

**BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION**

**ERIC CONRAD,** )  
 ) **CASE NO. INT-G-16-01**  
**COMPLAINANT,** )  
 )  
 ) **v.** )  
 )  
**INTERMOUNTAIN GAS COMPANY,** ) **ORDER NO. 33524**  
 )  
 )  
**RESPONDENT.** )

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In December 2015, Eric Conrad filed a “formal” complaint with the Commission against Intermountain Gas Company (IGC). During the process of building a new home near Idaho Falls, IGC required Mr. Conrad to install a meter protection structure at his own expense before the utility would “set” the meter and provide natural gas service to his new residence. The initial structure built by Mr. Conrad was unsatisfactory to IGC and he had to install another protection structure.

On February 1, 2016, the Commission issued a Summons to Intermountain Gas requiring the utility to file a response to the complaint. The Summons also directed Intermountain Gas to address specific areas of inquiry (set out below). On February 19, 2016, the Company filed its Answer. On February 25, Commission Staff filed a Motion requesting permission to file comments in response to IGC’s answer and to adopt a new schedule to process this case. The Commission granted the Motion at its Decision Meeting. In accordance with the schedule, Staff filed comments on March 7, and the Company filed a response to Staff’s comments on March 21, 2016. Mr. Conrad did not file a reply. As set out in greater detail below, the Commission grants in part and denies in part the requested relief.

**BACKGROUND**

***A. The Underlying Complaint***

In November 2015, Mr. Conrad was in the process of building a new home. His contractor had installed gas lines in the home and predetermined a location for the gas meter to be installed on the exterior of the residence. When IGC came to install a gas meter and connect service, the Company allegedly determined that the roof eaves were too narrow to adequately protect the gas meter from snow loads and additional protection would be required prior to

installing the meter. Mr. Conrad then built a freestanding wooden structure that was intended to cover and enclose the meter. According to his complaint, IGC stated that the wooden structure was inadequate because it was not permanently affixed to the residence and was not approved to meet snow load criteria by an engineer.

Mr. Conrad maintained that when he subsequently contacted IGC to obtain technical specifications for building an acceptable protective device to accommodate the snow load, the Company provided him with photographs of protective measures and an April 2012 form letter that purportedly had been sent to builders and architects at that time. Mr. Conrad claimed that none of the materials provided by IGC had any technical specifications about what constitutes an adequate structure to protect a gas meter from snow load.

On November 13, 2015, Mr. Conrad filed an informal complaint with Commission Staff. Mr. Conrad complained to Staff that he had surveyed the area around Rexburg and noted a number of homes built in 2015 that did not have meter protection structures in place. He requested that the Commission review IGC's inconsistent practices of requiring roofs or other structures to protect gas meters and the Company's failure to provide any publicly available information to owners and builders about acceptable meter protection structures. He also sought reimbursement for expenses. In particular, he wanted to be reimbursed: (1) \$220 for the protective structure and \$150 in labor to install the protective structure; and (2) \$1,010.82 in construction loan interest for the delay in completing the interior parts of his house because it was unheated.

Staff assisted Mr. Conrad in obtaining information about meter protection structures but took no position on his reimbursement request. Mr. Conrad was unsatisfied with the outcome of the Staff's efforts to informally resolve his complaint against IGC and he subsequently pursued his remedy to file a "formal" complaint. Rules 23 and 24, IDAPA 31.01.01.023 and .024.

### **THE THREE AREAS OF INQUIRY**

In the Summons, the Commission directed that the Company answer three specific areas of inquiry:

1. Address what written material is available and distributed to customers regarding meter protection structures in areas of heavy or deep snow.

2. Describe how Intermountain Gas disseminates information about meter protection requirements to employees, customers, builders, contractors, and others.
3. Explain what the text from the IGC Procedures Manual (Riser and Meter Set Locations) ¶ 6(f) means when it states “IGC will provide protection for meter sets when required.”

