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VIA ELECTRONIC FILING

Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street, 2nd Floor North
P.O. Box 3265
Harrisburg, PA 17105-3265

**Re: PA PUC v. Columbia Gas of Pennsylvania, Inc.
Docket No. M-2022-3012079,**

Dear Secretary Chiavetta:

I thank the Commission for the opportunity to provide public comment on this matter. My comments are meant to be constructive for Columbia as well as the Commission. Please contact me if persons of the Commission have any questions.

On June 16, 2022, the Commission provided an order regarding the review of a proposed settlement pertaining to the Pennsylvania Public Utility Commission, Bureau of Investigation and Enforcement's Investigation of Columbia Gas of Pennsylvania, Inc.'s July 31, 2019, Uprating Incident at 100 Park Lane, Washington, Washington County, Pennsylvania that destroyed this home and harmed other surrounding homes as well as caused near-miss fatal injury to the homeowner and first responders. It is my opinion the settlement, as is, will not accomplish its intended results.

I believe another independent investigation is necessary to determine -- additional root causes; were crimes committed; if and how did Columbia's accelerated spending efforts influence this work and risk-taking; extent of the deficiencies in the risk management system...

There has been some good work on the part of the Commission's Bureau of Investigation and Enforcement.

Considering another overpressurization and explosions caused by Columbia Gas of Massachusetts on September 13, 2018, in the Merrimack Valley that resulted in a death, injury, and extensive property damage, more coordination with investigators on that case should have occurred to identify and fix weaknesses and deficiencies.

The explosion at 100 Park Lane should have made NiSource to be viewed as a repeat offender of overpressurization of pipelines. One explosion can be viewed as an anomaly, but two in a short period is a trend.

I believe the Commission's Bureau of Investigation and Enforcement (I&E); was too reluctant to prosecute proportionate to the seriousness and weaknesses found in Columbia's operations. Considering the magnitude of the explosion of the residence at 100 Park Lane, it was next to a miracle there were not multiple fatalities.

The issues that caused the occurrence, I believe are larger than presented in Docket No. M-2022-3012079.

A fundamental question that was not asked nor answered in documents provided in the Docket is - **Why was this project to uprate pressure on the mains and service lines from .5 psig to 40 psig necessary?**

There is also no schedule for completion of the agreed-upon corrective actions. One of the root causes of the explosion was operational procrastination. Operational improvements and internal controls have not been put in place in a timely manner.

On what basis was the uprating work necessary and how would uprating the lines benefit customers – cost and safety? The customer's premises were to receive gas at the meter at .5 psig both before and after the uprate.

From paragraph 45 of JOINT PETITION FOR APPROVAL OF SETTLEMENT

*... "Incremental Uprate Plan (0001-19-0238117-00) followed by Columbia Gas personnel on July 31, 2019 was inadequate in that the Plan's directive that uprate procedures begin only "after it has been confirmed that all of the required customer service lines, associated meter work, and main line replacement, along the involved streets [Nokomis Drive, Mineola Ave, Iola Ave and Winona Ave, North Franklin Township, Washington County, Pennsylvania]...**has been successfully completed**"*

The internal plan was to replace "**customer service lines**" **but** there is no such line. There is a "customer's service line" – that belongs to and is the responsibility of the property owner and there is a "service line" that is owned and is the responsibility of the utility. These terms are included in the Pennsylvania Public utility law Title 66 § 102. Definitions. A service line is not a customer's service line, and a service line is not a customer's service line.

It appears Columbia replaced the service line and the customer's service line at the "Dewey Avenue Replacement Project". See an example of the new customer's service lines in the project area:



The top circle is the gas pressure regulator – this was the device not placed by the meter at 100 Park Lane

The Bottom circle is the riser of the customer's service line. This is a new type of riser and appears to have been part of the project.

Laws must be applied as written – and the good intentions of Columbia and the PUC never override the law.

PA Title 66 § 1510. Ownership and maintenance of natural and artificial gas service lines.

When connecting the premises of the customer with the gas utility distribution mains, the public utility shall furnish, install and maintain the service line or connection according to the rules and regulations of the filed tariff. A public utility shall not be authorized or required to acquire or assume ownership of any customer's service line.

