

## DECISION MEMORANDUM

**TO:** COMMISSIONER KJELLANDER  
COMMISSIONER SMITH  
COMMISSIONER HANSEN  
COMMISSION SECRETARY  
COMMISSION STAFF  
LEGAL

**FROM:** DONOVAN E. WALKER

**DATE:** SEPTEMBER 27, 2005

**SUBJECT:** PETITION OF INTERMOUNTAIN GAS FOR WAIVER OF  
ATMOSPHERIC CORROSION INSPECTION RULE (IDAPA 31.11.01.201,  
49 C.F.R. § 192.481(A)) – CASE NO. INT-G-05-3

On September 14, 2005, Intermountain Gas Company (Intermountain Gas, Company) filed a Petition for Waiver of Rule with the Commission. The Company requests that its Application be processed by Modified Procedure.

### THE APPLICATION

According to its Application, the Company seeks a waiver of the federal pipeline safety rule that requires each operator to inspect each pipeline or portion of pipeline that is exposed to the atmosphere for evidence of corrosion at least once every three years. This requirement is set forth in 49 C.F.R. § 192.481(a). The Commission adopted this federal regulation with IDAPA 31.11.01.201.

The Company states that it is requesting the waiver only for residential meters. Separate code requires yearly routine maintenance on its commercial and large volume meters, and consequently the atmospheric corrosion inspections are done along with the required yearly maintenance. The Application states that in July 2003, the Company installed automated meter reading (AMR) systems for residential and commercial meters. Prior to July 2003, meter readers, on foot, would perform a visual inspection of the above ground facilities in conjunction with their meter reads. With the Company's implementation of AMR there is no longer any regular maintenance need or requirement to visit each residential meter on an annual basis.

Intermountain Gas states that it has never experienced atmospheric corrosion or safety-related conditions resulting from atmospheric corrosion on its residential or commercial meters in the entire history of its operations, dating back to 1955. The Company states that the dry, arid environment in which it operates as well as the fact that the entire steel pipeline is cathodically protected is the reason they have not experience any corrosion in the last 50 years.

As a condition of the waiver, Intermountain Gas proposes to perform the atmospheric corrosion inspection of residential meters and associated piping in conjunction with the appropriate business district or non-business district leak survey schedule. The Company states that non-business district leak surveys are performed every four years, and business district leak surveys are conducted annually. The Company states that approval of the waiver to allow the atmospheric corrosion inspections to coincide with the annual business district and four year non-business district leak survey schedules will help the Company to maximize operating efficiencies without jeopardizing corrosion safety requirements.

#### **STAFF RECOMMENDATION**

Commission Staff recommends that the Company's Application be processed by Modified Procedure, with a 21-day comment period.

#### **COMMISSION DECISION**

Does the Commission preliminarily find that the public interest may not require a hearing to consider the issues presented by the Company's Application, and that this proceeding may be processed under Modified Procedure with a 21-day comment period?



Donovan E. Walker

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