

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF INTERMOUNTAIN)	CASE NO. INT-G-24-02
GAS COMPANY’S PETITION TO)	
TERMINATE THE SETTLEMENT)	
AGREEMENT IN CASE NO. INT-G-22-01)	ORDER NO. 36273
)	

On April 19, 2024, Intermountain Gas Company (“Company”), petitioned the Commission to (1) fully terminate the settlement entered between it and Commission Staff (“Staff”); and (2) acknowledge that the proposed penalties held in abeyance in Case No. INT-G-22-01 are waived (“Petition”). The Company requested its Petition be processed by Modified Procedure.

On May 16, 2024, the Commission issued a Notice of Petition and Notice of Modified Procedure establishing public comment and Company reply deadlines. Order No. 36181. Staff filed the Affidavit of Maria Barratt-Riley and comments to which the Company replied in support. No other comments were filed.

Having reviewed the record in this case, we now issue this Order granting the relief sought by the Company.

BACKGROUND

In early 2022, the Commission received a complaint from a person employed by the Company who claimed he had performed tasks he was unqualified for. Later investigation and self-reporting by the Company uncovered that almost 1,900 work orders were issued and performed by unqualified operators. Staff filed a complaint asking the Commission to impose penalties on the Company for the maximum amount allowed by Idaho Code for the reported safety violations.

The Company and Staff reached a settlement to resolve the potential penalties requested by Staff. The agreement contemplated 11 action items the Company must complete to manage the safety concerns raised by Staff, with each item being designed to help the Company increase supervision and control over personnel (“Settlement”). The Settlement also required quarterly audits of the service orders completed by qualified individuals. The Settlement was approved by the Commission on August 5, 2022, in Order No. 35492.¹

¹ No penalties were imposed by the Commission in Case No. INT-G-22-01, but the Settlement contemplated abeyance of penalties advocated for by Staff while the terms of the Settlement were operative.

THE PETITION

The Company represents it completed each of the action items required under the Settlement. The Company represents it has audited its implementation and provided the corresponding reports to Staff since the Settlement was approved in August 2022. The Company reports that it met the Settlement's requirement to complete at least two consecutive quarters of zero safety violations reported prior to seeking to terminate the Settlement. The Company also requests the Commission confirm that proposed penalties from Case No. INT-G-22-01 were permanently waived.

The Settlement allows for termination in one of three ways: (1) completion of the action items and final approval by the Commission of a completion report or similar document agreed to by the Staff and the Company; (2) upon stipulation of the Staff and the Company approved by the Commission; or (3) upon approval by the Commission of a petition filed by the Company.

STAFF COMMENTS

Staff filed comments and believed the Company complied with the terms of the Settlement and therefore agreed the Settlement should be terminated and the proposed penalties waived. Staff described the Company's reports and its efforts to comply with the action items required by the Settlement. Staff noted the Company completed each action item before the required dates. Regarding the quarterly reports, Staff indicated the Company filed ten total and the past six reported no covered tasks completed by non-qualified technicians. Staff believed the Company demonstrated that in complying with the action items it increased supervision and control over the work that was being completed by individuals working on its system.

COMMISSION FINDINGS AND DECISION

The Company is a natural gas corporation and public utility. *See Idaho Code* §§ 61-116, -117, and -129. The Commission has jurisdiction over the Company and the issues in this case under Title 61 of the Idaho Code, including *Idaho Code* §§ 61-501 and 302.

We have reviewed the record and hereby acknowledge that the Company has met the requirements of the Settlement. We appreciate the efforts taken by Staff and the Company to ensure the serious safety issues reported were addressed constructively. We are confident the steps the Company took to complete the action items in the Settlement will facilitate better safety practices for the Company going forward. Utilities regulated by this Commission are required to provide safe and adequate service. *Idaho Code* § 61-302. While compliance with the minimum safety

standards may meet the requirements set forth by the Idaho legislature, we encourage the Company to seek to be an industry leader in safety practices, even upon termination of the Settlement. The provision of safe utility services, whether it be water, electricity, or gas, is paramount to healthy and productive communities served by utilities in Idaho. We remind the Company that our safety inspectors will continue to routinely inspect the Company's safety practices within our jurisdiction.

Finally, the Company requested confirmation that the penalties proposed by Staff in Case No. INT-G-22-01 are permanently waived. While no penalties were ever assessed due to the Settlement being entered, we confirm that the proposed penalties stemming from the Company's lack of oversight which led to Staff filing Case No. INT-G-22-01 have not been, and will not be, imposed because of the Company's satisfaction of the action items required by the Settlement.

ORDER

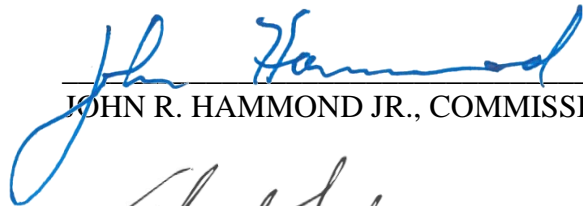
IT IS HEREBY ORDERED that the Settlement is terminated and any proposed penalties contemplated by it shall not be imposed.

THIS IS A FINAL ORDER. Any person interested in this Order may petition for reconsideration within twenty-one (21) days of the service date upon 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. *Idaho Code* §§ 61-626.

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DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this 24th day of July 2024.


ERIC ANDERSON, PRESIDENT


JOHN R. HAMMOND JR., COMMISSIONER


EDWARD LODGE, COMMISSIONER

ATTEST:


Monica Barrios-Sanchez
Commission Secretary

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