to procedures, tools standards and other elements used by individuals in performing covered tasks are communicated to the individuals, including contractor individuals, and how these changes are implemented in the evaluation method(s)?

- * Verify that the operator's program identifies changes that affect covered tasks and how those changes are communicated, when appropriate, to affected individuals.
- * Verify that the operator's program identifies and incorporates changes that affect covered tasks.
- * Verify that the operator's program includes provisions for the communication of changes (e.g., who, what, when, where, why) in the qualification program to the affected individuals.
- * Verify that the operator incorporates changes into initial and subsequent evaluations.
- * Verify that contractors supplying individuals to perform covered tasks for the operator are notified of changes that affect task performance and thereby the qualification of these individuals.

(Associated Protocols 1.04)

<input checked="" type="checkbox"/> No Issues Identified	Inspection Notes: GSM Spec 4.31 sheet 8. Covered task change log. If a major change is made retraining is done.
<input type="checkbox"/> Potential Issues Identified (explain)	
<input type="checkbox"/> N/A (explain)	
<input type="checkbox"/> Not Inspected	
Check exactly one box above.	

8.02 Notification of Significant Program Changes

Does the operator have a process for identifying significant OQ written program changes and notifying the appropriate regulatory agency of these changes once the program has been reviewed?

- * Verify that the operator's written program contains provisions to notify OPS or the appropriate regulatory agency of significant modifications to a program that has been reviewed for compliance.

(Associated Protocols: None)

<input checked="" type="checkbox"/> No Issues Identified	Inspection Notes: GSM Spec 4.31 sheet 9. Manuals are sent to the state annually
<input type="checkbox"/> Potential Issues Identified (explain)	
<input type="checkbox"/> N/A (explain)	
<input type="checkbox"/> Not Inspected	
Check exactly one box above.	

1. Wholesale changes made to an OQ Plan or Program, whether due to an overall effort to improve program performance, or due to a merger or acquisition that results in incorporating the best features of the competing plans and programs.
2. Recommend the operator send a letter to accompany the program that addresses the changes made to the program. The official notification should be addressed to headquarters.

9 – Field Inspection Findings

Additional Inspection Notes