Apparently, Columbia authorized in their uprate plan exactly what was prohibited in § 1510 they ... assumed ownership of the customer's service line and replaced it. So **where did the costs get charged to do this work?**

It does not appear the work to uprate the lines was necessary and it does not appear Columbia received consent to replace the customer's service lines. It appears the primary reason for this work all along was part of a NiSource effort to increase the rate base of Columbia Gas of Pennsylvania. The Commission must investigate the motivations and accounting of the replacement of work that probably should have been disallowed. The cost of unnecessary work is unallowable for recovery purposes.

Deliberately presenting to the Commission cost that should have been recorded as disallowed –

would be a serious violation and noncompliance with securities laws --the Securities and Exchange Act of 1934. 15 U.S. Code § 78m - Periodical and other reports, (b)(2)(4) and (5).
<https://www.law.cornell.edu/uscode/text/15/78m> **A third-party investigation should be conducted of this and similar work.**

Where it happened -- the map:





Current photo -- End of Mineola Avenue – there is no gas curb valve. The customer meter is surrounded by large yellow pipes. The home at 100 Park Lane is partially seen in the background. Without accurate maps, it would have been difficult to determine the actual footprint of the work area.

Of concern, NiSource has placed great incentives on the CEO and President to grow the rate bases of NiSource Companies as presented in the Annual Meeting of Stockholders. <https://east.virtualshareholdermeeting.com/vsm/web?pvskey=NI2022>. See also filings <https://www.nisource.com/filings> and SEC submission <https://sec.report/Document/0001140361-22-014963/#t2020EC> Joe Hamrock pages 59 and page 48 2021 EXECUTIVE COMPENSATION

From the JOINT PETITION FOR APPROVAL OF SETTLEMENT

*45. It is I&E's position that the Incremental Uprate Plan (0001-19-0238117-00) followed by Columbia Gas personnel on July 31, 2019, was inadequate in that the Plan's the directive that uprate procedures begin only "after it has been confirmed that **all of the required customer service lines**, associated meter work, and main line replacement, along the involved streets [Nokomis Drive, Mineola Ave, Iola Ave and Winona Ave, North Franklin Township, Washington County, Pennsylvania]...**has been successfully completed**"*

was incomplete in that it failed to include Park Lane as an involved street in the Dewey Avenue Replacement Project. See, IUP, page 1

The home at 100 Park Lane after the explosion:



This explosion was so powerful that a home about a hundred yards away was moved from its foundation and had to be condemned. Other homes about that far away were also damaged. At 266 Park Avenue, the homeowner, Mr. Rae had to hire a roofer to inspect and remove debris (nails) from his roof.

As previously stated, overall, I do not believe this proposed settlement sufficiently protects the public interest. The requirements of the settlement, I do not believe will sufficiently prevent similar incidents from reoccurring.

The corrective action path taken by the Commission will set the level of risk the Commission is willing to accept from Columbia and set the tone for other gas utilities. It is important for the Commission and the public to get this right.

I base my opinions upon multiple factors, as an asset management expert, owning investment properties that are served by Columbia, and one who is involved in the management, writing, and vetting of international asset management international standards – ISO and ASTM. This Docket provides an excellent business case for stronger asset management.

“Public interest is a texture of multiple strands,” so says the Supreme Court (<https://www.law.cornell.edu/supremecourt/text/320/591>). Some strands are more important than

others and must be recognized as such. These strands would include safety of the public, protection of private property, and wellbeing of the utility, people, and communities. Overall, however, the public's interest supersedes that of the utility and the Commission.

Some facts that should be considered in this Docket.

