

Jennifer L. Petrisek, Senior Attorney 375 North Shore Drive Pittsburgh, PA 15212 (412) 208-6834

Via Overnight Delivery

September 29, 2017

Rosemary Chiavetta, Executive Secretary Pennsylvania Public Utility Commission Commonwealth Keystone Building 400 North Street Harrisburg, PA 17120

Re: <u>Docket Number C-2016-2583759</u>

Audrey McKee Orr v. Peoples Natural Gas Company LLC

Dear Secretary Chiavetta:

On behalf of Peoples Natural Gas Company LLC ("Peoples"), please find enclosed for filing a Main Brief in the above-noted docket.

Please contact the undersigned at (412) 208-6834 should you have any questions or concerns regarding this matter.

Very truly yours,

Jennifer L. Petrisek Senior Attorney

cc:

All Parties listed on the Certificate of Service

RECEIVED

SEP 2 9 2017

PA PUBLIC UTILITY COMMISSION SECRETARY'S BUREAU

BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

AUDREY MCKEE ORR)	
)	
V.)	DOCKET NO. C-2016-2583759
)	
PEOPLES NATURAL GAS COMPANY LLC)	

MAIN BRIEF OF PEOPLES NATURAL GAS COMPANY LLC

PROCEDURAL HISTORY

On December 20, 2016, Audrey McKee Orr (the "Complainant") filed a formal complaint against Peoples Natural Gas Company LLC ("Peoples" or the "Company") which, among other things, averred that an alleged interruption of natural gas service at 516 Lincoln Way in McKeesport, Pennsylvania (the "Premise") caused water damage at the Premise. As relief, Complainant sought sanctions against Peoples, reimbursement for meter charges and a finding in Complainant's favor as a foundation for Complainant to move forward with a civil complaint.

On January 30, 2017, Peoples filed an answer to the formal complaint denying the Complainant's allegations.

On March 9, 2017, a Telephonic Hearing Notice was issued that set an initial telephonic hearing for April 18, 2017 at 10 a.m. That hearing was subsequently rescheduled and a Hearing Cancellation/Reschedule Notice was issued for an Initial Telephonic Hearing for August 9, 2017.

A Prehearing Order was issued on April 5, 2017.

RECEIVED

SEP 2 9 2017

On August 9, 2017, a telephonic hearing was held to address the formal complaint at which hearing both parties, accompanied by counsel, were present. Complainant was represented by Blair N. Droskey, Esquire who presented the testimony of Complainant and offered thirteen (13) Complainant Exhibits, which were admitted into evidence. Peoples was represented by Jennifer L. Petrisek, Esquire, who presented testimony of five (5) witnesses and offered three (3) Exhibits, which were admitted into evidence. A transcript of the telephonic hearing was prepared consisting of 160 pages. At the conclusion of the telephonic hearing, Administrative Law Judge Steven K. Haas, the presiding officer in this proceeding, ("ALJ Haas") requested each party to file a Post Hearing Main Brief on September 29th, with Reply Briefs to be filed on October 13, 2017. ALJ Haas directed that, in addition to the brief content requirements set forth at 52 Pa. Code § 5.501(a), the briefs must contain proposed findings of fact, proposed conclusions of law and proposed ordering paragraphs.

In accordance with the Interim Order, Peoples submits the following:

PROPOSED FINDINGS OF FACT

- Complainant, Audrey McKee Orr, owns a property located at 516 Lincoln Way in McKeesport, PA 15132 (the "Premise"). The Premise sits on the corner of Lincoln Way and Delaware Street. (Transcript, Pages 9-10; 17).
- 2. In February, 2016 the Premise was vacant. (Transcript, Page 10).
- 3. The Premise utilizes natural gas for heating and hot water. (Transcript, Pages 10; 12).
- 4. The meter the Premise was located on the Lincoln Way side of the house and connected to the distribution line located on Lincoln Way. (Transcript, Page 68).
- 5. In February, 2016, Peoples was in the process of installing a new mainline on Delaware Street. (Transcript, Page 67).
- 6. During the installation of the new line, the existing natural gas line on Delaware Street was operational and continued to provide natural gas to customers. Natural gas service provided by the line located on Lincoln Way was not interrupted while the new line on Delaware Street was under construction. (Transcript, Pages 83, 85, 97).

