

STATE OF UTAH
OFFICE OF THE ATTORNEY GENERAL



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Solicitor General

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Chief Civil Deputy

November 19, 2015

CERTIFIED MAIL RETURN RECEIPT REQUESTED

Michael Moyal
Millstream Motel
1450 Washington Blvd
Ogden UT 84404

RE: NOTICE REGARDING INSPECTION OF MASTER METER SYSTEM – WARNING LETTER

Dear Mr. Moyal,

You have failed to respond to the Utah Division of Public Utilities' Pipeline Safety Staff's (Safety Staff) requests for an appointment to inspect the master meter system on your property located at 1450 Washington Boulevard in Ogden, Utah. Because of your failure to comply with the law as detailed below and your unresponsiveness, the Attorney General's Office (AG Office) has become involved. If necessary, the AG Office will institute legal proceedings against you as described below.

To avoid immediate legal action against you, by December 19, 2015, send your written response indicating a time and date during business hours you will meet with the Safety Staff for the inspection by mail to:

Division of Public Utilities
Pipeline Safety Section
P.O. Box 146751
Salt Lake City UT 84114-6751

Or by email to:
pipelinesafety@utah.gov

The Safety Staff has repeatedly requested to meet with you about your master meter system. In addition to verbal requests, the Safety Staff sent you a letter dated August 28, 2015 directing you to respond in writing by September 15, 2015 with the time and date you would meet with the Safety Staff (Attachment 1).

Michael Moyal
Millstream Motel
November 19, 2015
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Nonetheless, you have failed to comply with federal and state laws and regulations that require you to allow inspection of your master meter system. The U.S. Department of Transportation has delegated responsibility for pipeline safety, including master meter system safety, to the Division of Public Utilities. Utah statutes have incorporated federal safety standards, including but not limited to, the Natural Gas Pipeline Safety Act of 1968, 49 U.S.C. 60101, and related laws and regulations. Furthermore, you are specifically ordered to allow inspection by Utah Code Ann. Section 54-13-4, which states:

Officers, employees, or agents authorized by the commission, upon presenting appropriate credentials to the person in charge, may inspect and examine, at reasonable times and in a reasonable manner, the records and properties of any person engaged in intrastate pipeline transportation to the extent those records and properties are relevant to determining whether the person is acting in compliance with this chapter or rules under this chapter.

If the Safety Staff does not receive your written response by the date specified above, the AG Office will initiate legal proceedings against you. The AG Office will file a Complaint and Notice of Probable Violation with the Public Service Commission (Commission). The Complaint and Notice of Probable Violation will request, among other things, that you be ordered (1) to comply with applicable law and (2) be assessed penalties related to your noncompliance. In addition, if necessary, the AG Office will file further proceedings against you in District Court. This letter satisfies the requirement under Commission rule R746-409 that you be provided notice before proceedings are initiated before the Commission.

The maximum civil penalty assessed after notice and an opportunity for hearing under Utah Code Ann. Section 54-13-8 may not exceed "\$100,000 for each violation for each day the violation persists," and "the maximum civil penalty assessed under this section may not exceed \$1,000,000 for any related services of violations." When assessing a penalty, the Commission shall consider various factors as specified by the above referenced statute.

If you have any questions, please contact me by phone at (801) 366-0380, or by email at pschmid@utah.gov.

Sincerely,


Patricia E. Schmid
Assistant Attorney General

Attachment

cc: Chris Parker
Al Zadeh



GARY HERBERT
Governor
SPENCER J. COX
Lieutenant Governor

State of Utah
Department of Commerce
Division of Public Utilities

FRANCINE GIANI
Executive Director

THOMAS BRADY
Deputy Director

CHRIS PARKER
Director, Division of Public Utilities

August 28, 2015

Michael Moyal
Millstream Motel
1450 Washington Blvd
Ogden UT 84404

Dear Mr. Moyal,

The Utah Public Service Commission (Commission) is authorized by Title 54, Chapter 13 of the Utah State Code to adopt rules and regulations in conformance with the Natural Gas Pipeline Safety Act of 1968, as amended, and other applicable laws. The Commission, by orders issued in Docket No. 89-999-06, has adopted Title 49 CFR Parts 190, 191, 192, 198, 199, and Part 40 along with certain subsequent amendments. Through delegation from the U.S. Department of Transportation, the Division of Public Utilities' Pipeline Safety Staff (UTPS) regulates, inspects, and enforces intrastate gas pipeline safety requirements.

A Master Meter System is defined as a small gas distribution system where gas is purchased through a single meter and distributed to multiple buildings within a privately owned and operated facility, such as a mobile home park or apartment complex.

Our records indicate that your property located at **1450 Washington Blvd in Ogden Utah** is considered a master meter system under Utah Code. As a property owner, you are required to comply with Utah Code.

We have tried repeatedly to schedule an appointment with you without success. We need to **schedule a meeting within the next two months** to discuss pipeline safety, inspect the property and provide information to you concerning compliance. If you are not available, we can meet with any maintenance personnel you employ that are familiar with the natural gas system.

It is paramount you **respond in writing by September 15, 2015** with the date and time you will meet with our inspector. If we don't receive a response from you by this date, this will be referred to the Division of Public Utilities' legal department for enforcement options.

Mailing address: Division of Public Utilities
Pipeline Safety Section
P.O. Box 146751
Salt Lake City UT 84114-6751

Email: pipelinesafety@utah.gov

Sincerely,
Connie Hendricks

Connie Hendricks
Administrative Assistant
801-530-6286
cshendricks@utah.gov

cc: Al Zadeh
Dave Coombs