

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

July 8, 2022

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 Nos. R-2022-3031211, et al.
Columbia Gas of Pennsylvania, Inc.**

Dear Secretary Chiavetta:

On June 14, 2022, I submitted a Motion, as provide below for a special investigation under Rate Case Docket R-2022-3031211 regarding the 2022 rate case of Columbia Gas of Pennsylvania. Assigned eFile control number 2390321 and found at <https://www.puc.pa.gov/pcdocs/1748200.pdf>

“MOTION TO INTITIAE A SPECIAL INVESTIGATION OF COLUMBIA GAS OF PENNSYLVANIA INC. REGARDING THE CONTENT OF SWORN TESTIMONY OF XXXXXXXX, A COLUMBIA GAS OF PENNSYLVANIA INC. EMPLOYEE. HE PROVIDED SWORN PUBLIC TESTIMONY OF COLUMBIA’S PRACTICES THAT MAY BE ILLEGAL AND ARE RELIVANT TO THIS RATE CASE. XXXXXXXX WAS A CREDIBLE WITNESS HAVING ACCESS TO COLUMBIA’S OPERATIONS OVER YEARS. THE PURPOSE OF THIS SPECIAL INVESTIGATION IS TO CONFIRM AND QUANTIFY THE FINIANCIAL IMACT ON COLUMBIA’S RATE BASE AS WELL AS TO CONFIRM THE QUALITY OF WORK AND INSPECTION OF WORK OF COLUMBIA’S CONTRACTORS. THIS PLANNED, CONDUCTED, COMPLETED AND REPORTED INVESTIGATION MUST BE PERFORMED IN ACCORDANCE WITH GENERALLY ACCEPTED AUDIT STANDARDS AS WELL AS INVESTIGATIVE STANDARDS. THIS AUDIT AND INVESTIGATION MUST BE PERFORMED DILIGENTLY BY A COMPETENT AND INDEPENDENT EXTERNAL AUDIT AND INVESTIGATIVE FIRM HAVING FULL ACCESS TO RELIVANT COLUMBIA’S AND PARENTS’S OPERATIONS, BOOKS AND RECORDS, AND EMPLOYEES.”

I believe this is a proper and correct action to achieve just and reasonable rates that are in the public interest.

On June 19, 2022, I sent an email to the Administrative Law Judges requesting consideration of new information that further justifies the Motion of June 14, 2022. Attached email thread.

On June 24, 2022, from the PUC Administrative Law Judges Christopher P. Pell and John Coogan, denied my Motion, found at <https://www.puc.pa.gov/docket/R-2022-3031211>

In part:

*“Mr. Culbertson has requested that we order a special investigation of Columbia’s operations as referenced in the testimony provided during the June 1, 2022 Public Input Hearing. However, a review of the Public Utility Code reveals that we do not have the authority to order such an investigation. **That authority rests squarely with the Commission, and not with us. Since we do not have the authority to order the requested investigation, we must deny the Motion.”***

From the Commission’s Order, <https://www.puc.pa.gov/pcdocs/1740597.pdf>:
given at Public Meeting held April 14, 2022, for Columbia’s proposed request that was calculated to produce \$82.2 million in additional annual revenues:

“Investigation and analysis of this proposed tariff filing and the supporting data indicate that the proposed changes in rates, rules, and regulations may be unlawful, unjust, unreasonable, and contrary to the public interest. It also appears that consideration should be given to the reasonableness of Columbia’s existing rates, rules, and regulations”

I, in April 2022, as I do now, agree with the Commission’s initial assessment as expressed in their Order.

The objectives to reach lawful, just, reasonable, outcomes in this rate case that are in public interest, requires due process and due diligence. Due (what the situation requires and what is owed) process does not mean blind conformance to prior rate cases processes, but a process used to meet the objectives of the rate case, and these must be adaptive, based upon applicable facts and circumstances, including cost, benefits and risk.

The \$82.2 million requested rate increase deserves focus on achieving what is just, reasonable, lawful and what is in the public interest.

Since the authority to initiate a special investigation “rests squarely the Commission” and not the Administrative Law Judges, I, therefore, am requesting the Commission initiate a special investigation for reasons provided in my documents of June 14, and June 19, 2022. Please Secretary Chiavetta, provide this and the other documents referenced in this letter to the Commission for their review, determination and action.

This planned, conducted and completed investigation must be performed in accordance with Generally Accepted Audit Standards as well as investigative standards. This audit and investigation must be performed diligently by a competent and independent external audit and investigative firm.

Thank you as always.

Copies will be provided to others per the attached Certificate of Service.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "R. Culbertson". The signature is fluid and cursive, with a large initial "R" and a stylized "Culbertson" that ends in a long, sweeping horizontal stroke.

