

## Council Meeting Staff Report

June 21, 2017

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| <b>Agenda No.:</b>              | 5.C          |
| <b>Indexes (Council Goals):</b> | BCC - N/A    |
| <b>Presenters:</b>              | James Alarid |
| <b>Legislative File:</b>        | 9479-17      |

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### Title

Public Hearing for Revisions to the Department of Public Utilities Rules and Regulations Fee Schedule: Gas - Excess Flow Valves

### Recommended Action

**I move that the Board of Public Utilities approve the revisions to the Department of Public Utilities Rules and Regulations Fee Schedule as presented.**

### Staff Recommendation

Staff recommends approval of the revised fee schedule.

### Body

Recent revisions to 49 CFR 192.383 & 192.385 mandate that all new gas services and gas service replacements be equipped with an excess flow valve (EFV) or a service line valve. An EFV will be installed on a service line with a design load up to 1,000 cubic-feet per hour. A service valve would be used on services with design loads in excess of 1,000 cubic-feet per hour. Both are buried valves inline with the service line placed as close to the connection to the main as practical.

Prior to this regulatory change, installation of an EFV was an option to customers when a new service line or replacement line was installed. Our fee was \$150 to install the new EFV as part of a new installation if chosen by the customer. Now that all new services and replacement services require an EFV or service line valve, we have increased the new 3/4" gas service installation costs by \$150 to capture the cost.

In addition, gas utilities are required to inform all customers that they have the option to request an excess flow valve (EFV). We are adding new fees for the installation of an EFV or service line valve on an existing gas service as follows.

1. Install a new EFV on an existing polyethylene service line
2. Install a new EFV on an existing steel service line
3. Install a new service valve on an existing polyethylene service line
4. Install a new service valve on an existing steel service line

The installation costs vary greatly dependent on the service line material. Work on steel lines require that DPU hire the services of a contractor with an API 11-04 qualified welder. Due to this, work on steel lines is about four times the cost.

### Alternatives

If the fee schedule is not approved, the fixed fee for new services will not be accurate and installations on existing service lines will be estimated on a case by case basis.

### Fiscal and Staff Impact

There is no fiscal impact, the revised fees will cover the actual cost of the work performed.

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**Attachments**

A - Revised Fee Schedule