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UTAH DEPARTMENT OF COMMERCE

Division of Public Utilities

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Action Request Response

To: Public Service Commission of Utah

From: Utah Division of Public Utilities

Chris Parker, Director

Artie Powell, Manager

Doug Wheelwright, Utility Technical Consultant Supervisor

Eric Orton, Utility Technical Consultant

Date: December 15, 2022

Re: **Docket No. 22-057-23**, In the Matter of the Application of Dominion Energy Utah for a Waiver of Utah Admin. Code. §R746-320-3 to Temporarily Suspend its Meter Testing Program.

Recommendation (Approve)

The Division of Public Utilities (Division) has reviewed Dominion Energy Utah's (Dominion or Company) application to temporarily waive the requirements of Utah Administrative Code § R746-320-3 and several Public Service Commission of Utah (Commission) orders pertaining to its meter testing program (Program) and recommends approval of the application

Issue

Dominion is currently required to test the accuracy and safety of a sample set of meters of different vintage lots each year. As it does so, older meters are pulled from service and replaced with new meters. This requires that a significant number of meters be held in inventory to replace the old meters that are being pulled for testing. According to the Company, there are supply constraints for certain meters and it "does not have sufficient inventory of new meters to maintain its meter testing program while also keeping up with

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demand for meters for new construction.” The Company also claims that the “vendor cannot provide the meters until mid-2023”. It is anticipated that the Company will resume its testing Program once it has the additional meters.

Given this meter supply situation, Dominion is asking the Commission to waive portions of its requirements to abide by the section of Utah Administrative Code § R746-320-3 and the requirements in Commission orders 78-057-12, 98-057-03, and 00-057-06 (all which address the Company’s Program). The Company is requesting a waiver of the requirements until June 30, 2023.

Background

For many years Dominion has implemented, operated, and modified a meter testing program to help ensure that its customers’ meters are accurate and safe. It does this by using a statistical sampling method where it pulls a sample from each lot of meters and tests them. The Company reports the results of these tests and returns some meters to the field and scraps the oldest ones. If the test results indicate a problem with a specific lot of meters, it scraps the entire lot and replaces them with new meters.

On December 6, 2022, the Company filed an application requesting a suspension of the testing requirements until June 30, 2023. On that same day the Commission issued its Action Request to the Division directing it to Review the Application and make Recommendations with a due date of December 27, 2022. On December 7, 2022, the Commission issued its Notice of Filing and Comment Period stating that interested persons may file comments by December 27, 2022. This memo represents the Division’s Action Request Response as well as its Comments.

Discussion

Due to meter supply constraints, the Company claims that it “does not have sufficient inventory of new meters to maintain its meter testing program while also keeping up with demand for meters for new construction”. Additional meters won’t be available “until mid-2023” when it expects to resume its meter testing program. Based on the supply constraint and the apparent priority of providing the available supply of meters to the new customers, the Company “requests that the meter testing program be suspended through the period of

January 1, 2023, to June 30, 2023.” The impact of suspending the Program on the number of new meters available is not immaterial as the Company expects to retire 3,000 meters (due to the age of the meter) next year. The Company also expects about 25,000 new customers in 2023. Making 3,000 meters unavailable for new customers by having them in the Program may have a significant impact.

The Company states that the “temporary suspension of the meter testing program will not harm customers nor increase measurement error as the great majority of meters tested in this Program are ‘within the required accuracy range’. The Division has no reason to counter that claim.

Following extensive discussions and reviewing the data applicable to the Program, the Division concurs with the Company that very few of the meters that are tested in the program fall outside the required accuracy range as shown in the following chart. This information represents the results of the most recently completed testing. Similar results have been observed in prior periods.

Meter Testing Program				
Lot Size	Sample Size	# Required to Reject the Lot	# outside +-2% Tolerance	Lot Rejected?
654,541	9,368	1,100	216	No
17,016	1,699	241	0	No
632,775	8,982	1,049	188	No
16,272	1,638	236	0	No
605,050	8,579	1,003	172	No
15,871	1,665	227	3	No
572,484	8,172	963	138	No
15,553	1,772	218	1	No
534,362	7,961	919	123	No
15,381	1,649	223	2	No

The Division notes that:

- 1) suspending this Program should provide a temporary cost savings to the Company;

- 2) the objective of the Program is to ensure the safety and accuracy of the customer's meters;
- 3) meter accuracy and safe operations are necessary for the provision and distribution of natural gas;
- 4) the Program should be an integral part of the utility's continued operations; and
- 5) the number of meters required to continue the Program as it operates now are unavailable.

Conclusion

The Division recommends the Commission temporarily waive a portion of Utah Admin. Code § R746-320-3 and allow Dominion to temporarily suspend its meter testing program until June 30, 2023, or until additional meters may be procured. This will allow the available supply of meters to be assigned to new customers. If Dominion is unable to procure the necessary meters and determines the waiver needs to be extended beyond June 30, 2023, the Division recommends that Dominion inform the Commission prior to that date.

cc: Kelly B. Mendenhall, Dominion Energy Utah
Michele Beck, Office of Consumer Services