

**BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of the Petition of

AVISTA CORPORATION d/b/a
AVISTA UTILITIES

Seeking Exemption from the Provisions
of WAC 480-90-343(1)(a) and 480-90-
348(1)(a) Relating to Statement of Meter
Test Procedures and Frequency of
Periodic Meter Tests

DOCKET UG-220476

ORDER 01

GRANTING EXEMPTIONS FROM
RULE; ALLOWING TARIFF
REVISIONS TO BECOME
EFFECTIVE WITH LESS THAN
STATUTORY NOTICE

BACKGROUND

- 1 On June 28, 2022, Avista Corporation d/b/a Avista Utilities (Avista or Company) filed with the Washington Utilities and Transportation Commission (Commission) a petition requesting an exemption from Washington Administrative Code (WAC) 480-90-178(5)(a), WAC 480-90-343, and WAC 480-90-348. On September 16, 2022, Avista amended its original petition to clarify that it is seeking exemption only from WAC 480-90-343(1)(a) and WAC 480-90-348(1)(a) and additionally seeking approval of revisions to its natural gas tariff WN U-29 Schedule 170, detailing Avista's Periodic Meter Changeout (PMC) program, to become effective on September 30, 2022, with less than statutory notice.
- 2 WAC 480-90-343(1) requires natural gas companies to include a statement in their tariff describing the practice of testing methods used and frequency of tests determining meter accuracy. The tariff must describe testing procedures, performance standard details, the corrective action and time period that will be implemented, references to industry standards such as ANSI C12.1 or ANSI-Z1.9,¹ a description of meter testing equipment and accuracy determination methods, the name of any laboratories making meter tests if gas companies do not maintain testing equipment, and the testing and adjustment program of meters prior to installation, and periodic tests after installation. WAC 480-90-343(2) requires that the gas utility submit a revised tariff upon changes to any portion of the meter testing procedures.

¹ The American National Standards Institute, ANSI, is a non-profit organization that promotes voluntary conformity standards for products, services, processes, or systems in the United States (U.S.) as well as representing the U.S. in international standards organizations, helping to create guidelines that are universally accepted in multiple industries.

- 3 WAC 480-90-348(1)(a) requires natural gas utilities to conduct periodic testing at various intervals depending on the meter capacity. Meters with capacity up to 3,000 cubic feet per hour (CFH) must be tested every ten years, and meters with capacity of 3,000 CFH and over must be tested every five years.
- 4 In its petition, Avista seeks to temporarily suspend its Periodic Meter Changeout (PMC) testing program for diaphragm style natural gas meters with less than 1,000 CFH until December 31, 2023. In its petition, the Company explains that global supply chain issues are causing delays with the meter supplier, Elster. Avista notes these supply chain issues have resulted in considerable delays leading to decreased inventory of natural gas meters, and increased lead times from Elster. Data provided by Avista in the petition indicates these lead times have rapidly increased from approximately an eight-week average in 2020, to a 29-week average in 2021, to an average of 44 weeks in 2022 for the most commonly used diaphragm meters used for residential customers.²
- 5 Once the PMC is resumed in January 2024 and Avista can verify the accuracy of these meters, Avista will process billing corrections in accordance with WAC 480-90-178(5)(a). In the event an account is overbilled while the PMC was temporarily suspended, Avista will provide credits to the impacted customers. In the event a customer was underbilled while the PMC is suspended, Avista will limit any corrected bills to six months from the date in which the PMC is suspended, as required by rule.
- 6 Avista's proposed revisions to tariff WN-29, Schedule 170, would reflect the exemption by removing the scheduled testing requirement under WAC 348(1)(a). Avista requests that this tariff revision become effective on September 30, 2022, with less than statutory notice.
- 7 Commission staff (Staff) recommends that the Commission grant Avista's request for exemption from WAC 480-90-343(1)(a) and 480-90-348(1)(a) because the Company made attempts to mitigate the inventory issues by seeking the service of another supplier, but ultimately determined it was best to continue using the current supplier. Staff further recommends that the Commission allow the revised tariff to become effective with less than statutory notice because there is no impact to customer rates and allows the effective date of the tariff to match the suspension date of the PMC program.

² In the Petition, Avista notes it contacted another meter supplier that provided a delivery date of approximately 70 weeks if the Company was to place an order. After this petition was submitted, Avista placed an additional order for natural gas meters and an *estimated delivery date of quarter 1 2024*, was provided.

DISCUSSION

8 We grant Avista's request for an exemption from WAC 480-90-343(1)(a) and WAC 480-90-348(1)(a). Under WAC 480-90-008, the Commission may grant an exemption from the provisions of any rule in WAC 480-90 if doing so is consistent with the public interest, the purposes underlying regulation, and applicable statutes. We agree with Staff that Avista's request is reasonable. Avista has made sufficient showing that supply chain issues beyond the Company's control require it to suspend its PMC testing program and that such suspension will not harm its customers. Accordingly, we find that granting the Company's request for an exemption is in the public interest and is consistent with both the purposes underlying the rule and applicable statutes.

9 We also find that granting the Company's request for less than statutory notice is consistent with the public interest because there is no impact to customer rates, and thus grant the Company's request for its proposed tariff revisions to go into effect on September 30, 2022.

FINDINGS AND CONCLUSIONS

- 10 (1) The Commission is an agency of the State of Washington vested by statute with the authority to regulate rates, rules, regulations, practices, accounts, securities, transfers of property and affiliated interests of public service companies, including gas companies.
- 11 (2) Avista is engaged in the business of providing gas services within the state of Washington and is a public service company subject to Commission jurisdiction.
- 12 (3) Avista is subject to WAC 480-90-343(1)(a), which requires natural gas companies to provide a statement of meter test procedures and a description of testing methods used and frequency of tests for determining the meter accuracy in its natural gas tariff.
- 13 (4) Avista is subject to WAC 480-90-348(1)(a), which requires natural gas companies to conduct periodic meter testing on meters with capacity up to 3,000 cubic feet per hour (CFH) every ten years.
- 14 (5) Under WAC 480-90-008, the Commission may grant an exemption from the provisions of any rule in WAC 480-90 if doing so is consistent with the public interest, the purposes underlying regulation, and applicable statutes.³

³ See WAC 480-07-110.

- 15 (6) This matter came before the Commission at its regularly scheduled meeting on September 29, 2022.
- 16 (7) After reviewing Avista's petition filed in Docket UG-220476 on June 28, 2022, as revised on September 16, 2022, and giving due consideration, the Commission finds that the exemptions to WAC 480-90-343(1)(a) and WAC 480-90-348(1)(a) are reasonable and should be granted and the tariff revisions should become effective on September 30, 2022.

ORDER

THE COMMISSION ORDERS:

- 17 (1) After the effective date of this Order, Avista Corporation d/b/a Avista Utilities is granted an exemption from WAC 480-90-343(1)(a) until December 31, 2023.
- 18 (2) After the effective date of this Order, Avista Corporation d/b/a Avista Utilities is granted an exemption from WAC 480-90-348(1)(a) until December 31, 2023.
- 19 (3) The tariff revisions Avista Corporation d/b/a Avista Utilities filed on September 16, 2022, will become effective on September 30, 2022.
- 20 (4) The Commission retains jurisdiction over the subject matter and Avista Corporation d/b/a Avista Utilities to effectuate the provisions of this Order.

The Commissioners, having determined this Order to be consistent with the public interest, directed the Secretary to enter this Order.

DATED at Lacey, Washington, and effective this September 29, 2022.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

AMANDA MAXWELL
Executive Director and Secretary