- The background of this 2022 PUC Docket should not start with the explosion that occurred on July 31, 2019, at 100 Park Lane in Washington, Washington County, Pennsylvania. It started with the Merrimack Valley gas explosions “On September 13, 2018, excessive pressure in natural gas lines owned by Columbia Gas of Massachusetts caused a series of explosions and fires to occur in as many as 40 homes, with over 80 individual fires, in the towns of Lawrence, Andover, and North Andover, all within the Merrimack Valley, in Massachusetts, United States. One person, Leonel Rondon, was killed and 30,000 were forced to evacuate their homes immediately.”
https://en.wikipedia.org/wiki/Merrimack_Valley_gas_explosions#:~:text=On%20September%202018%2C%202018%2C%20excessive,Merrimack%20Valley%2C%20in%20Massachusetts%2C%20United
- The NiSource management system, including the asset management system, should have been viewed as a repeat offender.
- NTSB PRELIMINARY REPORT
<https://archives.lib.state.ma.us/bitstream/handle/2452/794177/on1056703453.pdf?sequence=1&isAllowed=y>
- NATIONAL TRANSPORTATION SAFETY BOARD Public Meeting of September 24, 2019, <https://www.nts.gov/news/events/Documents/2019-PLD18MR003-BMG-abstract.pdf>
 - *Columbia Gas of Massachusetts' inadequate planning, documentation, and recordkeeping processes led to the omission of the relocation of the sensing lines for the South Union Street project.*
 - *Review and ensure **that all records and documentation of your natural gas systems are traceable, reliable, and complete.** (P-18-7) (Urgent)*
 - *This recommendation is classified Closed—Acceptable Action.*
 - *The Columbia Gas of Massachusetts constructability review process was not sufficiently robust to detect the omission of a work order to relocate the sensing lines.*
 - *8. NiSource's engineering risk management processes were deficient.*
- *Probable Cause*
The National Transportation Safety Board determines that the probable cause of the overpressurization of the natural gas distribution system and the resulting fires and explosions was Columbia Gas of Massachusetts' weak engineering management that did not adequately plan, review, sequence, and oversee the construction project that led to the abandonment of a cast iron main without first relocating regulator sensing lines to the new polyethylene main. Contributing to the accident was a low-pressure natural gas distribution system designed and operated without adequate overpressure protection.

- To NiSource, Inc.:
 -Revise the engineering plan and constructability review process **across all of your subsidiaries (including Pennsylvania)** to ensure that all applicable departments review construction documents for accuracy, completeness, and correctness, and that the documents or plans be sealed by a professional engineer prior to commencing work. (P-18-6) (Urgent)

This recommendation is classified Closed—Acceptable Action.

-Review and ensure that all records and documentation of your natural gas systems are traceable, reliable, and complete. (P-18-7) (Urgent)

This recommendation is classified Closed—Acceptable Action.

On July 22, 2019, Safety Recommendation P-18-7 was classified **CLOSED-ACCEPTABLE ACTION**. https://www.nts.gov/safety/safety-recs/_layouts/nts.recsearch/recommendation.aspx?rec=p-18-008

About a week after the NTSB closed their recommended action “that all records [including that of Columbia Gas of Pennsylvania] and documentation of your natural gas systems are traceable, reliable, and complete”, the explosion proved Columbia’s records were not reliable. *Falsus in uno falsus in omnibus*.

- NiSource Deferred Prosecution Agreement <https://www.justice.gov/usao-ma/page/file/1252061/download>
 - If, however, during the Term of this Agreement, **NiSource (1) commits any felony under U.S. federal law including, but not limited to, any felony violation of the Pipeline Safety Act;** (2) gives deliberately false, incomplete, or misleading testimony or information to the Government or to the Court; or (3) otherwise fails to perform or fulfill each of NiSource’s obligations under this Agreement, **NiSource will thereafter be subject to prosecution for any federal criminal violation of which the Government has knowledge,** including, but not limited to, federal criminal violations related to the conduct alleged in the CMA Criminal Information, the Event, or CMA’s and NiSource’s restoration work in the Merrimack Valley following the Event.
 - 14. The Government, in its sole discretion, will determine whether NiSource has breached the Agreement and whether, as a result, the Government will pursue prosecution of NiSource and any such prosecution may be premised on information provided by NiSource.
 - 15. NiSource also agrees that, in the event that the Government determines, in its sole discretion, that NiSource has violated any provision of this Agreement, an extension of the Term of the Agreement may be imposed by the Government, in its sole discretion, for up to a total additional time period of twelve (12) months. Any extension of the Agreement extends all terms of this Agreement throughout the extension period.