- 7. At the time the new line on Delaware Street would have been operationally ready for service, the Company would have contacted the customers affected and arranged to connect their customerowned service lines to the new line, while they were still connected to the old line, which was still active. Thereafter, the old line would have been purged and retired (Transcript, Pages 83, 97-98).
- 8. The Company uses jumpers so that both the old line and newly constructed line are simultaneously active. (Transcript, Pages 97-99).
- 9. On February 18, 2016, George Franklin, a Peoples Inspector, was on site at the construction of the new line on Delaware Avenue and noticed water flowing through the wall at the Premise. Mr. Franklin notified Greg Stanley of a potential leaking water issue. (Transcript, Pages 76-77; 99-100).
- 10. After receiving notice of the water issue, Mr. Stanley contacted the Peoples operations center and asked them to contact the water company to shut off the water to the Premise. (Transcript, Pages 76-77)
- 11. On February 18, 2016, Mr. Stanley, a Peoples Gas Operations Supervisor, visited the Premise to investigate the notice of a leaking water issue. (Transcript, Pages 39, 77).
- 12. Mr. Stanley discovered the pilot light for the hot water heater was lit and the pilot light for the furnace was not lit. The furnace is upstream of the hot water heater, thus the gas would flow through the portion of the house line feeding the furnace before flowing through the house line into the hot water heater. (Transcript, Page 78).
- 13. Chris Mozley, a Peoples Customer Serviceman, visited the Premise on February 18, 2016 and observed that the pilot light for the hot water heater was lit and the pilot light for the furnace was not lit. (Transcript, Pages 106-107).
- 14. The gas service to the Premises was not disconnected by Peoples prior to discovering the leaking water issue. (Transcript, Page 76).
- 15. While another customer on the Lincoln Way line had experienced intermittent outages in the past due to water in the Lincoln Way Line, there were no reported outages in January and February of 2016. (Transcript, Page 118-119).

- 16. The other property experiencing outages due to condensation (water) in the Lincoln Way line were downhill from Complainant's property. (Transcript, 70-73, 86, 89).
- 17. Ms. Orr did not experience any service outages prior to the alleged outage in February, 2016. (Transcript, Pages 60-61, 117-118).
- 18. On February 19, 2016, the gas service was discontinued to the meter. (Transcript, Page 116).
- 19. While at the Premises on, our about, February 19, 2016, Peoples made arrangements with Ms. Orr's son-in-law to relocate the meter from the Lincoln Way side of the house to the Delaware Street side of the house. On February 25, 2016, the meter was relocated in order to connect the Premise to the new line on Delaware Street. (Transcript, Pages 59; 130-131).
- 20. The Complainant's gas account was terminated on July 8, 2016 after Ms. Orr requested to end service. (Transcript, Pages 116-117)

DISCUSSION

The central issues in this Formal Complaint pertain to (1) whether natural gas service to the Premise was interrupted or discontinued by Peoples and (2) whether Peoples provided adequate notice to the Complainant prior to conducting construction in the vicinity of the Premise and prior to to relocating the meter at the Premise. Complainant contends that the natural gas service to the Premise was interrupted or discontinued, likely from the construction occurring in the vicinity or the old distribution line servicing the Premise and that she was not provide notice of the discontinuance or the need to relocate the meter at the Premise. Peoples contends that the natural gas service was not interrupted or discontinued, the construction of the new distribution line had no affect upon service while it was under construction and that the question of notice of meter relocation was not ripe as the time to relocate Complainant's meter had not yet occurred when the water leaking issue was discovered.

As in all Formal Complaint proceedings, the Complainant has the burden of proof to show that Peoples is responsible or accountable for the problem described in the complaint. Patterson v. Bell Telephone Co. of Pa., 72 Pa. PUC 196 (1990); Feinstein v. Philadelphia Suburban Water Co., 50 Pa. PUC 300 (1976). The Complainant must establish his case by a preponderance of the evidence. Samuel J. Lansberry, Inc. v. Pa. Pub. Util. Comm'n, 578 A.2d 600 (Pa.Cmwlth. 1990), alloc. den., 602 A.2d 863 (Pa. 1992). To meet the burden of proof, the Complainant must present evidence more convincing, by even the

smallest amount, than that presented by the Respondent. <u>Se-Ling Hosiery v. Margulies</u>, 70 A.2d 854 (Pa. 1950). In this case, the Complainant is unable to meet the burden as described below.

