



COMMONWEALTH OF PENNSYLVANIA
PENNSYLVANIA PUBLIC UTILITY COMMISSION
P.O. BOX 3265, HARRISBURG, PA 17105-3265

IN REPLY PLEASE
REFER TO OUR FILE

December 15, 2011

Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
P.O. Box 3265
Harrisburg, PA 17105-3265

Re: Pennsylvania Public Utility Commission, Bureau of Investigation and
Enforcement v. Philadelphia Gas Works
Docket No. C-2011-

Dear Secretary Chiavetta:

The Bureau of Investigation and Enforcement hereby submits this Formal Complaint against Philadelphia Gas Works. Enclosed for filing please find the original and three (3) copies of the Non-Proprietary Formal Complaint. A Proprietary version of this Complaint has been sent under a separate cover.

Sincerely,

Johnnie E. Simms
Chief Prosecutor
Bureau of Investigation and Enforcement
PA Attorney I.D. #33911

Enclosure
cc: Parties of Record

RECEIVED
2011 DEC 15 AM 9:05
PA PUC
SECRETARY'S BUREAU

Pennsylvania Public Utility Commission :
 :
 v. : Docket No. C-2011-
 :
 Philadelphia Gas Works :

Non-Proprietary Complaint

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SECRETARY'S BUREAU

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission,	:	
Bureau of Investigation and Enforcement,	:	
Complainant	:	
	:	
v.	:	Docket No. C-2011-
	:	
Philadelphia Gas Works,	:	
Respondent	:	

NOTICE

- A. You must file an answer within twenty days of the date of service of this Complaint. 52 Pa. Code § 5.61(a).

- B. The answer must be in writing and (1) set forth in paragraphs numbered to correspond with the complaint; (2) advise the parties and the Commission as to the nature of the defense; (3) admit or deny specifically all material allegations of the complaint; (4) state concisely the facts and matters of law relied upon; and, (5) include a copy of a document, or the material part of a document when relied upon in the answer. If the writing or a copy is not available, the answer must set forth that the document is not available and the reason, and set forth the substance of the document. 52 Pa. Code § 5.61(b).

- C. A respondent failing to file an answer within the applicable period may be deemed in default and relevant facts stated in the pleadings may be deemed admitted. 52. Pa. Code § 5.61(c).

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BEFORE THE
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Pennsylvania Public Utility Commission, :
Bureau of Investigation and Enforcement, :
Complainant :
v. : Docket No. C-2011-
Philadelphia Gas Works, :
Respondent :

FORMAL COMPLAINT

NOW COMES the Pennsylvania Public Utility Commission, Bureau of Investigation and Enforcement (“I&E”), by its counsel, pursuant to Section 701 of the Public Utility Code, 66 Pa. C.S. §701, and files this Formal Complaint against Philadelphia Gas Works, (“PGW” or “Company” or “Respondent”), alleging violations of the Pennsylvania Code, Public Utility Code and Code of Federal Regulations. In support of its Formal Complaint, I&E respectfully represents the following:

Commission Jurisdiction and Authority

1. The Pennsylvania Public Utility Commission (“Commission”), with a mailing address of P.O. Box 3265, Harrisburg, PA, 17105-3265, is a duly constituted agency of the Commonwealth of Pennsylvania empowered to regulate public utilities within the Commonwealth pursuant to the Public Utility Code, 66 Pa. C.S. §§101, *et seq.*
2. On June 22, 1999, then Governor Tom Ridge signed into law the Natural Gas Choice and Competition Act (“Act”). The Act revised the Public Utility Code, 66 Pa. C.S. §§101, *et seq.*, by, *inter alia*, adding Chapter 22, relating to restructuring

of the natural gas utility industry. The Commission is the agency charged with implementing the Act. Section 2212(b) of the Act provides that public utility service being furnished or rendered by a city natural gas distribution operation within its municipal limits will be subject to regulation and control by the Commission as of July 1, 2000. PGW falls under the definition of a “natural gas distribution company.” 66 Pa. C.S. §2202. As stated in the Act, the Commission’s regulatory authority over PGW is of the same force as if the service were rendered by a public utility under Section 102 (relating to definitions). 66 Pa. C.S. §2212(c). Moreover, the provisions of the Public Utility Code, with the exceptions of Chapters 11 (relating to certificates of public convenience), 19 (relating to securities and obligations) and 21 (relating to relations with affiliated interests), apply to PGW.