- The danger caused by Columbia for the homeowner, first responders, and others must not be minimized. Multiple lives, under the same circumstances, would be expected to be lost.
- During the Columbia Gas press conference, the President of Columbia Gas was asked about contractor involvement – “the work that was completed was performed by Columbia Gas.” <https://www.cbsnews.com/pittsburgh/news/columbia-gas-claims-responsibility-north-franklin-township-explosion/> (About minute 5:45 into the press conference.) That statement differs from the Chronology of the Events in the PUC’s Order (starting on Page 6).

Fog of war?

Did Columbia ever retract or correct their President’s statement?

The commonality between Washington and the Merrimack Valley Massachusetts explosions:

- Both dealt with high-pressure gas lines
- Work was from workers of contractors – not Columbia’s union workers.
- Workers of contractors do not have the same experience as Columbia’s employed labor.
- Both were dealing with Columbia’s records that were incomplete, wrong and unreliable.

Things that were missed, overlooked by investigators in Massachusetts and Pennsylvania

- After the explosion of 100 Park Lane, there should have been some coordination between the PA PUC and the Federal government authorities covering the Massachusetts disaster.
- These were internal control failures – yet NiSource claims they had adopted the COSO Internal Control-Integrated Framework --, which at the top level are controls that are supposed to be put in place and comprised of: effective and efficient operations including the safeguarding of assets; reliable reporting of financial and non-financial and compliance with laws, regulations, and standards... the explosions showed adequate controls were not in place.
- Insufficient risk management -- onsite risk management or safety professionals as well as the workers should have stopped work.
- Record keeping – record establishment and retrieval
- The Pennsylvania, Public Utility Commission should have determined – why was not the corrective actions forced upon NiSource by NTSB, the Justice Department, and the Commonwealth of Massachusetts not effective to prevent the explosion in Pennsylvania?
 - Part of that, I believe is because of the lack of diversity and knowledge by the investigators of required internal controls, quality, risk, and asset management.
- From the Commission’s Order and Opinion of June 16, 2022, <https://www.puc.pa.gov/pcdocs/1748748.pdf>. The Chronology of the Events starts on page 5. NPL was Columbia’s contractor doing the work.

“17. The Columbia Gas distribution system at 100 Park Lane consisted of a plastic main with plastic service lines. The main was located at the dead end of Mineola Ave and was 2-inch Polyethylene plastic pipe. The service line was 1-inch Polyethylene plastic pipe and was 255 feet in length and ran from the end of the main located near Mineola Ave. Columbia Gas renewed the main in 2013 and installed the service line to 100 Park Lane on June 20, 2013.

RCC side note”—No curb valve? *1-inch Polyethylene plastic pipe and was 255 feet in length? If so, insufficient energy was received into the home. The one-inch pipe was too small. The nature of the work is all about details.*

Root Causes of the explosion

Based on my observations and personal experience, since 2016, Columbia’s operations from, the outside, in my opinion, there were specific root causes and systemic root causes.

1. **NiSource/ Columbia’s antiquated asset management record system, associated procedures, and processes.**

The specific root cause that needs to be fixed as soon as possible is Columbia’s asset management system which includes the database, which houses records of Columbia’s gas distribution system. Asset management includes the lifecycle of assets – acquisition, use/maintenance, and disposition with associated computer systems and processes. The settlement document contained in the Commission’s Order starting on page 6 (49 b). identifies eight corrective actions. If all those corrective actions are completed – Columbia’s asset management system would be still weak and there would be little assurance that Columbia’s operations would prevent a future explosion.

*“3) Modify the minimum requirements found in **Exhibit A** under **Gas Standard GS 3020.012** for service line records to include street names and address or geospatial data. Where the actual tap location differs from the street address, the service line sketch will include street names and address, until such time the service line record is fully contained within the Company’s Geographic Information System. Retrain all impacted Columbia Gas employees on all Company standards that outline the minimum requirements for service line records which includes the locations of the tap and the main. Create a QA/QC program to review service line records to ensure they meet the minimum requirements of the Company standards”*

Gas Standard GS 3020.012 – that is NiSource Gas Standard (really not a standard but an internal policy) which appears to apply to multiple Columbia Gas state gas utilities starting on Page 1498 of 2402. Below in part – I believe is Exhibit A from https://psc.ky.gov/pscecf/2016-00162/cmacdonald%40nisource.com/07222016112849/CKY_R_AGDR1_NUM12_Part3_072216.pdf

Reference -- Procedural manual for operations, maintenance, and emergencies. 49 CFR 192.605(b)(3) <https://www.law.cornell.edu/cfr/text/49/192.605> (3) *Making construction records, maps, and operating history available to appropriate operating personnel.*

The highlighted **“form will be scanned – print using black ink”** tell us **this is a paper-based process** and form.