Summons (Feb. 1, 2016).<sup>1</sup>

In its Answer, Intermountain Gas generally stated that it is committed to safety and specifically “the need to keep snow and ice from compromising gas meters.” Answer at 2. In its comments, Staff shared IGC’s concerns about the protection and safety of gas meters and risers. Staff Comments at 2. However, Staff recommended that the Company make its safety-related materials more detailed about specifications, improve the distribution of the revised materials, and ensure that Company representatives are aware of the improved safety materials. The Company and Staff comments regarding the three areas of inquiry are set out in greater detail below.

***A. Written Materials Regarding Meter Locations and Protection Structures***

1. IGC Answer. The Company stated that it gives new customers a two-sided bill stuffer when “the customer relationship is established with the Company” about the need to protect meters from ice and snow. Answer at 2. This mailer is also distributed once per year in the January billing cycle to all customers. The Company also provides a “meter protection” letter to builders in its service area. The letter advises builders to place meters under the gable roof/eaves to protect the meter from rain or snow accumulations. The letter states that the Company will not place a meter in an unsafe or unprotected location. The builders’ letter does say that meters cannot be placed “under roof valleys or eaves where run-off from rain or snow may affect the meter.”

2. Staff Comments. After reviewing IGC’s written materials, Staff determined that the materials lack specific criteria that can be used to objectively determine when meter protection is necessary, and do not contain sufficient technical specifications for meter protection structures. Staff Comments at 2. Staff believed that such criteria and technical specifications do exist and provided examples from Puget Sound Energy, Wisconsin Public Service, and Enbridge

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<sup>1</sup> In the Summons, the Commission directed the Company to address four areas of inquiry. In this Order the Commission has consolidated the four areas into three inquiries.

Gas Distribution. *Id.* at 3. Staff noted the technical specifications provided by these three entities is publicly available on their websites and describes each company's requirements and specifications for placing and protecting meters in areas with snow load. *Id.*

Staff also commented that the codes referenced by IGC (the International Fuel Gas Code (IFGC) and 49 C.F.R. Part 192) do not "provide any substantive information pertaining to the technical specifications for protecting a meter from weather-related events." Comments at 3. For example, C.F.R. Section 192.353(a) simply provides that "Each meter and service regulator, whether inside or outside a building, must be installed in a readily accessible location and be protected from corrosion and other damage, including, if installed outside a building, vehicular damage that may be anticipated." In addition, Section 401.1 of the IFGC simply states that "Pressure regulators shall be protected from physical damage." *Id.*

Staff also maintained that the information provided by the Company to customers, contractors, and builders is inadequate. The letter sent to Mr. Conrad consisted of "an outdated generic form letter that was not personalized, did not address any potential hazards specific to his property, and did not provide technical specifications regarding acceptable meter protection devices." Staff Comments at 3-4.

3. IGC Reply. In its response to Staff's comments, Intermountain Gas agreed to implement Staff's recommendations to draft more specific criteria for locating meters and technical specifications for meter protection structures and meter covers. Response at 2. The Company agreed to place this information on its web site to be available to the public, as well as in printed materials to be distributed to customers, builders, contractors, and others. *Id.* at 2.

**Commission Findings:** The Commission is an agency of limited jurisdiction and may only exercise that authority delegated to it by the Legislature. *Washington Water Power v. Kootenai Environmental Alliance*, 99 Idaho 875, 591 P.2d 122 (1979). Once the Commission's jurisdiction is clear, then it may exercise all power necessary to effectuate its purpose. *Id.* The Commission also has authority to require utilities to comply with safety standards. *Idaho Code* § 61-515. At the outset, we find that the Commission has jurisdiction to hear and decide parts of this complaint pursuant to *Idaho Code* §§ 61-503, 61-507, 61-515, and 61-612. We further find that the record has been sufficiently developed for us to resolve this complaint.

Given the agreement among the parties, it is reasonable to direct Intermountain Gas to work with Staff to draft more specific criteria regarding the placement and protection of meters

and other facilities. Developing specific safety criteria and publishing information will protect customers, utility employees, and the public. We find that the Company did not have sufficient meter protection criteria and other information readily available on its web site. We also expect the Company to revise the builders' letter to cross-reference the new information to be made available on the Company's web site and in other written materials.