Richard C. Culbertson

cc: Honorable Christopher P. Pell
Certificate of Service
eFile

Email Thread:

From: richard.c.culbertson@gmail.com <richard.c.culbertson@gmail.com>
Sent: Sunday, June 19, 2022 11:14 AM
To: 'cpell@pa.gov' <cpell@pa.gov>; 'jcoogan@pa.gov' <jcoogan@pa.gov>
Cc: "sdelvillar@pa.gov" <sdelvillar@pa.gov>; 'ahirakis@nisource.com' <ahirakis@nisource.com>; 'tjgallagher@nisource.com' <tjgallagher@nisource.com>; 'mhassell@postschell.com' <mhassell@postschell.com>; 'lberkstresser@postschell.com' <lberkstresser@postschell.com>; 'ermclain@pa.gov' <ermclain@pa.gov>; 'sgray@pa.gov' <sgray@pa.gov>; 'OCAColumbiaGas2022@paoca.org' <OCAColumbiaGas2022@paoca.org>; 'tsstewart@hmslegal.com' <tsstewart@hmslegal.com>; 'TJSniscak@hmslegal.com' <TJSniscak@hmslegal.com>; 'wesnyder@hmslegal.com' <wesnyder@hmslegal.com>; 'pddemanchick@hmslegal.com' <pddemanchick@hmslegal.com>; 'jlvullo@bvrrlaw.com' <jlvullo@bvrrlaw.com>; 'pulp@putilitylawproject.org' <pulp@putilitylawproject.org>; 'mszybist@nrdc.org' <mszybist@nrdc.org>; 'akaras@fairshake-els.org' <akaras@fairshake-els.org>; 'jheer@fairshake-els.org' <jheer@fairshake-els.org>; 'jclark@fairshake-els.org' <jclark@fairshake-els.org>; 'cmincavage@mcneeslaw.com' <cmincavage@mcneeslaw.com>; 'kstark@mcneeslaw.com' <kstark@mcneeslaw.com>; 'mszybist@nrdc.org' <mszybist@nrdc.org>; 'akaras@fairshake-els.org' <akaras@fairshake-els.org>; 'tsstewart@hmslegal.com' <tsstewart@hmslegal.com>; 'jas673@hotmail.com' <jas673@hotmail.com>; 'cjazdrmr@yahoo.com' <cjazdrmr@yahoo.com>
Subject: FW: Motion for a Special Investigation RE: Pennsylvania Public Utility Commission v. Columbia Gas of Pennsylvania, Inc.; Docket No. R-2022-3031211

Your Honors,

I request your direction. With the new information that I present below, do I need to modify my existing Motion or does this email suffice?

After I sent my Motion for a Special Investigation Tuesday, June 14, 2022, at 8:59 AM, I received the attached from the PUC, in short, it said:

Dear RICHARD C CULBERTSON,

*A(n) **Transcript Correction Request** has been served in this proceeding. This document is docketed as **R-2022-3031211**. You may view this document at [Transcript Public Input Hrg 6-1-2022 6 PM \(Pg 54-93\)](#)*

You are receiving this email because you are a(n) Complainant

Having this transcript is certainly better than my hearing, notes, and my immediate understanding. I understood Mr. Milligan's, a Columbia Gas long-term employee, concerns about no curb valves and the lack of inspections of Columbia's contractor's employees' work.

I did not understand or remember his statement (Page 83 starting line 17) "If there was a curb box in like there always was in the past, we would shut it off at the curb and make it safe. I put a CAP in on the company's program and the CAP was closed."

"I put a CAP in on the company's program and the CAP was closed."

This is an "inside-baseball" statement. I will try to unravel the ramifications of the statement. A "CAP" is an acronym for "CORRECTIVE ACTION PROGRAM" under Columbia's Safety Management System (SMS). This SMS is based upon American National Standards Institute - ANSI/ API 1173 Pipeline Safety

Management System. See page 2, the third paragraph of https://www.puc.pa.gov/NaturalGas/pdf/Reliability/Winter_Reliability_2019-Columbia.pdf API 1173 is largely based upon international standard ISO 55000 Asset Management. ISO 55000 is under ISO Technical Committee (TC) 251. In the U.S. TC 251, I am Membership Secretary and am active on a small international authoring group now writing an update of ISO 55000 Asset Management. ISO 55000 is about all types of assets that can apply to all industries and sizes of organizations. I represent ANSI at international meetings.

API 1173 calls out for a Corrective Action Program (CAP) that provides for employee submittals for nonconformities that are to be addressed by management. This standard includes about 150 “shall” statements.

It appears Columbia may be confused about the status of API 1173. This is a Recommended Practice (RP). When purchased, this document is referred to as recommended practice. In practice, it stops being a recommended practice when management adopts the standard and becomes adopted in policy, representation, agreement, or incorporated by reference in laws, regulations, or standards.

When something bad happens, companies have extreme legal exposure when they are not operating to industry standards. A trial lawyer who worked for an insurance company said to me, in court, “that’s where the money is”. Industry standard ASME/ANSI B31.8S-2004, “Supplement to B31.8 on Managing System Integrity of Gas Pipelines,” 2004, is included by reference in “49 CFR 192.7 - What documents are incorporated by reference [IBR] partly or wholly in this part?”

“6.5 Other Integrity Assessment Methodologies *Other proven integrity assessment methods may exist for use in managing the integrity of pipelines.* For the purpose of this Standard, it is acceptable for an operator to use these inspections as an alternative to those listed above. For prescriptive-based integrity management programs, *the alternative integrity assessment shall be an industry-recognized methodology, and be approved and published by an industry consensus standards organization,*” e.g., API 1173, ISO 55000 – Asset Management, ISO 9000 - Quality Assurance, ISO 45000 Safety Management...