Form GS 3020.012-1 (01/2016) **SERVICE LINE RECORD (SLR)** FORM WILL BE SCANNED - PRINT USING BLACK INK

JOB ORDER # **1** FORM COMPLETED BY: **2**

NEW (N) REPLACE (R) ABANDON (A) REPAIR (F) SURVEY (S)

SERVICE ADDRESS 4				CITY 5					
PSID/SITE ID 6		LOC NUM 7	TAXING DISTRICT 8		MAIN NUM 9	OP PRESS 10			
MAP NUM 11	MAIN SIZE-MATL 12	MAIN REFERENCE (LOCATION) 13			SPECIAL CONDITION CODES 14				
EFV INSTALLED <input type="checkbox"/> YES <input type="checkbox"/> NO 15		EFV MANUF & MODEL 16		GPS COORD 17					
18 MAIN TO PROPERTY LINE OR CURB VALVE	LENGTH	SIZE	MATERIAL	DEPTH (IN)	OP PRESS	DATE INST/ABN	INSTL MTHD	REPAIR DATE	REPAIR ENR
	A	B	C	D	E	F	G	H	I
19 PROPERTY LINE OR CURB VALVE TO METER	LENGTH	SIZE	MATERIAL	DEPTH (IN)	OP PRESS	DATE INST/ABN	INSTL MTHD	REPAIR DATE	REPAIR ENR
	A	B	C	D	E	F	G	H	I
20 RETIRED PIPE	LENGTH	SIZE	MATERIAL	DEPTH (IN)	DATE INSTALLED		DATE ABN		
	A	B	C	D	E		F		
21 MT	22 MASTER TAP REFERENCE (ADDR AND/OR PSID/SITE ID)			23 CURB BOX LOCATION		24 TAP LOCATION		25 RISER CODE	
PRESSURE TESTED PER GAS STANDARD					BY (SIGNATURE, THEN PRINT NAME & EMPLOYEE NUM & COMP NAME)				
<input type="checkbox"/> SRV LINE M-PL/CV		MINS @ _____	PSIG _____	<input type="checkbox"/> Soap Test		27			
<input type="checkbox"/> SRV LINE PL/CV-MTR		MINS @ _____	PSIG _____	<input type="checkbox"/> Soap Test					
28 ADDITIONAL INFORMATION									

For the natural gas distribution industry, paper-based based forms and processes are **inherently obsolete and dangerous**. Before 2000 paper-based processes may have been acceptable for stable operations. Since that, SQL relational databases have been the common industry practice in asset management. Having accurate maps and records is critical in working with high-pressure gas lines.

Information that is hand-written and scanned cannot be automatically checked for errors and omissions. There is no mistake proofing built into paper-based systems as should be with modern electronic database systems.

With well-designed databases, required fields prevent omissions. Well-structured data fields prevent errors.

Trying to manage unstructured data is unreasonable, and causes delays and undue risk.

Well-designed databases can clean and detect faults in data. For example – every customer’s service line is connected with a managed curb valve that is connected with to a service line and every service line is connected to the main line. In asset management, this is simply managed and recorded as parent/child type assets. Every child must have a parent --- every customer address can be traced from a meter -- curb valve, service line to the main line. Columbia’s records and maps should have shown for 100 Park Lane that its main line was close to Mineola Ave, not Park Avenue.

The Commission should “red tag” or condemn the NiSource antiquated record-keeping system.

From the Commission’s Order

“29. At or around 10:30 AM, the system pressure was increased for a final time to **forty-five (45) psig**. Leak surveyors completed a final leak survey at approximately 11:44 AM, and it was reported that **no leaks were found**.

