

DG 99-087

**NORTHERN UTILITIES, INC.**

**Application for Waiver of Puc Rule 505.04(c)  
Periodic Gas Meter Testing and Recalibration**

**Order NISI Approving Waiver**

**O R D E R    N O.    23,286**

**August 16, 1999**

The Petitioner, Northern Utilities, Inc. ("Northern"), on June 9, 1999, filed an application for a waiver of New Hampshire Code of Administrative Rules, Chapter Puc 500 Rules for Gas Service, Part Puc 505.04(c). This rule prescribes the periodic testing standards for gas meters. Northern requested, *inter alia*, that the Commission (a) grant Northern a waiver from compliance with the current rules of PUC Part 505.04(c) and, (b) allow Northern to follow the defined, alternative procedure set forth in the attached schedules. Under current rules, periodic tests of meters are required every ten years or every four years, depending on the size of the meter. Under the alternative procedure, the company will test a statistically valid sample of meters.

In support of its position, Northern stated that improvements in meter accuracy, and the use of cleaner burning natural gas, supports the use of a statistical sampling methodology in lieu of the present standards. Northern maintained that its proposed defined alternative procedure will "ensure its

meters continue to demonstrate a high level of accuracy and, create operating efficiencies." Northern further stated that approximately 60% of state regulatory commissions provide for statistical sampling for test purposes. Northern noted that the proposed alternative procedures mirror those utilized by EnergyNorth Natural Gas, Inc. which were accepted by the Commission in Docket DE 96-001 by Order No. 22,183 and subsequently reinforced in Docket DE 98-075 by Order No. 22,980.

On August 10, 1999, Commission Staff filed a memorandum recommending approval of the petition and implementation of the defined alternative procedures as specified in Schedule 1 of the petition. In support of its recommendation, Staff advised that the request met the criteria established by the New Hampshire Code of Administrative Rules, Chapter Puc 200 Procedural Rules, for granting of waivers. Staff noted that the statistical sampling tables had been developed by Staff, and that the application of the alternate procedures had led to operating efficiencies in EnergyNorth's program.

Although Staff supported the revised procedures, Staff did note that the program could lead to less surveillance of basement facilities due to a decrease in meter change-outs. Staff believes this is a safety concern which can be alleviated with strict compliance with Pipeline Safety Standard 49 U.S.C Part 192.723 which prescribes the minimum requirements for leakage surveys.

The petition and recommendations of Staff are consistent with our previous investigation into the implementation of a meter accuracy program based on statistical sampling and, therefore, we believe the proposed alternative testing procedure for gas is in the public interest. With respect to safety, we are confident that as long as the utilities rigorously comply with federal and state standards the public is protected.

**Based upon the foregoing, it is hereby**

**ORDERED NISI**, that Northern's application for a waiver of Rule Puc 505.04(c) is granted; and it is

**FURTHER ORDERED**, that Northern utilize the defined alternative procedure identified as Schedule 1 in lieu of the provisions of Rule Puc 505.04(c); and it is

**FURTHER ORDERED**, that the waiver shall remain in effect until otherwise directed by the Commission; and it is

**FURTHER ORDERED**, that the Petitioner shall cause a copy of this Order Nisi to be published once in a statewide newspaper of general circulation or of circulation in those portions of the state where operations are conducted, such publication to be no later than August 23, 1999 and to be documented by affidavit filed with this office on or before August 30, 1999; and it is

**FURTHER ORDERED**, that all persons interested in responding to this petition be notified that they may submit

their comments or file a written request for a hearing on this matter before the Commission no later than September 2, 1999; and it is

**FURTHER ORDERED,** that any party interested in responding to such comments or request for hearing shall do so no later than September 6, 1999; and it is

**FURTHER ORDERED,** that this Order Nisi shall be effective September 15, 1999, unless the Commission provides otherwise in a supplemental order issued prior to the effective date.

By order of the Public Utilities Commission of New Hampshire this sixteenth day of August, 1999.

_____ Douglas L. Patch Chairman	_____ Susan S. Geiger Commissioner	_____ Nancy Brockway Commissioner
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Attested by:

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Thomas B. Getz  
Executive Director and Secretary