

**BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION**

<b>IN THE MATTER OF COMMISSION</b>	)	<b>CASE NO. INT-G-25-01</b>
<b>STAFF'S FORMAL COMPLAINT</b>	)	
<b>CONCERNING INTERMOUNTAIN GAS</b>	)	
<b>COMPANY AND THE REXBURG LIQUID</b>	)	<b>ORDER NO. 36675</b>
<b>NATURAL GAS FACILITY</b>	)	
	)	

---

On January 27, 2025, Staff of the Idaho Public Utilities Commission, Pipeline Safety Division ("Staff") filed a Formal Complaint ("Complaint") concerning Intermountain Gas Company's ("Company") Rexburg natural gas facility.

On January 30, 2025, the Commission issued a Summons to the Company directing it to file any written answer or motion in defense of the Complaint within 21 days of the service date of the Summons. On February 24, 2025, the Commission issued Order No. 36478 granting the Company a 21-day extension of time to file its answer.

On March 7, 2025, the Company filed a second Stipulated Request for Extension of Time to Answer Complaint, requesting an extension until April 7, 2025, to file any answer to the Complaint. The Company expressed additional time was necessary to continue discussions with Staff. On March 13, 2025, the Commission granted the second extension. Order No. 36508.

On April 18, 2025, the Company filed a Stipulation and Settlement signed by Staff and the Company (individually "Party" and collectively "Parties"), and a Stipulated Motion to Approve Stipulation and Settlement ("Proposed Settlement"). On May 9, 2025, the Commission issued a Notice of Proposed Settlement and Notice of Modified Procedure. Order No. 36591. No public or Party comments were received.

We now issue this Final Order approving the Proposed Settlement.

**THE COMPLAINT**

In its Complaint, Staff alleged a pattern and practice, of non-compliance with safety regulations at the Company's Facility. Complaint at 1. To support its Complaint, Staff submitted three Notice of Probable Violation compiling and alleging numerous safety violations by the Company at the Facility, and Staff represented that each of the Company's violation may be subject to a penalty of up to \$2,000 for each day that the violation persisted, up to a maximum amount of

\$200,000 under *Idaho Code* § 61-712A.<sup>1</sup> *Id.* at 6; Exhibits 101-03. Staff requested that the Commission impose the maximum civil penalty amounts available under Idaho Code as determined by the Commission, and for such other and further relief as the Commission may deem just and appropriate. Complaint at 7.

### **PROPOSED SETTLEMENT**

The Proposed Settlement sets forth a list of the Company's completed corrective actions including: (1) Additional training of Vaporization Technicians on liquified natural gas ("LNG") trailer safety and protocols; (2) Revision of Company Procedure 4565 (Rexburg LNG Transfer Operations); (3) Revision of Rexburg LNG Truck Offloading Operations Checklist; (4) Revision and review of Rexburg LNG Emergency Manual; (5) Additional revisions to Company Procedure 4565 (Rexburg LNG Transfer Operations Checklist); (6) Revision of Company Procedure 4558 (Rexburg LNG Fire Equipment Maintenance); (7) Revision of Company Procedure 4553 (Rexburg LNG Tank Inspection); (8) Development of an Atmospheric Corrosion Control procedure; (9) Fire Protection Evaluation; (10) Reinstallation of stainless steel mesh on LNG PSV flanges; (11) Placement of propane and gasoline in cabinet designed for flammable materials; (12) Confirmation of the number of Manual Pull Stations (MPSs) in the shop area; (13) Installation of Class A fire extinguishers in the shop area; (14) Fire extinguisher near boil off heater stairs; (15) Training of the Engineering Services Supervisor and immediate personnel supervisors pursuant to Company Procedure 4557; (16) Testing of LNG Vaporization Technicians; (17) Repair of Emergency Shut Down ("ESD") Station 817; (18) Ensure the local fire department is familiar with the operation of wheeled fire extinguishers; and (19) Verification that the on-board generator shuts down on ESD. Proposed Settlement at 2-8.

The Proposed Settlement lists additional corrective actions the Company will take including: (1) Additional access to ESD buttons; (2) Addition of low-temperature detection interlock on the dewatering pump; (3) Install gas detector in control room; (4) Complete construction of the Control Building's shop area; (6) Review of site security and bolstering of the perimeter fence; (6) Evaluation of technology solutions for electronic tracking and documentation of Rexburg LNG Facility maintenance; and (7) Evaluation of technology solutions for electronic tracking and documentation of Rexburg LNG Facility training. *Id.* at 8-10.

---

<sup>1</sup> The alleged violations occurred prior to the 2025 modifications to the penalty limit under *Idaho Code* § 61-712A.

The Proposed Settlement also contains provisions for the Company to file a final report, for a settlement payment of \$15,000, for resolution of future disputes arising under the Proposed Settlement, for termination of the Proposed Settlement, and for the extension of the deadlines contained in the Proposed Settlement. *Id.* at 9-11.

The Parties represented that they believe that the Proposed Settlement represents a fair, just, and reasonable compromise of the positions of the Parties in this case, and that the Proposed Settlement is in the public interest. *Id.* at 11.

### **COMMISSION FINDINGS AND DECISION**

The Commission has jurisdiction over the issues in this case under Title 61 of the Idaho Code including *Idaho Code* §§ 61-301 through 303. The Commission is empowered to investigate rates, charges, rules, regulations, practices, and contracts of all public utilities and to determine whether they are just, reasonable, preferential, discriminatory, or in violation of any provisions of law, and to fix the same by order. *Idaho Code* §§ 61-501 through 503.

The Commission's process for considering settlement stipulations is set forth in its Rules of Procedure 271-277, IDAPA 31.01.01.271-277. When a settlement is presented to the Commission, it "will prescribe the procedures appropriate to the nature of the settlement to consider the settlement." IDAPA 31.01.01.274. Proponents of a proposed settlement must show "that the settlement is reasonable, in the public interest, or otherwise in accordance with law or regulatory policy." IDAPA 31.01.01.275. The Commission is not bound by settlement agreements. IDAPA 31.01.01.276. Instead, the Commission "will independently review any settlement proposed to it to determine whether the settlement is just, fair and reasonable, in the public interest, or otherwise in accordance with law or regulatory policy." *Id.*

The Commission has reviewed the record including the Formal Complaint, Proposed Settlement, and all submitted materials. The Parties have established a record that sets forth their justifications for signing and supporting the Proposed Settlement. The Commission appreciates the investment of time and resources the Parties have made to participate in this case and explore the options available to address the issues raised in the Formal Complaint.

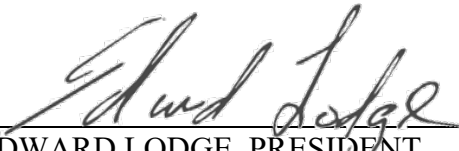
Based on our review of the record, the Commission finds that the Proposed Settlement is fair, just, reasonable, and in the public interest.

## ORDER

IT IS HEREBY ORDERED that the Proposed Settlement is approved as filed.

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.


DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this 17<sup>th</sup> day of July 2025.

  
EDWARD LODGE, PRESIDENT

  
JOHN R. HAMMOND JR., COMMISSIONER

  
DAYN HARDIE, COMMISSIONER

ATTEST:

  
Monica Barrios-Sanchez  
Commission Secretary

I:\Legal\GAS\INTG2501\_investigation\orders\INTG2501\_FO\_cb.docx