Under Pennsylvania law, “Title 66 § 2205. Duties of natural gas distribution companies.

(a) Integrity of distribution system.--

(1) Each natural gas distribution company shall maintain the integrity of its distribution system at least in conformity with the standards established by the Federal Department of Transportation and such other standards practiced by the industry in a manner sufficient to provide safe and reliable service to all retail gas customers connected to its system consistent with this title and the commission's orders or regulations.”

From Columbia’s initial submission in this rate case:

DIRECT TESTIMONY OF

C.J. ANSTEAD ON BEHALF OF

COLUMBIA GAS OF PENNSYLVANIA, INC.

March 18, 2022 Statement No. 14

Page 25 of 41

The API 1173 Standard for Pipeline Safety Management 1 **Systems is only**

2 a recommended practice, but Columbia and NiSource **have chosen to pursue**

3 the adoption and implementation of a Safety Management System (“SMS”).

4 As an early adopter of deploying an SMS, Columbia has aggressively educated

5 the entire workforce and key contractor resources on what it is and why we

6 are using API 1173 as our guideline to measure progress. We have

7 implemented a Corrective Action Program (“CAP”) with all employees and key

8 contractor resources that enables a more robust and formal process for

9 identifying risks and developing actions to reduce risk. We have also

10 established a new governance model to review and prioritize identified risks.

11 The building of additional capacities within our SMS are underway and will

12 continue, centered in process safety improvements, asset management

13 *improvements and safety culture improvements.*

Concerns:

- This is what early adoption looks like from PG&E in September 2014. https://www.pge.com/includes/docs/pdfs/safety/systemworks/gas/GasSafetyPlan_2014.pdf
- From Joe Hamrock (CEO of NiSource to the NTSB on March 15, 2019 “*NiSource will strengthen its Management of Change (MOC) procedures with the adoption of API RP 1173 and developing and implementing a Pipeline Safety Management System in 2019.* <https://www.nts.gov/safety/safety-recs/layouts/ntsb.recsearch/recommendation.aspx?rec=p-18-008>. Mr. Hamrock’s letter to the NTSB binds NiSource to use API 1173 as a standard – not guidance.
- Mr. Milligan said: On page 85 starting 10 “*After witnessing many near-misses that the contractors were involved with, literally a week after the home explosion on Park Avenue in Washington, PA, I reported each safety infraction to my supervisors and senior management and **also put CAPs in, only to fall on deaf ears.** After many sleepless nights, I decided the only way someone would listen and safety changes would come would be to report this outside the company. So at that time, I reported this to the PA PUC as a whistleblower.”*
- Apparently, the PUC did not stop Columbia’s practice nor did they require Columbia to install curb valves where they should have been. There is still no curb valve at my property at 1608 McFarland Road, Dormont ... since October 2016.
- Mr. Milligan asserts in his testimony “*seeing it front and center as a construction coordinator who oversees contractors*”, and that he submitted a non-conformity in the CAP, and the system and people in charge either ignored the non-compliance or deliberately closed the related investigation without going through the required process.
- Mr. Milligan had firsthand experience with the workings of Columbia’s Safety Management System and on the basic issue of the regulatorily required curb valve at the end of the service line, before the connection of the customer’s service line – the SMS does not work as advertised or represented. Hazards and dangers were not addressed. I experienced the same with my PUC formal complaint against Columbia starting in May 2017.
- Now comes the PUC Press Release **June 6, 2022.** “*PUC Seeks Public Comment on Proposed Settlement with Columbia Gas Concerning Washington County House Explosion*” A civil penalty of **\$990,000.** <https://www.puc.pa.gov/press-release/2022/puc-seeks-public-comment-on-proposed-settlement-with-columbia-gas-concerning-washington-county-house-explosion>
Docket No.: [M-2022-3012079](https://www.puc.pa.gov/docket/M-2022-3012079) <https://www.puc.pa.gov/docket/M-2022-3012079>
OPINION AND ORDER - 3012079-OSA - 6-16-22 PM - JOINT PETITION FOR APPROVAL OF SETTLEMENT - REQUEST FOR COMMENTS - BIE V COLUMBIA GAS.PDF <https://www.puc.pa.gov/pcdocs/1748748.pdf>

The **Chronology of the Events** starts on page 6. NPL was Columbia’s contractor doing the work.

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**. (Were they using the proper test methods?)

30. At or around 11:50 AM, GM&R was given approval by the Columbia Gas supervisor to return the system to the **normal operating pressure of 40 psig**.

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 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. (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.)

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.*

Of note 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?



<https://triblive.com/local/regional/columbia-gas-on-washington-county-home-explosion-we-are-deeply-sorry/>

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.*

The transcript of Mr. Milligan indicates that the SMS may not be as reliable as advertised, and that in itself is persuasive that an independent investigation is warranted. It is of utmost public interest to know that Columbia has or does not have an effective SMS. At this point I&E should not be performing a further investigation – investigators should not investigate where they, themselves may be involved to some extent. Independence is required and the appearance of independence is necessary.