3. Complainant is the Commission’s Bureau of Investigation and Enforcement and is the entity established by statute to prosecute complaints against public utilities pursuant to 66 Pa. C.S. §308.2(a)(11). Complainant’s counsel are as follows:

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4. Respondent is Philadelphia Gas Works, a jurisdictional natural gas utility, with offices located at 800 West Montgomery Avenue, Philadelphia, Pennsylvania 19122.
5. PGW is a “public utility” as that term is defined at 66 Pa. C.S. §102,¹ as it is engaged in providing public utility service as a natural gas distribution company to the public for compensation.
6. Section 501(a) of the Public Utility Code, 66 Pa. C.S. §501(a), authorizes and obligates the Commission to execute and enforce the provisions of the Public Utility Code.
7. Section 701 of the Public Utility Code, 66 Pa. C.S. §701, authorizes the Commission, *inter alia*, to hear and determine complaints against public utilities for a violation of any law or regulation that the Commission has jurisdiction to administer.
8. Section 3301 of the Public Utility Code, 66 Pa. C.S. §3301, authorizes the Commission to impose civil penalties on any public utility, or any other person or corporation subject to the Commission’s authority, for violation(s) of the Public Utility Code and/or Commission regulations. Section 3301 further allows for the imposition of a separate fine for each day’s continuance of such violation(s).
9. Respondent, in providing gas distribution service for compensation, is subject to the power and authority of this Commission pursuant to Section 501(c) of the Public Utility Code, 66 Pa. C.S. §501(c), which requires a public utility to comply with Commission orders.
10. Pursuant to the Commission’s regulations at 52 Pa. Code § 59.33(b), the Commission’s Gas Safety Division, which is part of I&E, also has the authority to enforce the federal gas pipeline safety regulations, set forth in 49 U.S.C.A. §§ 60101, *et seq.*, and implemented in 49 C.F.R. Parts 191-193 and 199, 49 CFR §§ 191-193, 199.
11. Pursuant to the provisions of the applicable Commonwealth and federal statutes and regulations, the Commission has jurisdiction over the subject matter of this complaint and the actions of Respondent related thereto.

¹ At 66 Pa. C.S. §102, “Public utility” is defined under that term at subsection (1)(i) as:

(1) Any person or corporation now or hereafter owning or operating in this Commonwealth equipment or facilities for:

(i) Producing, generating, transmitting, distributing or furnishing natural or artificial gas, electricity, or steam for the production of light, heat, or power to or for the public for compensation.

Background

12. At or about 20:35 (8:35 pm) on January 18, 2011, a two-story row home located on a corner lot at 6932 Torresdale Avenue, Philadelphia, PA, was destroyed by a natural gas explosion. The building, which housed a chiropractor's office on the first floor and two apartments on the second floor, was leveled when natural gas migrating from a ruptured 12-inch cast iron main located underground near the intersection of Torresdale Avenue and Disston Street came in contact with an ignition source located in the building's basement. In addition to the building at 6932 Torresdale Avenue, several other surrounding properties were damaged, as well as six vehicles, including a PGW truck that had responded to the leak incident. This incident also resulted in the injury of six PGW employees, one fatally.

After conducting an extensive investigation, which included numerous interviews, observations and the review of Company reports and records, I&E submits that the following is a sequence of events that describes the incident in question:

- a. According to the Philadelphia Fire Department's ("PFD") call log, at or about 19:19, 911 received a call regarding a strong odor of natural gas on the 6900 block of Torresdale Avenue.
- b. According to the PFD call log, within approximately two minutes of receiving the 911 call, the PFD and the Philadelphia Police Department ("PPD") responded to the call.
- c. According to the PFD dispatch log, upon arriving at the scene, PFD and PPD began immediate evacuations of 6932 Torresdale Avenue and other buildings in the immediate vicinity. PFD immediately set up an incident command center to manage the incident.
- d. The Company's records indicate that at or about 19:24, PGW was called by PFD regarding an odor of natural gas. PGW dispatched two Field Services Department technicians, [Field Tech One] and [Field Tech Two] ("Field Techs") as well as [Supervisor One], [Supervisor Two], and [Foreman One]. PGW also dispatched a grease truck which is used by PGW to stop cast iron gas leaks by blocking the natural gas flow in the pipeline with heavy grease. These PGW crews were on duty at other locations at the time of dispatch.
- e. According to PGW records, [Field Tech Two] and [Field Tech One] were the first PGW employees to arrive on site, at or about 19:38 and 19:40, respectively, twenty minutes after being dispatched. [Field Tech Two] was

the senior PGW person on site at this time. [Field Techs One and Two] spoke with PFD personnel who informed them that PFD had evacuated the 6900 and 7000 blocks of Torresdale Avenue and would continue to evacuate the area. [Field Tech Two] instructed [Field Tech One] to perform gas level detection of the building at 6932 Torresdale. [Field Tech Two] requested that PFD assist in opening basement door coverings. This action was PGW's first attempt to ventilate the building at 6932 Torresdale Avenue.

