

**PENNSYLVANIA PUBLIC UTILITY COMMISSION
HARRISBURG, PENNSYLVANIA 17105-3265**

**Pennsylvania Public Utility Commission
v.
Equitable Gas Company, LLC, A Subsidiary of EQT Corporation
f/k/a Equitable Resources, Inc.**

**PUBLIC MEETING
October 8, 2009
1505395-OSA
Docket No. M-2009-1505395**

**JOINT DISSENTING STATEMENT OF COMMISSIONER KIM PIZZINGRILLI
AND VICE CHAIRMAN TYRONE J. CHRISTY**

This Settlement Agreement is the result of negotiations between Law Bureau Prosecutory Staff and Equitable Gas Company involving alleged violations of state and federal law. The parties agreed to this compromise in lieu of fully litigating this matter to a conclusion. In their Joint Statement in Support of the Settlement, the parties explain in some detail how the Settlement Agreement is in compliance with our Statement of Policy for evaluating litigated and settled proceedings. 52 Pa. Code § 69.1201. They represent that there are no known reasons, factors or other precedent to reach a resolution other than what is proposed in the Settlement Agreement.

Pursuant to the terms of the Settlement, Equitable has agreed to a \$65,000 contribution to its Hardship Repair Fund which is used to help low income customers with house line, service line, and furnace repairs and replacements as well as to help with the installation of thermostats for the visually impaired. Additionally, Equitable has agreed to develop new written procedures on a variety of safety matters; to retrain all employees and contractors consistent with these new procedures; to update its distribution system maps; and to ensure that all applicable safety standards are met. The Settlement required that Equitable document the changes to these procedures prior to the filing of the Settlement with the Commission, and our Gas Safety Division confirms that this has been done.

Gas safety and compliance with PA One Call requirements are a primary concern of this Commission. We acknowledge that the alleged violations are serious, and if proven, would have warranted a significant penalty. However, it cannot be known with certainty whether Prosecutory Staff would have prevailed if the matter had been litigated to the conclusion. Equitable would have incurred additional costs through litigation, and reasonable and prudently incurred legal costs may be recovered from ratepayers. The uncertainty created by the trend of Commission modification of these settlements may also result in more protracted litigation and delayed implementation of remedial measures. While we value the deterrent effect of sanctions, the greatest benefits achieved through these investigations are the permanent modifications to safety practices negotiated by our staff.

Prosecutory Staff, with the advice of our Gas Safety Division, appears to have carefully weighed the cost of litigation, the likelihood of success, and the seriousness of the alleged violations in reaching this Settlement. We are unable to conclude that the proposed agreement is contrary to our Policy Statement, and would support issuing it for comment without modification.

October 8, 2009
Date

KIM PIZZINGRILLI, COMMISSIONER

TYRONE J. CHRISTY, VICE CHAIRMAN