I&E has some of the same concerns as Mr. Milligan, there is not enough oversight of Columbia’s contractors.

What is also alarming under the agreed-upon Corrective Actions (page 14). “Columbia Gas recognizes the seriousness of this matter and will promptly take the following steps to prevent a similar occurrence:

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.** This document is not provided by the PUC but is available at https://psc.ky.gov/psccef/2016-00162/cmacdonald%40nsource.com/07222016112849/CKY_R_AGDR1_NUM12_Part3_072216.pdf with a

search of GS 3020.012, it includes Exhibit A. This internal NiSource procedure applies to CPA and was effective June 1, 2016.

Exhibit A is a paper-based form that starts an asset record. This form does not have a signature block for a quality inspection and the name of the inspector.

**EXHIBIT A
(1 OF 12)**

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**

3 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 INSTL/ABN | INSTALL 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 INSTL/ABN | INSTALL MTHD | REPAIR DATE | REPAIR ENR |
| | A | B | C | D | E | F | G | H | I |
| 20 RETIRED PIPE | LENGTH | SIZE | MATERIAL | DEPTH (INCHES) | DATE INSTALLED | | DATE ABN | | |
| | A | B | C | D | E | | F | | |
| MT 21 | MASTER TAP REFERENCE (ADDR AND/OR PSID/SITE ID) 22 | | | CURB BOX LOCATION 23 | | TAP LOCATION 24 | | RISER CODE 25 | |
| PRESSURE TESTED PER GAS STANDARD | | | | | BY (SIGNATURE; THEN PRINT NAME & EMPLOYEE NUM & COMP NAME) 27 | | | | |
| <input type="checkbox"/> SRV LINE M-PL/CV _____ MINS @ _____ PSIG <input type="checkbox"/> Soap Test | | | | | | | | | |
| <input type="checkbox"/> SRV LINE PL/CV-MTR _____ MINS @ _____ PSIG <input type="checkbox"/> Soap Test | | | | | | | | | |
| ADDITIONAL INFORMATION 28 | | | | | | | | | |
| 29 | | | | | | | | | |
| 30 PERSONS MAKING WELDS, FUSIONS, AND MECHANICAL FITTING JOINTS | | | | | | | | | |
| EMPL NUM & CO | | <input type="checkbox"/> W <input type="checkbox"/> EF <input type="checkbox"/> SF <input type="checkbox"/> BF <input type="checkbox"/> M | | | EMPL NUM & CO | | <input type="checkbox"/> W <input type="checkbox"/> EF <input type="checkbox"/> SF <input type="checkbox"/> BF <input type="checkbox"/> M | | |
| EMPL NUM & CO | | <input type="checkbox"/> W <input type="checkbox"/> EF <input type="checkbox"/> SF <input type="checkbox"/> BF <input type="checkbox"/> M | | | EMPL NUM & CO | | <input type="checkbox"/> W <input type="checkbox"/> EF <input type="checkbox"/> SF <input type="checkbox"/> BF <input type="checkbox"/> M | | |
| POST INSTALL LOCATING 31 <input type="checkbox"/> PAINT <input type="checkbox"/> FLAGGED <input type="checkbox"/> LOCATED | | | | | OFFICE USE ONLY: REVIEWED BY AND DATE 32 | | | | |

SKETCH THE SERVICE LINE IN THE SPACE ABOVE; INDICATE NORTH

COMPLETE BOTH SIDES OF FORM

This appears to show how operations were conducted in the 1980 and 1990s -- old technology... "scanned

in”. No mistake-proofing. No easy way to correct errors or omissions. Limited database fields. No or limited search capability. No photos. No one-over-one approvals. Paper-based systems are inherently dangerous and now unreasonable for safety reasons. An excellent source to determine the status of the NiSource geographic information system (GIS) is ESRI – Redland CA. They, I understand, have the largest market share in the sector. The technology used should be commensurate with the nature of risk, effectiveness, and efficiency.

Going to an upgraded new system could be expensive – with extensive data conversion and data cleansing cost, which is traditionally expensed as incurred. From afar – it appears this old record system presents more dangers and hazards to customers than bare steel or cast-iron pipes. That should be investigated and evaluated by third-party experts.

It is also important to note that the explosion in Washington County occurred July 3, 2019, and the review of the incident by PUC I&E concluded in June 2022, as provided in the PUC’s Order. The Order requires 8 fundamental Corrective Actions. Those corrective actions should have been completed by Columbia on their own ... is it true no corrective actions were identified and completed since the explosion? Mr. Milligan's sworn testimony indicates he was also alarmed that Columbia was marching to the wrong managerial objective.

Has the top management of NiSource focused on the right things? “NiSource CEO Joe Hamrock is retiring after growing the utility's rate base to more than \$14 billion and its shareholder returns to 30%.” https://www.nwitimes.com/business/local/nisource-ceo-joseph-hamrock-to-retire-lloyd-yates-to-take-over/article_e7e40041-2189-58d2-9d2d-31ed9e59abcf.html This rate case my help them to focus on the right things.

