

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF) **CASE NO. INT-G-23-01**
INTERMOUNTAIN GAS COMPANY’S)
TARRIF ADVICE NO. 23-02)
) **ORDER NO. 35890**
)

On May 5, 2023, Intermountain Gas Company (“Company”) filed Tariff Advice No. 23-02 (“Tariff Advice”), proposing a revision to General Service Provisions, Section C, Sheet 3 of the Company’s gas tariff. The proposed revision would eliminate abandonment of company-owned gas facilities as an event triggering a charge to the customer abandoning the facilities.

On May 30, 2023, the Commission issued a Notice of Application and Notice of Modified Procedure, converting the Tariff Advice into Case No. INT-G-23-01 and setting a June 15, 2023, public comment deadline and a June 29, 2023, Company reply deadline. Order No. 35793.

In this Order, the Commission grants the Company authority to amend its gas tariff as described below.

THE APPLICATION

As currently approved, Section 3.2 of Section C of the Company’s General Service Provisions for the Installation and Extension of Natural Gas Mains and Service for Residential and Commercial Customers indicates that “Relocation or Abandonment of Gas Facilities will be at the expense of the applicant when required by the applicant.” The Company proposed removing the words “or Abandonment” from Section 3.2, thereby eliminating the required charge for abandonment, because safe and prompt removal or safe-guarding abandoned facilities is done to protect the public and not for the convenience of the abandoning customer.

STAFF RECOMMENDATION

Staff reviewed the Company’s proposed revision of Section 3.2 and agreed recovering costs for abandonment through base rates was proper because of (1) the difficulty identifying who is responsible for the decision to abandon; (2) the lack of incentive to an applicant to pay for an unwanted line; (3) the cost of pursuing collections; and (4) the reduction of safety hazards and liability exposure by removing an unused line. However, Staff believed that additional revisions to the Company’s tariff clarifying the distinction between “relocation” and “abandonment” were necessary. Specifically, Staff recommended creating a new subsection to Section C to specifically

address abandonment as it differs fundamentally from handling service lines for continued use. Staff also recommended adding definitions for both “relocation” and “abandonment” to Section 8 (“Definition of Terms”) of Section C to clarify the distinction between the two forms of line removal. Accordingly, Staff recommended the Commission approve the Company’s request to eliminate abandonment as an event triggering a charge to the customer abandoning gas facilities owned by the Company with the additional recommendations outlined above.

Additionally, Staff recommended the Company submit a compliance filing modifying the tariff language within 30 days of a Commission order.

COMPANY REPLY COMMENTS

The Company agreed that Staff’s proposed revisions would aid future interpretation and implementation of the tariff. Accordingly, the Company proposed the following revisions to Section C:

- 1) Striking the word “abandonment” from Section 3.2;
- 2) Adding a new “Section 8 – Abandonments”; and
- 3) Renumbering the current “Section 8 – Definition of Terms” to Section 9 and adding to it definitions for “Abandonment” and “Relocation.”

The Company submitted with its reply comments a revised version of General Service Provisions, Section C containing the proposed revisions in redline format with its reply. The Company further agreed to file the document labeled Attachment A accompanying its Reply Comments as a compliance filing within 30 days of a final Commission order.

COMMISSION DECISION

The Company is a gas corporation under *Idaho Code* § 61-117, and a public utility under *Idaho Code* § 61-129. The Commission has jurisdiction over the issues in this case under Title 61 of the Idaho Code, including *Idaho Code* §§ 61-301, 501, 502, and 503.

The Commission has reviewed the filings of record and submitted comments in this case and approves the Company’s request to modify General Service Provisions, Section C, Sheet 3 of the Company’s gas tariff subject to the Company’s timely compliance filing incorporating Staff’s recommendations. The Commission agrees that Staff’s recommendations will aid future implementation of the tariff.

The Commission finds that eliminating abandonment as an event triggering a charge to the customer abandoning company-owned gas facilities is reasonable. Prompt removal and

safeguarding of unwanted gas facilities will serve the public interests by reducing safety hazards. Similarly, customers can benefit from the reduced liability exposure the Company obtains by addressing abandoned gas facilities because customers abandoning Company-owned gas facilities have limited incentive to pay additional cost related to those facilities after abandonment.

Additionally, the Commission finds that Staff's recommendation to supplement the Company's gas tariff with additional language clarifying the difference between "relocation" and "abandonment" is reasonable. Once abandonment is removed from Section 3.2, only relocation will continue as an event triggering a charge imposed upon a specific customer. Clarifying what constitutes abandonment or relocation will aid in further implementation of charges for relocation. Therefore, we find it reasonable to approve the Company's request to revise its tariff in a manner consistent with Staff recommendations.

ORDER

IT IS HEREBY ORDERED that the Company's request to revise its tariff to eliminate abandonment as an event triggering a charge to the customer abandoning Company-owned gas facilities and to add the additional language clarifying the distinction between abandonment and relocation is granted.

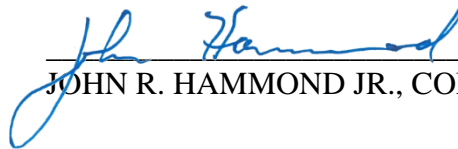
IT IS FURTHER ORDERED that the Company shall submit a revised tariff incorporating Staff's recommendation within 30 days of this Order.

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 regarding 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 and 62-619.

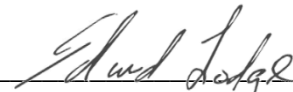
DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this 15th day of August 2023.



ERIC ANDERSON, PRESIDENT

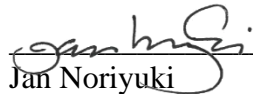


JOHN R. HAMMOND JR., COMMISSIONER



EDWARD LODGE, COMMISSIONER

ATTEST:



Jan Noriyuki
Commission Secretary

I:\Legal\GAS\INT-G-23-01_TA 23-02\orders\INTG2301_final_at.docx