- f. According to [Field Tech One], as he performed gas detection, he noted multiple atmospheric Lower Explosive Limit ("LEL") gas readings. He proceeded to shut gas off at the curb boxes and meter set valves and began to ventilate where possible. [Field Tech One] and [Field Tech Three] entered the basement of 6932 Torresdale Avenue and noted a reading of 70% LEL. [Field Tech One] relayed the gas levels to PGW [Supervisor One] and PGW [Supervisor Two]. Neither [Field Tech One] nor [Field Tech Three] checked for gas at the foundation of the building prior to entering the building at 6932 Torresdale Avenue.
- g. According to PGW records, at or about 19:46, [Supervisor One] arrived on scene. He assumed command from [Field Tech Two]. [Supervisor One] said he parked his vehicle at Longshore and Torresdale Avenues, approximately one block from Disston Street. [Supervisor One] stated that he walked up to Disston Street and Torresdale Avenue and saw vapors coming out of the ground where the curb and roadway met at the south side of Disston Street just west of Torresdale Avenue. He made this observation from both the south side and north side of Disston Street near Torresdale Avenue. He heard a loud hissing noise and smelled a strong odor of gas. He saw the basement access doors open at 6932 Torresdale Avenue which he assumed were opened by the Field Techs for ventilation purposes.
- h. According to [Supervisor One], he was aware that the Field Techs had a gas detection reading at 6932 Torresdale Avenue. [Supervisor One] did not see fire personnel on site except for where he parked his vehicle. Approximately ten minutes after his arrival, [Supervisor One] was told by [Field Tech One] that the buildings were evacuated by PFD. He was not made aware of the exact buildings that were evacuated except that he was told that 6932 Torresdale Avenue had been evacuated. [Field Tech One] also informed him that there was a 70% LEL reading in the 6932 Torresdale Avenue building. [Field Tech One] also noted that Field Techs obtained readings at the store on the northwest corner of 6930 Torresdale Avenue.

- i. According to [Supervisor One], he and [Field Tech One] located the store owner and requested that he accompany [Field Tech One] and [Supervisor One] to the store to unlock the basement access door. Upon entering the basement, [Field Tech One] immediately detected gas in the basement corner of with a reading of 45% LEL.
- j. According to [Supervisor One], at or about 20:00, [Supervisor One] called PGW Dispatch and stated that he suspected a high pressure gas main had failed and requested that the PGW Pressure Force Department be dispatched. [Supervisor One] met with [Supervisor Two] and discussed checks at the other properties on Torresdale Avenue. [Supervisor One] was told by [Supervisor Two] that more personnel were on the way.
- k. According to PGW records, at or about 20:10, PGW [Foreman One] and the first distribution crew consisting of [Crew Member One], [Crew Member Two] and [Crew Member Three] arrived at the scene. [Foreman One] was instructed by [Supervisor One] to drive his PGW work truck past PPD barricades and park it short of Torresdale Avenue. According to [Foreman One], there was water blowing out of a crack in the street approximately 15 feet in front of his truck. He parked the truck and left it running. When he exited the vehicle with his crew ([Crew Members One, Two and Three]), [Foreman One] smelled a strong odor of gas.
- l. According to [Foreman One], he was asked by PFD what operations his crew was to perform. [Foreman One] replied that his task was to ventilate the gas leak, which consisted of removing manhole lids, drilling holes in the street and anything to keep the gas out of the properties. The Distribution crew under [Foreman One] used a rotary drill that sparked. No one took gas readings to see how much gas was in the particular area where the drilling was taking place.[Foreman One] stated that he could smell there was a lot of gas but did not feel there was a concern of possible ignition.
- m. According to [Foreman One], PFD asked if [Foreman One] was going to shut down the street main-line valves. [Foreman One] responded to PFD that the PGW Pressure Force Department was notified and would shut down the system. Pressure Force personnel were not notified until 22 minutes after the initial PGW employee arrived on site.
- n. According to PGW records, between approximately 20:00 and 20:20, a number of PGW Field Tech and Pressure Force personnel were dispatched to the site. Of note, at or about 20:05, [Foreman Two], PGW

Distribution Crew Foreman was dispatched and [Supervisor Three] was notified by dispatch.

