

**BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION**

**IN THE MATTER OF AVISTA UTILITIES’ ) CASE NO. AVU-G-22-03**  
**REQUEST FOR A TEMPORARY )**  
**EXEMPTION FROM GSR 151 AND 152, ) ORDER NO. 35585**  
**UCRR 203(3) AND ASSOCIATED TARIFFS )**  
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On June 28, 2022, Avista Corporation d/b/a Avista Utilities (“Company”) petitioned the Commission for a temporary exemption from provisions of Gas Service Rules (“GSR”) 151 and 152, IDAPA 31.31.01.151-.152, Utility Customer Relations Rule (“UCRR”) 203, IDAPA 31.21.01.203, and applicable sections of its Schedule 170. The Company asserts it is making its request to provisionally pause its current natural gas meter testing procedures, or Periodic Meter Changeout Program, due to ongoing meter supply issues.

On July 27, 2022, the Commission issued a Notice of Petition and Notice of Modified Procedure, setting a public comment deadline and a Company reply comment deadline. *See* Order No. 35471. Staff submitted comments to which the Company did not reply. No other comments were received.

Having reviewed the record and all submitted materials, we issue this Order granting the Petition as noted below.

**THE PETITION**

GSRs 151 and 152 set forth requirements for the periodic testing of customer natural gas meters and standards for natural gas service. UCRR 203 provides stipulations regarding the issuance of corrected bills, including specifics regarding the rebilling time period to be used in the event that the time when a billing problem began cannot be reasonably determined.

Consistent with industry practices, the Company tests three types of meters, including diaphragm meters—the most common meter used to serve residential loads and medium commercial loads—to verify performance of new and installed meters. Petition at 2-3. Meters that fail to meet the Company’s standards are tested more frequently or, eventually, removed from service.

To test diaphragm meters, the Company represents that it must temporarily remove the meters from service and take them off-site. However, due to supply chain issues the Company

states there is and will continue to be an insufficient inventory of replacement meters to temporarily install while it tests its diaphragm meters and/or replaces failed meters.

To maintain an adequate level of replacement meters to continue its current testing regime and replace failed meters, the Company represents it considered but decided not to: (1) seek meters from a second manufacturer; (2) borrow or buy meters from other utilities; or (3) use diaphragm meter alternatives. Thus, to build an inventory of meters for its testing and replacement program, the Company seeks to pause its diaphragm meter testing program through December 31, 2023.

The Company represents that UCRR 203(3)(a) limits the timeframe under which corrected billings can be sent to a customer to the six months preceding the date an error in the meter is discovered. Resuming its meter testing and replacement program under GSRs 151 and 152, the Company states, will require that some customers whose meters eventually test outside the prescribed parameters will need to be rebilled for billings more than six months before the meter error was discovered.

Once it resumes its testing and replacement program, the Company anticipates it will discover meters that resulted in over- or under-charges to customers. Thus, the Company requests it be allowed to extend the rebilling period for customers who have been over-charged to 18 months from the time it resumes its testing program. The Company explains that customers who have been undercharged will only be rebilled for up to six months. The Company estimates, based on previous years' data, if an average customer is overbilled for 18 months, the customer would receive a bill credit of approximately \$26.10.

#### **STAFF COMMENTS**

Staff reviewed the Company's Petition, Schedule 170, GSR 151 and 152, UCRR 203, and responses to its Production Requests. Staff recommended that the Commission approve the Company's request for a temporary exemption from GSR 151 and 152, UCRR 203, and the applicable sections of its Schedule 170 through December 31, 2023.

Staff verified that the Company's meter attrition rate from testing and replacing failed meters combined with the Company's current spare meter inventory would result in a meter shortage if the temporary exemption was not granted.

Staff verified that supply chain shortages combined with the Company's inability to repair out-of-specification meters warrants suspension of the Company's accuracy verification program under GSR 151 until the end of 2023.

