

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF AVISTA CORPORATION'S APPLICATION TO REVISE TARIFF SCHEDULE 170 – NATURAL GAS RULES AND REGULATIONS))))))	CASE NO. AVU-G-18-07 ORDER NO. 34178
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On September 19, 2018, Avista Corporation dba Avista Utilities filed an Application requesting that the Commission approve changes to the Company's Tariff Schedule 170 relating to the Company's Natural Gas Rules and Regulations. The proposed changes stem from the Company's effort to comply with Commission Order No. 33953. The Company has worked with Staff on these issues since 2008.

On October 11, 2018, the Commission issued a notice of the Application, and set an October 24, 2018, comment deadline and an October 26, 2018, reply deadline. Staff filed the only comments. The Company did not reply, and no other comments were filed.

Having reviewed the record, the Commission approves the Company's Application to modify Tariff Schedule 170, as set forth below.

BACKGROUND

In July 2008, Avista notified Staff of an apparent conflict between Commission Gas Service Rule 102, and Commission Safety Rule 202. In these rules, the Commission adopted the National Fuel Gas Code, the Uniform Mechanical Code, and the International Mechanical Code. After reviewing the issue, the Commission concluded that Gas Service Rule 102 is incompatible with the Commission's Safety Rules 202.02 and 203.02. Order No. 30625 at 2. The Commission thus suspended Gas Service Rule 102, IDAPA 31.31.01.102. *Id.* at 3, and directed Staff to work with gas utilities and other interested persons to informally review the Gas Service Rules. *Id.*

In November 2016, Avista provided Staff with proposed changes to IDAPA 31.31.01. Further discussions led to parties to agree that it would be better to integrate these revisions into the Company's tariffs than to change the Commission's rules. The parties' Settlement and Stipulation to resolve the Company's 2017 General Rate Case, as approved by Order No. 33953, thus stated:

The Company and interested parties will meet and confer to review the Commission's Service Rules for Gas Utilities (IDAPA 31.31.01) to determine

which provisions should be retained and/or modified, and, if the participants agree, incorporate those changes into the Company's tariff. Any changes requiring Commission approval, e.g., tariff revisions, will be submitted by the Company on or before [October 1, 2018].¹

Stipulation and Settlement Para. 19.

Since then, the Company has worked with Staff to develop the proposed changes to the Company's Natural Gas Tariff Schedule 170. Generally, the Company proposed to incorporate pertinent provisions of the Commission's Service Rules for Gas Utilities (IDAPA 31.31.01), including rules for meter testing and accuracy, and rules related to maintaining system maps and records. Approval of the rules would not change rates. The Company requested that the Commission process this Application under Modified Procedure, with an effective date of November 1, 2018. Application at 8.

THE APPLICATION

The Company has asked to add three new sections to Schedule 170. The first section relates to maps and records of Company facilities (Commission Rule 101.03); the second section regards meter accuracy (Commission Rules 153.02-.04, 155.01); and the third section concerns meter testing (Commission Rules 152.01-.02, 157).

The map and record section discusses the maps and records to be maintained for each Company gas plant in the system.

The meter-accuracy section incorporates the part of the Avista Utilities Gas Standards Manual that states the gas meter prover² calibration intervals for the different types of provers the Company employs.

The meter-testing portion of the proposed change adds rules regarding meter testing practices (every ten years, testing will occur for all meters with capacities above 400 CFH, and for a sample of meters with smaller capacities that have been operating for ten years). The Company proposed using the prescribed testing schedule in the Avista Utilities Gas Standards Manual. The Company does not include a rate of flow requirement, but suggests using New Meter and Installed Meters testing programs consistent with Company practice. Finally, the Company proposed incorporating rules relating to fees for testing meters at a customer's request. Specifically, the

¹ The Settlement and Stipulation initially called for a July 1, 2018, submission date. However, the Company later requested, and the Commission approved an extension of that deadline to October 1, 2018. Order No. 34102.

² A gas meter prover is an automated device that verifies the accuracy of a gas meter.

Company proposed one meter test in a 12-month period without charge. Beyond that, if another test is performed within that 12-month period, and the meter registers within 2% of accepted tolerance, the customer will have to pay for the test.

STAFF COMMENTS

Staff worked with the Company to develop the Company's proposal, and supports the Company's Application. Staff expressed that the Company's proposed tariff provisions are reasonable and appropriate and in compliance with Commission Order No. 33953.

Staff stated that the Company's map and record rules are sufficient. Staff also stated that the Company's meter-accuracy section is appropriate. Staff stated that the Company and its employees have the requisite knowledge to determine the appropriate number of proving stations, and how best to oversee the accuracy of its provers. Staff thus supports that proposal by the Company.

Regarding the meter-testing provisions, Staff generally agreed with the Company's conclusions. Staff stated that the tariff need not prescribe the flow rate for testing meters. Rather, Staff detailed that because the Company's meter-testing program relies on acceptable accuracy tolerances and inspection intervals, the Company's proposed rule is sufficient. Staff thus supported the proposed meter-testing section, but stated it would continue to work with the Company to further refine the meter testing fee schedule.

Staff recommended one addition: that the Commission order the Company to include a tariff provision that states the Company will furnish the Commission with an electronic copy of the Company's Gas Standards Manual and the Standard Operating Procedures for the Gas Meter Measurement Performance Program upon request, or whenever substantive changes are made to either document. While the Company did not provide comments, it communicated to Staff that it agreed with this addition.

COMMISSION FINDINGS

The Commission has jurisdiction over this matter under *Idaho Code* § 61-303. Further, the Commission has the express statutory authority to investigate rates, charges, rules, regulations, practices, and contracts of public utilities and to determine whether they are just, reasonable, preferential discriminatory, or in violation of any provision of law, and may fix the same by order.

After reviewing the record, including the Application and comments, we find the Company's proposed changes adhere to its commitment to update its natural gas service rules. *See*

Order No. 33953. In addition, the proposed changes are just, reasonable, and consistent with the Commission's gas service rules.

Lastly, we find it is appropriate for the Company to add a tariff provision that requires the Company to furnish the Commission with an electronic copy of its Gas Standards Manual and the Standard Operating Procedures for the Gas Meter Measurement Performance Program upon request or whenever substantive changes are made. This change ensures the Commission and its Staff are kept abreast of the Company's most current standards and procedures. We therefore approve this recommended change.

Accordingly, with the addition of the requirement that the Company file its Gas Standards Manual and Standard Operating Procedures, we find it fair, just, and reasonable to approve the Company's proposed additions to Schedule 170, with an effective date of November 1, 2018.

ORDER

IT IS HEREBY ORDERED that the Company's Application to amend Tariff Schedule 170 is approved, with an effective date of November 1, 2018.

THIS IS A FINAL ORDER. Any person interested in this Order may petition for reconsideration within twenty-one (21) days of the service date of this Order with regard to any matter decided in this Order. Within seven (7) days after any person has petitioned for reconsideration, any other person may cross-petition for reconsideration. *See Idaho Code* § 61-626.

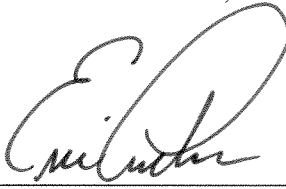
DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this 31st
day of October 2018.



PAUL KJELLANDER, PRESIDENT




KRISTINE RAPER, COMMISSIONER



ERIC ANDERSON, COMMISSIONER

ATTEST:



Diane M. Hanian
Commission Secretary

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