Mr. Milligan is an expert on Columbia’s current operations – if he does not trust Columbia’s operations as sworn in his testimony, why should anyone else? A special independent investigation is necessary to provide stakeholders a high-level assurance that Columbia’s systems are safe or not, and that are costs and rates reasonable, just, and lawful.

Since I submitted my Motion for a Special Investigation additional material information has been made available with the Public Input transcript of Mr. Milligan’s sworn testimony and the Commission’s Opinion and Order of June 16, 2022, in Docket M-2022-3012079. This additional information should be considered along with what I provided in the initial Motion to investigate.

Thank you for your consideration and direction.

Sincerely,



Richard C. Culbertson (Pro Se)

From: Pell, Christopher <cpell@pa.gov>

Sent: Tuesday, June 14, 2022 8:59 AM

To: Amy E. Hirakis (ahirakis@nisource.com) <AHirakis@nisource.com>; Theodore J. Gallagher (tjgallagher@nisource.com) <tjgallagher@nisource.com>; Hassell, Michael <mhassell@postschell.com>; Berkstresser, Lindsay <lberkstresser@postschell.com>; McLain, Erika <ermclain@pa.gov>; Gray, Steven <sgray@pa.gov>; OCAColumbiaGas2022@paoca.org; Todd Stewart <tsstewart@hmslegal.com>; Thomas Sniscak <TJSniscak@hmslegal.com>; Whitney Snyder <wesnyder@hmslegal.com>; Phillip Demanchick <pddemanchick@hmslegal.com>; jlvullo@bvrrlaw.com; pulp@pautilitylawproject.org; Szybist, Mark <mszybist@nrdc.org>; akaras@fairshake-els.org; jheer@fairshake-els.org; jclark@fairshake-els.org; Charis

Mincavage - McNees Wallace & Nurick (cmincavage@mcneeslaw.com) <cmincavage@mcneeslaw.com>; Stark, Ken <kstark@mcneeslaw.com>; Richard.C.Culbertson@gmail.com
Cc: Coogan, John <jcoogan@pa.gov>; Delvillar, Shalea <sdelvillar@pa.gov>
Subject: RE: [External] RE: Pennsylvania Public Utility Commission v. Columbia Gas of Pennsylvania, Inc.; Docket No. R-2022-3031211

All,

If any party intends to file an answer to the motion Mr. Culbertson filed today, please do so by next Tuesday, June 21, 2022.

Thank you,

ALJs Pell and Coogan

From: richard.c.culbertson@gmail.com <richard.c.culbertson@gmail.com>

Sent: Tuesday, June 14, 2022 6:28 AM

To: Pell, Christopher <cpell@pa.gov>; Coogan, John <jcoogan@pa.gov>; Delvillar, Shalea <sdelvillar@pa.gov>; Hassell, Michael <mhassell@postschell.com>; 'Berkstresser, Lindsay' <L.Berkstresser@PostSchell.com>; ahirakis@nisource.com; tjgallagher@nisource.com; OCAColumbiaGas2022@paoca.org; Gray, Steven <sgray@pa.gov>; McLain, Erika <ermclain@pa.gov>; 'Thomas Sniscak' <TJSniscak@hmslegal.com>; Whitney Snyder <wesnyder@hmslegal.com>; 'Phillip Demanchick' <pddemanchick@hmslegal.com>; 'Joseph L. Vullo' <jlvullo@bvrrlaw.com>; rdk@indecon.com; mewen@indecon.com; pulp@pautilitylawproject.org; 'Jim Crist' <jlcris@aol.com>; cmincavage@mcneeslaw.com; Stark, Ken <kstark@mcneeslaw.com>; Szybist, Mark <mszybist@nrdc.org>; akaras@fairshake-els.org; Todd Stewart <tsstewart@hmslegal.com>; Coogan, John <jcoogan@pa.gov>; 'Jose Serrano' <jas673@hotmail.com>; 'Constance Wile' <cjazdrmr@yahoo.com>

Subject: [External] RE: Pennsylvania Public Utility Commission v. Columbia Gas of Pennsylvania, Inc.; Docket No. R-2022-3031211

ATTENTION: This email message is from an external sender. Do not open links or attachments from unknown sources. To report suspicious email, forward the message as an attachment to CWOPA_SPAM@pa.gov.

Your Honors and all parties,

Please see the attached Motion for a Special Investigation.

Respectfully,

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

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 following document, the Richard C. Culbertson Formal Complaint and Public Statement, upon parties of record in this 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 13th day of June 2022.