- o. According to PGW records, at or about 20:22, [Supervisor Three] called [Supervisor Four] for immediate pressure reduction. As such, Pressure Force did not call for pressure reduction until 44 minutes after the first PGW employee had arrived on site at 19:38. At or about 20:33, [Foreman Two] arrived with a second Distribution work crew consisting of [Crew Member Four], [Crew Member Five], and [Crew Member Six] and parked on Disston Street near Marsden Street. [Crew Member Four] was initiating ventilation. [Foreman Two] was designated as [Crew Member Four]'s supervisor, but was inside the structure at 6932 Torresdale Avenue and was not with [Crew Member Four]. As such, [Foreman Two] was not directly supervising [Crew Member Four] while he was performing ventilation tasks.

- p. [Foreman Two] thought someone was inside the structure because a light was on even after the PFD had evacuated the building. At 20:33, [Supervisor One] instructed [Foreman Two] and [Crew Member Five] to ventilate the second floor of 6932 Torresdale Avenue. [Foreman Two] stated that he was not informed by [Supervisor One] that 6932 Torresdale Avenue had been evacuated or that 70% LEL readings were obtained in the basement of the structure. According to [Foreman Two], only he had a gas scope. [Supervisor One] stated that both [Foreman Two] and [Crew Member Five] were qualified to enter a building with 70% LEL. [Supervisor One] stated in an interview with Gas Safety Inspectors that he was aware that PGW procedures do not permit entry into a building with gas levels of 40% LEL but, he indicated entry was necessary to evacuate and ventilate. With the supervisor's knowledge, four PGW employees entered 6932 Torresdale Avenue with 70% LEL in the basement and 80% LEL at the second floor exterior floor doorway. [Supervisor One] stated that he recalled [Foreman Two] reporting a gas reading of 10% gas on the inside second floor. According to the PFD, it was not notified that PGW was entering 6932 Torresdale Avenue to ventilate the structure. PGW at no time requested that PECO Energy shut off the electric power to 6932 Torresdale Avenue in order to eliminate all sources of ignition.

- q. The Company's records indicate that at or about 20:35, the structure at 6932 Torresdale Avenue exploded and a subsequent fire ensued. At the time of the explosion, [Crew Member One] was working in front of PGW [Foreman One]'s truck which was parked on Disston Street west of

Torresdale Avenue. PGW [Crew Member One] was assisting with the rotary drill to bar hole over the 12-inch main. [Crew Member Two] was also on site. [Crew Member Four], a distribution worker, was preparing equipment to begin ventilating the drilled holes across from 6932 Torresdale Avenue. [Crew Member Four] was working unsupervised even though, according to Company's Operator Qualification Plan and PGW's procedures, [Crew Member Four] was not trained in emergency response, was not qualified to perform the covered task of ventilation and was not being directly supervised for that task at the time of the explosion.

- r. According to PGW records, PGW employees [Foreman Two], [Crew Member Five], [Crew Member One] and [Crew Member Two] were hospitalized due to injuries received in the blast. [Supervisor One] was treated and released. [Crew Member Four] was killed. He was 19 years old.
- s. PGW records indicate that permission to close the necessary valves and isolate the leak was granted by [Supervisor Four] 51 minutes after [Supervisor Three] called for pressure reduction.
- t. According to PGW records, at or about 21:25, PGW notified Commission Gas Safety Chief Paul Metro and Commission Gas Safety Inspector Terri Cooper Smith of the explosion. Inspector Cooper Smith arrived at the scene at or about 21:40. No one from PGW established communications with the onsite Commission representative with regard to the Company's planned response and ongoing actions. During the incident, there were no PGW management personnel available to provide information updates to Inspector Cooper Smith or answer questions.
- u. According to PGW records, at or about 21:48, PGW Pressure Force closed Main Valve No. 713.
- v. According to PGW's records, at or about 21:51, PGW Pressure Force closed Main Valve Nos. 787 and 789. These valves were closed approximately two hours after the PGW Pressure Force Department was notified and two hours and twenty three minutes after the first PGW employees arrived on site. These valves were closed approximately one hour and 16 minutes after the explosion.
- w. The Company's records indicate that the second of three valves that PGW attempted to operate, No. 788, could not be operated. According to PGW records, PGW could not close Valve No. 788 on July 30, 2010 and the

valve inspection report noted the valve was not suitable for pressure reduction. Valve No. 788 was again inspected post-incident on February 25, 2011 and was found not to be functioning. No remediation was done to Valve No. 788 and no other valve was designated to be used in the alternative.