Gas Supply to the Meter

Mr. Stanley and Mr. Mozley both testified that upon visiting the Premise on February 18, 2016, the pilot light for the hot water heater was lit while the pilot light to the furnace was not lit. If there was a gas outage, or if Peoples has disconnected the natural gas service, the pilot on the hot water heater would not have been lit. Further, the house service line that brings natural gas into the Premise first connected to the furnace and then connected to the hot water heater. Accordingly, if gas was flowing into the hot water heater, it first had to pass by and feed into the furnace appliance. Additionally, as Mr. Stanley testified, gas service to the property had not been disconnected prior to February 18, 2016 when the leaking water issue was discovered.

Mr. Stanley testified that prior gas service interruptions occurred at Ms. Orr's neighbor's premise, which was downhill from the Premise. Mr. Stanley explained that the neighbor's premise experienced outage as a result of water collecting in the Lincoln Way line; however, as Ms. Orr was uphill on the line and gravity pulls water downhill on a gas line, the water collecting at the neighbor's premise would not likely affect Ms. Orr's Premise. Mr. Stanley also explained that had Ms. Orr experienced an outage from water in the line, that line would have had to be purged prior to natural gas service flowing back to her property – gas could not just start to flow on its own again. As the pilot light to the hto water heater was lit on February 18, 2016, it is evident that gas was flowing through the meter and into the Premises. Further, Mr. Stanley testified that the neighbor did not experience any outages in January and February of 2016 and Ms. Claudon confirmed that there were no records of service outages in the Company's customer information system for January and February of 2016 at the neighbor's premise.

Mr. Stanley and Mr. Franklin testified that natural gas service on the Lincoln Way line was not discontinued, or interrupted, while the new natural gas line was being constructed on Delaware Street. As explained in testimony, the new line on Delaware Street was constructed while the existing line on Delaware Street was still in place – and in service. Thus two lines were running parallel during the construction phase. Mr. Franklin testified that upon completion of the construction of the new distribution line, customer service lines would be connected to the new distribution line – while the customer was still receiving service from the old line. Upon connection of all customer service lines, the new distribution line would be energized, via the use of jumpers, and the old line would then be purged

and retired. This process allows gas service to remain active when transferring the customers from an old line to a newly constructed line.

Ms. Orr provides no evidence that the gas service was disconnected or interrupted. She simply states that the gas must have been off as her appliances were in good and working order. The testimony of Mr. Stanley and Mr. Mozley that the pilot at the hot water heater was lit is uncontested by Ms. Orr and she is unable to refute the same as she did not witness either pilot light at the time the leaking water issue was discovered. She further states that prior service issues, in earlier months, by her neighbor are evidence of the likelihood of the Premise experiencing an outage. The testimony of Mr. Stanley and Ms. Claudon rebut Ms. Orr's testimony that service outages by her neighbor are evidence of a possible service outage at the Premise. Finally, Mr. Orr states that the construction off the new natural gas line on Delaware Avenue must have interfered with her natural gas service. First, Ms. Orr was not served from the line on Delaware Street at the time of the leaking water issue. Further, as Mr. Franklin testified, service to local customers was not interrupted or disconnected while the construction was occurring on Delaware Street.

Notice of Interruption of Service & Meter Relocation

Ms. Orr argues that she should have been provided with notice of the construction on Delaware Street. As provided in the Pennsylvania Code, Peoples is required to provide notice of planned outages. However, as the witnesses testified, the natural gas service to the Premise was not interrupted, nor was there a planned outage. Not only was Ms. Orr not serviced by the existing line on Delaware Street at the time of the water damage, but the natural gas service was not interrupted on Delaware Street as the new line was being installed while the existing line was still providing service to customers.

Ms. Orr then testifies that she did not receive written notification of her meter relocation. At the time the water damage occurred, the Premise was not ready to have the meter relocated from the Lincoln Way side of the house to the Delaware Street side of the house; which meter relocation would result in the Premise being serviced from the new Delaware Street line. Ms. Orr cannot speculate whether the Company would have given her written notice, or not, prior to the relocation as she has not foundation to that speculation. The Company admits that it did not provide written notice in February, 2016, after the water damage, for the meter relocation. However, the Company did provide verbal notice and received consent to move the meter. At the time the water damage was discovered, several Peoples employees were on site at the Premise due to the unique nature of the leaking water issue, as well as construction