***B. Disseminating the Information and Employee Training***

1. IGC Answer. IGC stated it utilizes individual communications to address the requirements for meter protection with customers and/or builders. Answer at 4. The Company indicated there is not a "one size fits all" safety solution. The Company's customer representatives provide personalized communication to customers on the proper placement of meters. If "the customer or builder insists on locating the meter in an unprotected location, IGC then advises the customer or builder to provide an engineered snow shield over the meter location as noted in the IGC Procedures Manual 4017 subparagraph D, item 2 ('an engineered structure that allows adequate ventilation and is designed to meet the potential snow load can be used to protect the meter')." Answer at 5. The protection structure must be in place prior to service being activated. *Id.*

IGC concluded that builders working in high snow load areas should be aware of the requirements for meter protection, while "[b]uilders and owners who don't often build in areas of snow should take the necessary steps to identify the unique building standards for these areas." *Id.* at 4-5. The Company does send out an annual letter to contractors who have built homes in the previous year. The Company noted that Mr. Conrad's builder (J.B. Kay Construction) "was not a builder of record for IGC. . . ." *Id.* at 6. Consequently, J.B. Kay did not receive IGC's annual builders' letter. IGC said that it also employs advertising to communicate the importance of protecting natural gas meters. *Id.* at 5.

The Company also maintained that its consumer sales representatives, operation assistants and engineering associates are all trained on the topic of meter protection and location requirements during their initial employment with the Company. Answer at 6. The Company also agreed to review its training procedures to remove any inconsistency between its training materials and the Procedures Manual.

2. Staff Comments. Staff commented that the Company's reliance on sending builders seasonal letters is insufficient because it does not account for builders who have low

construction volume, did not build in the prior year, or do not build structures requiring natural gas service. Comments at 4. Staff recommended that the Company reach out each year to builders and contractors within its service territory and dispense the safety protection criteria.

Staff also indicated that IGC's reliance upon its Procedures Manual is misplaced because the manual is an in-house document and not currently available to the general public. Staff identified several utilities (Duke Energy, PG&E, Madison Gas & Electric, Puget Sound Energy) that publish their service requirements and safety guidelines on their web site in a PDF format. *Id.* Staff recommended that after the Company establishes its criteria and technical specifications, such information be placed on the Company's web site in addition to producing brochures, flyers, booklets, etc. for distribution to customers, builders and others upon request. *Id.*

Staff also opined that the employee training was not consistent with IGC's Procedures Manual. Staff recommended the Company reconcile the inconsistencies between its Procedures Manual and its employee training. Staff Comments at 5.

**Commission Findings:** As noted above, the Company and Staff have agreed to work together to devise the necessary information and to make sure that the information is readily available to the public, customers, and builders. In particular, the information shall be placed on the Company's web site and the Company shall advise all of its service representatives on the location of this new information in order to improve customer service.

### ***C. Explain when IGC Provides Meter Protection***

In the Summons, Intermountain Gas was directed to explain the language in its Procedures Manual that states "IGC will provide protection for meter sets when required." The Company asserted this language is used as "a guideline when determining the safe location of a service line, meter set, riser or routes for service lines. This [text] should be viewed as a whole and . . . not selectively quoted and taken out of context." Answer at 6. Intermountain Gas further explained that the language "when required"

is contextual, not literal. IGC will provide, on its own behalf and at its own cost, meter protection to older existing services when the risk for damage to the meter by non-weather related actions becomes a concern, or if such non-weather related damage has already taken place. By way of example, IGC can provide protection from vehicle intrusions or provide fencing when a meter needs isolation from pedestrian traffic.

Answer at 7 (emphasis added). Intermountain Gas did agree with Mr. Conrad that this language can be revised to more delineate the conditions under which meter protection and meter covers will be provided by the Company without charge. *Id.* at 3. Finally, the Company agreed to review and if necessary take steps to ensure consistent application of the Company's meter protection criteria across its service territory. *Id.*

Staff recommended the Company revise its Procedures Manual to clarify the conditions under which meter protection will be provided by the Company without charge. Staff Comments at 4-5.