(Culbertson Comment – That shows an improper, unreliable, and dangerous test method – those at the time knew or should have known this was an improper test method – essentially those working on the project took risks they were not entitled to take. This was not a proper test of the integrity of the lines being tested. This was a form of destructive testing. The workers should have known the maps were either wrong or incomplete – thus unreliable. At that point work to increase the pressure on the mains, service lines and customer’s service line should have stopped.

Replacing the NiSource asset management record system should have occurred long ago. Changing to a new asset management record system would be expensive – and data cleanup costs would have to be probably charged to period costs rather than company capital that expand the rate base. The incentive for management is to expand the rate base – not period cost. NiSource/ Columbia chose to expand the rate base over customer safety.)

The Commission’s Corrective action -- 4) *Develop a buffer zone with a minimum of a 500-foot radius of the main to be uprated to capture and verify all service locations of all structures. This buffer zone should consider the length of the service lines.*

(Culbertson’s Comment -- this is a bad idea and an ineffective requirement —if this were a good idea all gas distribution companies would be required to do the same and would be considered to improve DOT’s 49 CFR 192.

This action would give a false positive – risk of another explosion similar to this situation would not be eliminated. This practice would not reduce the risk substantially. The way to reduce risk is to correct records, install the proper equipment and use proper testing.

It is important to understand the nature of natural gas – it is lighter than air, and the sniffers are to search the ground where a leak is under the dirt. In this case, the leak may have been the stove above ground and inside of a closed home. Explosions do not happen with a leaky pipe outdoors. Explosions occur with gas being in a confined space, where there is the proper mixture of gas and air, plus a spark.

The origin of the spark is unknown – a potential cause – when the homeowner and the first responders went into the home, warm air also entered the home. The thermostat recorded a warmer temperature in the home and eventually triggered the start of the HVAC’s electronics that causing a spark. **Boom.**

The Commission should not have presented this recommendation and Columbia should not have agreed to it. This recommendation is a discredit to those who placed it in the agreement.

2. Improper test methods.

In that the home was destroyed which was caused by improper records and maps, there is no doubt the test methods used to test the work were also improper.

U.S. Department of Justice, Criminal Division's document entitled, Evaluation of Corporate Compliance Programs <https://www.justice.gov/criminal-fraud/page/file/937501/download> provides some good practices to evaluate an organization's functions. Here it provides three fundamental questions –

- 1 “Is the corporation's program well designed?”
2. “Is the program being applied earnestly and in good faith?” In other words, is the program adequately resourced and empowered to function effectively?
3. “Does the corporation's ... program work in practice?”

We know Columbia's test method used at the work site **did not work** and caused an explosion in the home. Columbia's tested method caused a **false positive**. The test said good to go... but it was certainly not.

Was the test method well designed? No -- one hundred percent assurance was required but the test was not designed to provide that level of assurance. Somehow the pressure test was not performed or performed improperly. The pressure test should have included the home at 100 Park Lane. Leak surveyors walking around trying to find leaks subject to a faulty map is no substitute for a well design pressure test.

Everyone at the work site should have known that and fell short of the requirements of 49 CFR Part 192, Subpart N - Qualification of Pipeline Personnel. *“Qualified means that an individual has been evaluated and can: Perform assigned covered tasks; and **Recognize and react to abnormal operating conditions.**”* The workers that day were trying to progress under unsafe work conditions. They did not know what they did not know and were not capable of finding out.

In addition:

49 CFR 192.7 - What documents are incorporated by reference [IBR] partly or wholly in this part? Includes (5) ASME/ANSI B31.8S-2004, “Supplement to B31.8 on Managing System Integrity of Gas Pipelines,” 2004, Purpose and Objectives Managing the integrity of a gas pipeline system.