SERVICE BY E-MAIL ONLY

| | |
|--|---|
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eFile

Docket No. R-2022-3031211

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

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

MOTION TO INITIATE A SPECIAL INVESTIGATION OF COLUMBIA GAS OF PENNSYLVANIA INC. REGARDING THE CONTENT OF SWORN TESTIMONY OF XXXXXXXX, A COLUMBIA GAS OF PENNSYLVANIA INC. EMPLOYEE. HE PROVIDED SWORN PUBLIC TESTIMONY OF COLUMBIA’S PRACTICES THAT MAY BE ILLEGAL AND ARE RELIVANT TO THIS RATE CASE. XXXXXXXX WAS A CREDIBLE WITNESS HAVING ACCESS TO COLUMBIA’S OPERATIONS OVER YEARS. THE PURPOSE OF THIS SPECIAL INVESTIGATION IS TO CONFIRM AND QUANTIFY THE FINIANCIAL IMPACT ON COLUMBIA’S RATE BASE AS WELL AS TO CONFIRM THE QUALITY OF WORK AND INSPECTION OF WORK OF COLUMBIA’S CONTRACTORS. THIS PLANNED, CONDUCTED, COMPLETED AND REPORTED INVESTIGATION MUST BE PERFORMED IN ACCORDANCE WITH GENERALLY ACCEPTED AUDIT STANDARDS AS WELL AS INVESTIGATIVE STANDARDS. THIS AUDIT AND INVESTIGATION MUST BE PERFORMED DILIGENTLY BY A COMPETENT AND INDEPENDENT EXTERNAL AUDIT AND INVESTIGATIVE FIRM HAVING FULL ACCESS TO RELIVANT COLUMBIA’S AND PARENTS’S OPERATIONS, BOOKS AND RECORDS, AND EMPLOYEES.

TO: DEPUTY CHIEF ADMINISTRATIVE LAW JUDGE PELL AND ADMINISTRATIVE LAW JUDGE COOGAN:

The public’s participation at the Commission’s Public Input Hearing of the Columbia Gas Of Pennsylvania rate cases was disappointing. The Commission’s outreach to the public to testify was ineffective. Three individuals signed up to testify, one failed to attend the others provided sworn public testimony. Both sworn testimonies were important and should help lead to just, reasonable and lawful rates for customers.

The first individual testified after being notified of public input hearing through the Pennsylvania Office of Consumer Advocate (PAOCA). He represented customers of modest means. Formerly of the military and recognized his gas bill had gone up considerably in the last year compared to his electric utility bill. He recommended the Commission deny the proposed rate increase.

The second person to testify was XXXXXX, a long-term Columbia Gas of Pennsylvania employee who works as a XXXX. He testified against his own company. He had safety concerns. Prior attempts to address these concerns internally were not effective. He characterized himself as a “whistleblower”. (Whistleblowers have special rights to anonymity and protection against retaliatory actions of employers.)

XXXXX had limited time to speak. The public input hearing is not a good venue to address numerous complex compliance pipeline technical matters. XXXXX’s concerns, experiences, observations and testimony may come at great risk and perhaps his well-being.

XXXXX said concerns kept him awake at night.

Public information about the person of XXXXXX:

A family lost their home to a fire and was given a new place to live **thanks to the kindness of XXXXX., a stranger.**

After hearing the couple’s situation, XXXX , **offered the couple a home he owned.**

A spokesperson for Columbia Gas, said XXXX gave them the house. The company was responding to media phone calls on behalf of XXXX, **“He’s a very selfless employee. We are very proud to have an employee XXXX. He is a really great example of how our employees have the goal to keep our customers warm and safe during the winter.”**

Public Input Hearing are not just a formality – they are part of the required due process to arrive at just, reasonable and lawful rates. Part of that due process is for the PUC to address the content of public input hearings proportionally to the possible benefits and cost of additional discovery and to some extent go to where XXXXX’s concerns lead.

XXXXXX expressed two major concerns that were consistent with my concerns since 2016 when Columbia or Columbia’s contractor did not install a curb valve and the work performed by a contractor was not up to quality and safety standards.

Curb valves were not being installed.

Not having a curb valve presents a safety issue and danger to first responders and others in emergencies but also for maintenance purposes where gas to the premises need to be shut off.

***49 CFR PART 192 - TRANSPORTATION OF NATURAL AND OTHER GAS BY PIPELINE:
MINIMUM FEDERAL SAFETY STANDARDS***

Authority: 30 U.S.C. 185(w)(3), 49 U.S.C. 5103, 60101 et. seq., and 49 CFR 1.97. (Pipeline Safety Act)

49 CFR 192.365 Service lines: Location of valves.

(a) Relation to regulator or meter. Each service-line valve must be installed upstream of the regulator or, if there is no regulator, upstream of the meter.

(b) Outside valves. Each service line must have a shut-off valve in a readily accessible location that, if feasible, is outside of the building.

(c) Underground valves. Each underground service-line valve must be located in a covered durable curb box or standpipe that allows ready operation of the valve and is supported independently of the service lines. <https://www.govinfo.gov/content/pkg/FR-2016-10-14/pdf/2016-24925.pdf#page=1> Issued October 7, 2016.

52 Pa. Code § 59.33. Safety. § 59.33. Safety.

(a) Responsibility. Each public utility shall at all times use every reasonable effort to properly warn and protect the public from danger, and shall exercise reasonable care to reduce the hazards to which employees, customers and others may be subjected to by reason of its equipment and facilities.

(b) Safety code. The minimum safety standards for all natural gas and hazardous liquid public utilities in this Commonwealth shall be those issued under the pipeline safety laws as found in 49 U.S.C.A. § § 60101—60503 and as implemented at 49 CFR Parts 191—193, 195 and 199,

The laws referenced are the Pipeline Safety Act and the apply to interstate and intrastate pipelines. Violation can lead to Federal criminal prosecution as NiSource and Columbia Gas of Massachusetts of were subject to because of a death, explosions and fires in the Merrimack Valley September 2018.