Staff supported the Company's request to extend the rebilling period under UCRR 203(3)(a) to 18-months from the time the Company resumes its testing program for overbilled amounts. Finally, Staff noted that the Company does not seek a waiver from customer requested meter testing or an exemption from any requirement to replace non-functioning or otherwise defective meters.

### **COMMISSION FINDINGS AND DECISION**

The Company is a gas utility subject to the Commission's regulation under the Public Utilities Law. *Idaho Code* §§ 61-117 and 61-129. The Company's rates, charges, classifications, and contracts for gas service in the State of Idaho are subject to the Commission's jurisdiction. The Commission has jurisdiction over this matter under *Idaho Code* §§ 61-501, 61-502, and 61-503. The Commission is empowered 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 to fix the same by order. *Idaho Code* §§ 61-502 and 61-503.

GSRs 151 and 152, IDAPA 31.31.01.151-152, set forth expectations on periodic tests of customer meters, meter proving, customer meter accuracy requirements, test loads and recordkeeping requirements. UCRR 203(3)(a) allows a utility to correct an inaccurate bill due to: (1) meter malfunction or failure; (2) incorrect installation or programming of metering equipment; or (3) errors in the preparation of bills. The Company uses meter testing data to correct and adjust customer bills. A utility should correct bill undercharges within six months, or no later than three years, if a reasonable person would have known of or suspected the inaccurate billing. A utility must also credit customers when it identifies billing overcharges.

The Commission has verified that supply chain issues have significantly reduced the number of meters available to comfortably allow the Company to periodically test customer meters according to the requirements of GSRs 151 and 152. While the Commission demands utilities accurately charge customers for the services rendered, we find that the temporary limited meter supply warrants suspending the requirements of GSRs 151 and 152, UCRR 203(3)(a), and the applicable sections of its Schedule 170, until the end of 2023 while it navigates meter supply chain shortages. The Commission encourages, and expects, the Company to resume testing as soon as possible. The Company must also continue to replace non-functioning or otherwise defective meters when it is aware of the malfunction. We direct the Company to resume its meter testing

program before the end of 2023 if the supply chain issues cited in its Petition ease before the suspension in this Order sunsets.

Because the meter shortage impacts the Company's ability to identify billing under- and over-charges, the Commission finds it reasonable to extend the rebilling period under UCRR 203(3)(a) to 18-months from the time the Company resumes its testing program. The Company has explained that this requested extension of the rebilling period will only applies to customers who may have been overcharged, and rebilling undercharged customers will remain limited to a six-month period. Notwithstanding these exemptions, the Commission directs the Company to be vigilant in monitoring billing data to protect customers from billing surprises.

### **ORDER**

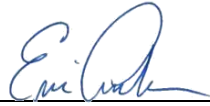
IT IS HEREBY ORDERED that the Company's petition for a temporary exemption from the requirements of GSRs 151 and 152, UCRR 203(3)(a), and the applicable provisions of Sections 24-25 of the Company's Schedule 170 natural gas tariff, is granted, through December 31, 2023.

IT IS FURTHER ORDERED that the rebilling period under UCRR 203(3)(a) is extended to 18-months for customers who may have been overcharged from the time it resumes its testing program, and rebilling undercharged customers will remain limited to a six-month period.

IT IS FURTHER ORDERED that the Company shall notify the Commission of any material changes impacting the requested exemption, and if the exemption needs to be modified prior to the planned sunset date.

THIS IS A FINAL ORDER. Any person interested in this Order may petition for reconsideration within 21 days of the service date of this Order. Within seven 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 4<sup>th</sup> day of November 2022.



ERIC ANDERSON, PRESIDENT

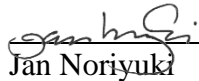


JOHN CHATBURN, COMMISSIONER



JOHN R. HAMMOND JR., COMMISSIONER

ATTEST:



Jan Noriyuki  
Commission Secretary

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