*“A8 INCORRECT OPERATIONS THREAT A8.1 Scope Paragraph A8 provides an integrity management plan to address the threat, and methods of integrity assessment and mitigation, for incorrect operations. Incorrect operations are defined in this context as incorrect operating procedures or failure to follow a procedure (see Fig. A8). This paragraph outlines the integrity management process for incorrect operations in general and also covers some specific issues. Pipeline incident analysis has identified **incorrect operations** among the causes of past incidents.” ... “**Incorrect operations are defined in this context as incorrect operating procedures or failure to follow a procedure.**”*

From paragraph 45 of JOINT PETITION FOR APPROVAL OF SETTLEMENT

*30. At or around 11:50 AM, [Columbia Gas's Gas Measurement & Regulation] GM&R was given approval by the Columbia Gas supervisor to return the system to the **normal operating pressure of 40 psig.** (The record does not show why the supervisor approved energizing the lines. Why?)*

*31. At approximately 3:50 PM, homeowner **Deborah Braden** returned to her residence at 100 Park Lane and **smelled a strong odor of gas. Ms. Braden immediately called 911.***

32. **Two [volunteers from the volunteer fire department] firefighters responded to Ms. Braden’s emergency call. It was reported that the firefighters shut off the gas to the residence at the meter once they arrived on scene.**”

(RCC Comment -- Why the meter and not the curb valve – maybe on this low-pressure system there was no curb valve? With no curb valve at the street, there may not have been an indicator that the home was serviced with gas.)

The JOINT PETITION FOR APPROVAL OF SETTLEMENT is silent as to the location of the meter at the time. Was it next to the home or where it is now... in the middle of a large field between the street and building? Regardless, the workers on the project apparently missed seeing the meter either on the building or in the field as the current photo shows.)



33. **Seconds after Ms. Braden and the first responders exited the residence, an explosion occurred. The explosion levelled the 100 Park Lane residence, also resulting in another home being condemned and allegedly causing damage to other residences in the area. Three vehicles located on the property at 100 Park Lane were also severely damaged.**

34. **The explosion also resulted in alleged bodily injuries to at least four people. The injuries that were allegedly sustained included lacerations, concussions from flying debris, as well as one firefighter being thrown from the site of the explosion.**

35. **The explosion resulted in the temporary curtailment of natural gas service to approximately sixty (60) Columbia Gas customers.**”

43. **It is the position of I&E that this incident was due to the lack of overall Company oversight of critical tasks. The fact that the Company’s Project maps were not accurate should have been discovered through an engineering review or by field personnel during the course of the Project. The improvement to the service line at 100 Park Lane was relatively recent (2013) and these records should have made clear that this residence, albeit located on a different street, was nevertheless within the parameters of the Project and should have been identified at the time of the uprating.**

3. Lack of effective internal controls is another root cause of the explosion.

Columbia/ NiSource has adopted the COSO Internal Control-Integrated Framework – per the NiSource SEC 10-K <https://investors.nisource.com/financial-filings-and-reports/sec-filings/sec->

[filings-details/default.aspx?FilingId=15592876](https://www.gao.gov/assets/gao-14-704g.pdf) “Our management has adopted the 2013 framework set forth in the Committee of Sponsoring Organizations of the Treadway Commission report, *Internal Control - Integrated Framework*,”

PA Management Directive 325-12 – 5. Policy -- Agencies must assess the effectiveness of their Internal Controls and their adherence to the components and principles noted in the Green Book. (<https://www.gao.gov/assets/gao-14-704g.pdf>) “The Green Book adapts these [COSO] principles for a government environment.)

Columbia/ NiSource and the Commission must actively get engaged in using the COSO Internal Control Framework as a primary framework to manage their organizations. This framework will prevent and detect waste, fraud, and abuse and provide assurance of effective and efficient operations/ safeguarding assets, reliable financial and non-financial reporting, and compliance with laws, regulations, and standards. Part of internal control is the monitoring of activities – in accordance with the proper audit standards.

The Commission as the supervisor of Columbia must set a better tone at the top regarding organizational internal controls.

4. Undue influence to expand Columbia’s rate base.

Over the years Columbia has had an accelerated pipeline replacement program. This program has been so successful for Columbia. The Commission’s data shows Columbia has proportionately much higher than its peer gas utilities per the Commission's current Rate Comparison Report https://www.puc.pa.gov/media/1893/rate_comparison_report_2022.pdf

NiSource, the parent of Columbia provides its financial performance at its annual shareholder's meeting. <https://central.virtualshareholdermeeting.com/vsm/web?pvskey=NI2022>

I believe NiSource is more about self-service than public service – spending is key to growth and meeting financial commitments by the use of accelerated spending on infrastructure. The prior CEO Joseph Hamrock recently left in 2022 with a huge “golden parachute”. In 2021 he had a compensation of \$9,535,782 per the 2022 NiSource Proxy Statement (Starting page 49.) Another chart on Page 60 shows an additional \$25,719, 012 upon Change-in- Control.