XXXXXXX's concern of service lines being installed with no curb valves must be properly investigated under the Commission's authority. XXXXX's concerns must be measured for existence, qualitatively and quantitatively. Omissions and dangers must be recognized and corrected. A root cause must be identified as well as those responsible for tolerating unsafe conditions. Why was this not corrected in Columbia's Safety Management System or the NiSource ethics and compliance program?

The second major issue of XXXXXX concerned the work of Columbia's contractor's employees. The contractor's employees were not trained as well as Columbia's employees and that a contractor's work needed to be inspected by a Columbia Gas employee.

This issue must also be investigated as it pertains to safety and allowable cost and should be investigated similarly to the first matter.

PA Title 66 § 1359. Projects. (a) Standards. --The commission shall establish standards to ensure that work on utility systems to repair, improve or replace eligible property is performed by

qualified employees of either the utility or an independent contractor in a manner that protects system reliability and the safety of the public.

(b) *Inspection.* --**Projects** for which work to repair, improve or replace eligible property is performed by independent contractors **shall be subject to reliability and safety standards and to inspection by utility employees.**

(c) *Cost.*--**Work on projects to repair, improve or replace eligible property that is not performed by qualified employees or contractors or inspected by the utility's qualified personnel shall not be eligible for recovery of a distribution system improvement charge.**

What is reasonable for recovery is consistent regardless of the accounting within DISC or not within DISC. Columbia's cost of poor-quality work, which includes work without proper quality inspections should not be recoverable and should not be tolerated.

This special investigation should include other appropriate areas that the Commission deems necessary to reach just, reasonable and lawful rates.

Completing this rate case in the same manner a previous rate cases with the current participants and process will not address XXXXX's concerns.

This special investigation is necessary under Title 66 § 308.2. [Commission's functions] (11) Take appropriate enforcement actions, including rate proceedings, ... necessary to insure compliance with this title, commission regulations and orders. Audits and investigations are permitted under Title 66 Pa.C.S.A. Public Utilities § 516 (c).

Context For This Motion Is Important.

This rate case cannot be justifiably dispositioned without properly dealing with XXXXX's testimony. Given XXXX's limited time to speak, pertinent material information may not have been presented. An in-depth questioning of XXXX at the Public Input Hearing in front of his employer was not appropriate, an independent investigation is.

As a person with properties serviced by several public utilities, it is my opinion there is disorder in the Commission's supervision of public utilities. The Commission must change the tone of

supervision of public utilities from tolerance to intolerance. Some public utilities have taken advantage of the Commission's tolerant tone including Columbia. Issues that arise are not handled effectively and efficiently. XXXXXX is certainly in a position with a greater perspective than I. He loses sleep but so do I. We know near misses, if not addressed result in death and harm to people and property. The lack of curb valves and work without adequate knowledge, care and quality assurance create dangerous conditions and will eventually result in the loss of life and property.

The situation with the recent **Pottstown gas explosion** provides lessons already known – people give up submitting complaints and accept undue risks as normal. (Multiple reports are available in the public media such as <https://stateimpact.npr.org/pennsylvania/2022/06/06/expert-some-form-of-gas-is-likely-culprit-in-deadly-pottstown-home-explosion/>).

A gas smell is not normal inside or outside of a home. When reported over the years, those who were charged to protect people either did not care enough or gave up in trying to find the source of the gas smell.

Unfortunately giving up resulted in a couple from Philadelphia, so far, losing all their children and a parent – five people! The disaster / homicide, apparently by natural gas has not been solved yet, but it points to a gas utility.

Unfortunately in Pennsylvania, some public utilities have developed some bad habits.

Let's start with Columbia. I am a shareholder of NiSource, parent of company of Columbia and attended their annual shareholders 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.)

2021 EXECUTIVE COMPENSATION

| | Severance (\$) | Pro Rata Target Bonus Payment (\$) | Equity Grants (\$) | Cash Awards (\$) | Welfare Benefits (\$) | Outplacement (\$) | Total Payment (\$) |
|--|-------------------|--|--------------------------|------------------------|-----------------------------|----------------------|--------------------------|
| Joseph Hamrock | | | | | | | |
| Voluntary Termination ⁽¹⁾ | — | — | 8,480,467 | — | — | — | 8,480,467 |
| Retirement ⁽²⁾ | — | — | — | — | — | — | — |
| Disability ⁽²⁾ | — | — | 9,644,009 | — | — | — | 9,644,009 |
| Death ⁽²⁾ | — | — | 9,644,009 | — | — | — | 9,644,009 |
| Involuntary Termination ⁽³⁾ | 1,030,000 | — | — | — | 33,460 | 25,000 | 1,088,460 |
| Change-in-Control ⁽⁴⁾ | 6,798,000 | 1,236,000 | 17,551,208 | — | 108,804 | 25,000 | 25,719,012 |

Total compensation does not appear to be listed. Guidance on executive compensation in a government environment is contained in <https://www.law.cornell.edu/cfr/text/48/31.205-6>.