**Commission Findings:** Based upon our review of the language contained in the Company's Procedures Manual, we agree with Staff and Mr. Conrad that this language is ambiguous. As is the case with the standards and criteria for meter placement and protection, we direct the Company to revise this language to more clearly indicate the circumstances of when the Company will provide meter protection to existing meters.

#### **REIMBURSEMENT**

Turning to the issue of reimbursement, IGC agreed to reimburse Mr. Conrad for the cost of his meter protection (\$220) and the labor to install the structure (\$150), provided Mr. Conrad provides IGC with invoices for these two amounts. Answer at 9. The Company recognized the unique factors involved in this case and is willing to accommodate Mr. Conrad's request so long as it does not set a precedent that builders who set meters in unprotected areas will be reimbursed at the Company's expense. However, the Company declined to reimburse Mr. Conrad \$1,010.82 for construction interest. The Company declined because of the tenuous relationship between the interest amount and: (1) IGC's legitimate safety concerns; (2) the yet unquantified "delay period"; (3) other construction activities that may have taken place during this delay period; and (4) Mr. Conrad's actions which may have contributed to the delay. *Id.*

Staff comments did not address providing compensation to Mr. Conrad. Mr. Conrad offered no reply to IGC's refusal to reimburse him \$1,010.82 in construction loan interest.

**Commission Findings:** Given the agreement between Mr. Conrad and Intermountain Gas, we find the reimbursement for his costs of installing the protective structures for his new meter reasonable. However, we cannot grant his request for reimbursement for the construction loan interest. Although the Commission is often described as a quasi-judicial agency, the Commission is not a court. The Commission is not authorized to award "damages" to customers

under the Public Utilities Laws. Order No. 31009 at 4; 30615 at 8. *Idaho Code* § 61-702 provides that any person injured by the conduct of a public utility may file “an action to recover such loss, damage or injury . . . in any court of competent jurisdiction. . . .” (Emphasis added.) Consequently, persons injured by public utilities have recourse through Idaho courts.

**ORDER**

IT IS HEREBY ORDERED that Mr. Conrad’s requested relief is granted in part and denied in part. Intermountain Gas Company is ordered to work with Commission Staff to develop written materials regarding the proper placement and design of structures to protect meters and other facilities.

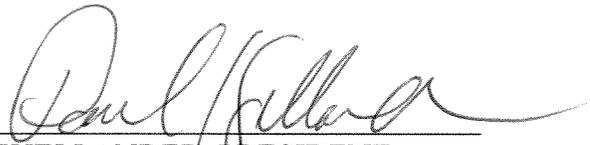
IT IS FURTHER ORDERED that once the materials are developed, the Company make such materials publicly available on its web site and otherwise disseminate the information to developers, builders, and contractors. The Company shall also advise all of its customer service representatives of the new information.

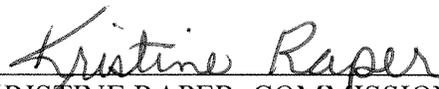
IT IS FURTHER ORDERED that, upon Mr. Conrad providing proof of his costs in constructing the meter protection devices, the Company reimburse him for his labor and materials.

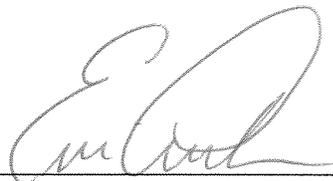
IT IS FURTHER ORDERED that Mr. Conrad’s request for reimbursement for his construction loan interest is denied.

THIS IS A FINAL ORDER. Any person interested in this Order (or in issues finally decided by this Order) or in interlocutory Orders previously issued in this Case No. INT-G-16-01 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 or in interlocutory Orders previously issued in this case. Within seven (7) days after any person has petitioned for reconsideration, any other person may cross-petition for reconsideration. See *Idaho Code* § 61-626.

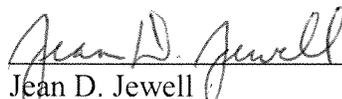
DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this 17<sup>th</sup>  
day of May 2016.

  
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PAUL KJELLANDER, PRESIDENT

  
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KRISTINE RAPER, COMMISSIONER

  
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ERIC ANDERSON, COMMISSIONER

ATTEST:

  
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Jean D. Jewell  
Commission Secretary

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