crews in the vicinity. At that time, the crews met with a representative of Ms. Orr at the property and arranged for the meter to be relocated. The conversation occurred while at the Premise and provided the pertinent information, such as whether the meter was to be relocated to/from. While written notice should have been supplied, this was a situation in which both parties were on site at the Premise, due to a unique occurrence of leaking water, and a verbal discussion met the intended goals of the meter relocation provisions in the Pennsylvania Code, namely advance notice to the property owner, explanation of the new location of the meter, and opportunity for the customer to discuss concerns with the relocation, such as safety issues or historic status of the premise. While Peoples agrees that not written notice was provided after discovery of the leaking water issue, Peoples contends that this was a unique situation, namely discovery of leaking water issues at the Premise, and no harm was caused to Complainant as the pertinent information about a meter relocation was discussed verbally.

PROPOSED CONCLUSIONS OF LAW

- 1. The Commission has jurisdiction over the parties and the subject matter of this proceeding. 66 Pa.C.S.A. § 701.
- 2. Complainant carries the burden of proving Respondent improperly discontinued or interrupted natural gas service and failed to provide notice of a meter relocation.
- 3. Complainant did not carry the burden and further did not meet the burden of proving Respondent failed to provide reasonable and adequate customer service. 66 Pa.C.S.A. § 1501.

PROPOSED ORDERING PARAGRAPHS

- 1. That the complaint of Audrey McKee Orr against Peoples Natural Gas Company LLC at Docket No. C-2017-2583759 is hereby denied.
 - 2. That the Secretary shall mark the docket in this matter closed.

WHEREFORE, Peoples Natural Gas Company LLC, based upon the foregoing, respectfully requests that the complaint of Audrey McKee Orr against Peoples Natural Gas Company LLC at Docket No. C-2017-2583759 be denied.

Respectfully submitted,

Jennifer L. Peyrisek

Counsel for

Peoples Natural Gas Company LLC

Dated: September 29, 2017

CERTIFICATE OF SERVICE

I hereby certify that I have on this 29th day of September, 2017 served a true copy of Peoples Natural Gas Company LLC's Main Brief upon the individuals listed below in the manner stated:

VIA OVERNIGHT DELIVERY:

Blair N. Droskey, Esquire Counsel for Complainant 619 Indiana Avenue, Rear Glassport, PA 15045

Administrative Law Judge Steven K. Haas Pennsylvania Public Utility Commission Commonwealth Keystone Building 400 North Street Harrisburg, PA 17120

Jennifer L. Petrisek

Dated this 29th day of September, 2017

is envelope is for use with the following services: UPS Next Day Air' Extrem **UPS Worldwide Express™** UPS 2nd Day Air Apply shipping documents on this side. 1. 1. QOO.DICY_11DC# | 1-X191-747-----Visit UPS Next Day Afr DIMENSIONAL WEIGHT WEIGHT LARGI PACKAS SHIPPER RELEASE to sq JL UPS Worldwife Express use this envelopedor: CERT Opple (a) Dom€ • To c Shipping Document round COÍ រាល Into Day EXPIRESS landar 1 (INFE): we See instructions on back, Visit UPS.com' or call 1-800-PICK-UPS' (800-742-5877) **Nav Select*** FOR INTERNATIONAL SHIPMENTS tho for additional information and Tariff/Terms and Conditions DOCUMENTS Oin: CHSTOMS VALUE 'orldwide Expedited" TRACKING NUMBER 1Z 17A 0E2 22 1000 089 1 0 SATURDAY PICKUP SATURDAY DELNERY Inter DSHIPMENT FROM The DECLARED VALUE 7AGEZ valu FOR CARRIAGE For declared value over \$100 the introductions. up5 AMOUNT RELERENCE MURIBER To € AMOUNT UP! Tattenota Petrsek (412)268 6834 Note 1949 OCT 04 00:48:04 2017 HIP 10.2.1 or ca **PEOPLES NATURAL GAS** 375 N. Shore Dr. 15212 2 RATEMEN URGENT DELY TO (420) 17120 - 0000**TOTALINE** Chiaretta HARRISBURG PA 17120 **UPS NEXT DAY AIR** NORTH ST TRACKING #: 1Z 17A 0E2 22 1000 0891 JY Commonwealth OF LUDE 10 Stobbible All shipments are subject to the terms containe in the UPS Tarilf/Terms and .com and local UPS offices UPS COPY