A public utility is not a public utility without customers. 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 rate payers.***

Sustainability goals in Pennsylvania should be established by the Pennsylvania Legislature not individual public utilities as a means to justify the augmentation of their rate base. (See <https://www.un.org/en/academic-impact/sustainability> and <https://www.ifrs.org/groups/international-sustainability-standards-board/>) International sustainability goals may not be in Pennsylvania’s best interest.

Adopting sustainability priorities is the green light for more NiSource/ Columbia spending.

Peoples

Other properties of mine are serviced by Peoples. My property at 2980 West Liberty Avenue in Dormont is one of them. Peoples just changed their gas main line on West Liberty Avenue along with my customer’s service line. Replacing my customer’s service line was without my consent. Who comes on to another’s property, without notification and replaces an appurtenance or any other thing without the owner’s consent? I have insurance on the customer’s service line upon failure or need.

It appears Peoples will capitalize this customer’s service line along with others as if their own and will call it utility plant in service as part of their rate base.

The problem with that – 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. ... Maintenance of service lines shall be the responsibility of the owner of the service line.**”*

Last week Peoples assumed ownership of my gas customer’s service line.

52 Pa. Code § 59.18. Meter, regulator and service line location. (Effective September 13, 2014)
a) General requirements for meter and regulator location, (8) Meters and service regulators may not be installed in the following locations: (i) Beneath or in front of windows...



Turning off that gas valve in an emergency in front of the glass block window would be dangerous and could be fatal. What happened to Title 66 § 501. “General powers. (c) Compliance.--Every public utility, its officers, agents, and employees, ... shall observe, obey, and comply with such [PUC] regulations or orders, and the terms and conditions thereof”?

Now, where do I go to get this straighten out?

Duquesne Light Company

In December 2020 due to poor workmanship on an electric pole near my home, electric wires were crossed and cause a severe power surge. One neighbor, her house started catch on fire and the local fire department responded. In my home, the motherboard of my HVAC system was fried the same with the dishwasher and the same with a high-end coffee pot. It was cold in our home a couple of days until the HVAC could be serviced. We managed with a back up system and portable heaters. Ultimately Duquesne Light paid us \$1,634. 97 for the damages to our property about a year later.

Duquesne Light is in the process of switching out utility poles that have reached the end of their useful lives. Last summer, a utility pole on my residence property was targeted to be replaced. A contractor’ employee surveyed the pole that was marked for replacement. I have two driveways to my property, one that is paved leads to the garage and parking area. The other is unpaved and leads to the back of my property and when necessary, I drive to the back of my property – there is even a large utility cover for a public sewer line. I had unobstructed access to the back of my property and wanted to keep

it that way. I instructed the contracted employee when the pole is replaced, to not obstruct my grass driveway to the back of my property – he said he would take note of it.

When Duquesne Light employees came to replace the pole on November 11, 2021, the foreman insisted, they needed to replace the pole where it obstructed my grass driveway. I protested – and stated, if needed, place the pole away from the driveway. I insisted this is my property and I am the decision maker on my property and not the Duquesne Light Company. In Pennsylvania I have a “indefeasible” Constitutional right “*of acquiring, possessing and protecting property*”. I submitted a formal complaint into Duquesne Light’s third-party complaint system... so far Duquesne Light has not responded.

Duquesne Light does not have immediate eminent domain rights over private property.



My grass driveway was reduced from 105” to 85” that means if and when I try to pour concrete in my back yard the heavy truck will most likely crush a portion of my paved driveway. I own both sides of the old pole. I would have given permission to place the new pole in the same location as the old, but Duquesne Light employees deliberately and arrogantly placed the new pole exactly where I did not want it, with an attitude – we are the powerful utility company and have special powers and you do not.

In this situation – do I complain to the PUC? No – not with my experience with the PUC. I will have to go through the Pennsylvania court system – but it takes time, money and stress. It should not be that way.

Conclusion:

Why do I have so many problems with Pennsylvania gas and electric utilities? I believe my experiences with these utilities are representative of the experiences of others.

I believe the Commission has not installed effective internal controls over public utilities, which has allowed public utilities to establish a culture of abuse of customers. That has to stop. PA Title 66 § 501. General powers... *"[T]he commission shall have full power and authority, and it shall be its duty to enforce, execute and carry out, by its regulations, orders, or otherwise"*. The Commission needs to take a concurrent active role in the processing of customer complaints. The current process greatly favors public utilities and validates the approach of utilities.

If I had a choice, based upon how I have been serviced by each of these utilities, I would go to a competitor – but there is no competitor. These are natural monopolies – natural monopolies only work if they are actively regulated – but they are not.

We can start improving public utility behavior by sending a clear message to public utilities and rate payers that the Pennsylvania Public Utility Commission will no longer tolerate abuse of customers and will not tolerate rates that are unjust, unreasonable and unlawful.

Public comments and participation must be given more consideration to the extent they can make a reasonable difference in rate cases. Now these are merely received and filed in the Secretary's Office without reasonable public view. At least, participants in rate cases should have free access to these submissions. Secrecy favors utilities.

Improvement starts with a special investigation of Columbia's operations regarding the sworn testimony of June 1, 2022.

Respectfully submitted,



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