All revenue comes from customers. He was incentivized to increase the rate bases of NiSource utilities, was paid to raise rates of customers for gas service and his compensation shows he succeeded. His new wealth, to a large extent, came from the poor and less fortunate gas service payers among us.

At the shareholders’ meeting, as recorded, the new NiSource CEO claims NiSource has “Six priority areas: safety, sustainability, being a great place to work, customer experience, operational excellence, and **meeting our financial commitments.**” Affordability and effective internal controls are not included.

“Priorities NiSource stock provided a total shareholder return of nearly 25% in 2021. This is top tier performance. This top tier performance compares to our peer group average of 15%.” ... “Total capital investments are expected to drive compound annual rate-based growth of 10 to 12% for each of the company’s businesses through 2024.” The NiSource priorities sustainability and

meeting financial commitments are a major threat to ratepayers.

Recommendations:

1. Columbia should not be given the grace that no one died in the occurrence – Columbia should be given the same treatment as if four people died because of Columbia’s actions or inactions. The occurrence must be handled diligently as if lives were dependent upon it – and they do! Columbia and the Commission must learn and act to lessen the chances this type of occurrence does not happen again.
2. Do not be hasty in settling this Docket. Obtain more information and eliminate the root causes with corrective actions. Even though this occurrence was on July 31, 2019, this docket started in 2022. This matter will be more just and corrections more effective with more time and understanding of the root causes and completion of corrective actions. The \$990,000 fine may only be a down payment.
3. Engage the federal officials that were involved with the explosions in Massachusetts to determine the extent NiSource has fulfilled its obligations related to the Massachusetts disaster.
4. Determine along with the U.S. Justice Department if NiSource has broken its deferred prosecution agreement.
5. This docket should not be closed until NiSource has fulfilled its obligations required under a mandatory corrective action plan that addresses root causes. Paying the fine should not close this docket – the corrective actions must be completed with third-party validation.
6. Assign a PUC overseer to supervise and validate that Columbia is making its commitments on corrective actions as well as to assure that Columbia’s expenditures are necessary.
7. Those harmed by the explosion deserve restitution –not what Columbia’s insurance will cover. (Mr. Rea of Park Avenue, a home closest to the explosion, indicated to me he had to pay additional thousands of dollars from his pocket to be made whole.) Require Columbia to obtain a “certificate of satisfaction” from those harmed by the explosion if this has not been done.
8. Prohibit uprating pipelines. The negative risks are greater than the potential benefits. Columbia’s maps and records are simply not reliable as they need to be.
9. Existing unsafe or non-compliance practices and conditions caused by Columbia must be stopped and corrected, including replacement of customer’s service lines and placement of meters under or in front of windows.
10. Strengthen internal controls including the safety and quality assurance functions, validations of allowable costs, and compliance with laws, regulations, standards, and the tariff.
11. Applicable findings and lessons learned should also apply to other Pennsylvania Gas utilities.

Respectfully submitted,



Richard C. Culbertson
1430 Bower Hill Road
Pittsburgh, PA 15243
609-410-0108

cc: Honorable Christopher P. Pell and John Coogan
Certificate of Service to parties of Columbia Gas of Pennsylvania Rate Case R-2022-3031211

July 17, 2022

Efile

In that Docket No. M-2022-3012079 is relative Columbia’s rate case Docket No. R-2022-303121, the parties of the Columbia Gas Rate Case are also being served for their knowledge and use.

CERTIFICATE OF SERVICE

Re: Pennsylvania Public Utility Commission :
 :
 v. : Docket No. R-2022-3031211
 :
 Columbia Gas of Pennsylvania, Inc. :

I hereby certify that I have this day served a true copy of the Public Comment to PA PUC v. Columbia Gas of Pennsylvania, Inc. Docket No. M-2022-3012079, upon parties of record in Docket No. R-2022-3031211 proceeding in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a participant), in the manner and upon the persons listed below:

Dated this 17th day of July 2022.

SERVICE BY E-MAIL ONLY

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