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Attorney for the Commission Staff

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE PETITION FILED)	
BY INTERMOUNTAIN GAS COMPANY FOR	.)	CASE NO. INT-G-02-1
AN EXEMPTION FROM THE)	
COMMISSION'S GAS SERVICE RULE 102,)	COMMENTS OF THE
IDAPA 31.31.01.102.)	COMMISSION STAFF
)	

COMES NOW the Staff of the Idaho Public Utilities Commission, by and through its Attorney of record, Donald L. Howell, II, Deputy Attorney General, and submits the following comments in response to the Commission's Notice of Petition and Notice of Modified Procedure issued in Order No. 28937 on January 25, 2002.

On January 11, 2002, Intermountain Gas filed an Application with the Commission seeking an exemption from the Commission's Gas Service Rule 102. IDAPA 31.31.01.102. In particular, Rule 102 requires all gas corporations to inspect a customer's installation of a gas appliance before connecting the gas meter. In its Application, Intermountain Gas asserts that Rule 102 is inconsistent with Rule 202 and 203 of the Commission's Safety and Accident Reporting Rules, IDAPA 31.11.01.202 and 203. These latter safety rules allow gas utilities to forego inspecting customer installations that "[h]ave been inspected and approved by authorized agencies...." *Id*.

The Company maintains in its Application that it desires to eliminate redundant customer installation inspections "beyond our meter." Application at 2, Section I. The

Company insists that Gas Rule 102 compels duplicate inspections by both an authorized inspection agency (e.g., a city/county building department) and the utility. The Company states that by eliminating the redundant inspections in Rule 102 "Intermountain will be improving our customers' ability to receive expedited service from their heating contractor and the heating dealer will need inspection approval from only one authorized agency [and not the utility] thereby streamlining the inspection process." Application at 1.

STAFF ANALYSIS

The Staff has reviewed the Company's application regarding the inconsistency between Gas Rule 102 which requires a utility inspection, and Safety Rules 202-203 which allow installation inspections by authorized agencies. Staff notes that Washington Water Power Company (now Avista Utilities) on August 5, 1992, made application to this Commission asking for an exemption from Rule 102 (which reads the same today). WWP requested, pursuant to an agreement it had entered into with the City of Coeur d' Alene, that inspectors for the City, rather than those of WWP, be allowed to perform the inspections required by Rule 102. The Commission approved that request in Order No. 24507. However, that Order emphasized that the Commission's approval did not relieve WWP from its obligation to see that safety codes were followed. The Order noted that regardless of whether inspections were performed by the Company or the City, the Company was ultimately responsible for the quality of the inspection.

Staff believes that it is appropriate to also approve Intermountain Gas's request with the recognition that the Company is ultimately responsible for the quality of the inspection and to see that safety codes are followed. Staff also believes that a permanent change to Rule 102 may be warranted once the rules moratorium is lifted.

Respectfully submitted this day of February, 2002.

Donald L. Howell, II Deputy Attorney General

Technical Staff: Dave Schunke

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