- x. Several hours after the explosion, Commission Gas Safety Inspector Cooper Smith observed PGW work crews entering a trench that was excavated to install a pipeline bypass. At least one PGW crew member did not have all required PGW personal protection equipment and did not utilize appropriate shoring.
- y. Following the incident, PGW conducted drug and alcohol testing of only three of the thirty-eight employees who were on site. Those employees tested were Distribution Department employees. No Field Tech employees who were emergency responders or Pressure Force personnel were tested.
- z. Following the incident, the PFD issued a Fire Marshal's Office Formal Report dated April 13, 2011 regarding the January 18, 2011 fire at 6932 Torresdale Avenue. The Report concluded that the cause of the fire was an explosion of natural gas vapors with the ignition source being the glow plug from the fixed heater.

Violations

13. It is the position of the Bureau of Investigation and Enforcement that the above-described actions of PGW, as set forth, *supra*, resulted in multiple violations of The Pennsylvania Code, the Public Utility Code and the Code of Federal Regulations with regard to natural gas pipeline safety, as follows:

a. Count 1

PGW failed to maintain an adequate exposed main condition report for the damaged pipe in that the Company did not record details of each inspection performed on the pipe in sufficient detail. Specifically, details of graphitization, coating disbondment, pitting, cathodic potential reads, etc were not recorded on the inspection form to show what PGW inspected.

This is a violation of 49 CFR §192.491(c).

b. Count 2

PGW failed provide sufficient detail to demonstrate the adequacy of corrosion control measures for the pipe in question in that PGW's current procedure for its exposed main condition report only reports 'satisfactory' or 'unsatisfactory.' which is not "sufficient detail to demonstrate the adequacy of corrosion control measures" for the pipe in question.

This is a violation of 49 CFR §192.605(b)(2) with respect to §192.491(c).

c. Counts 3 through 5

PGW failed to take the required steps to minimize the danger of accidental ignition of gas in an area where the presence of gas constituted a hazard of fire or explosion and failed to comply with Bulletin 212 of the Company's manual of written procedures, *Leak Response and Investigation Procedure*, in that the Company used drill bits prone to sparking while attempting to ventilate the street above the cracked main even though its procedure states that PGW must eliminate ignition sources during gas emergencies and by so doing failed to reasonably protect the public from danger.

This is a violation of 49 CFR §192.751(a), 49 CFR §192.605(a) and 52 Pa. Code §59.33.

d. Counts 6 through 8

PGW failed to take the required steps to minimize the danger of accidental ignition of gas in an area where the presence of gas constituted a hazard of fire or explosion and failed to comply with Bulletin 212 of the Company's manual of written procedures, *Leak Response and Investigation Procedure*, in that the Company failed to contact PECO Energy to shut off electric supply to the affected area even though its procedure states that PGW must eliminate ignition sources during gas emergencies and by so doing failed to reasonably protect the public from danger.

This is a violation of 49 CFR §192.751(a), 49 CFR §192.605(a) and 52 Pa. Code §59.33.

e. Counts 9 through 14

PGW failed to comply with its emergency procedures that require actions be directed towards protecting people first and then property in that four PGW employees including [Foreman Two], [Crew Member Five], [Field Tech One], and [Field Tech Three], each acting under their scope of employment, all entered 6932 Torresdale Avenue after detecting gas readings greater than 40% LEL inside the building and after the PFD had evacuated the building. Moreover, [Supervisor One] was aware of readings above 40% LEL in 6932 Torresdale Avenue. This was not communicated to [Foreman Two] and [Crew Member Five] and they were permitted to enter even though [Supervisor One] knew the PFD had evacuated the building.

This is a violation of 49 CFR §192.615(a)(5), and 49 CFR §192.605(a), with respect to Section 192.615(a)(5).

f. Counts 15 through 20

In regard to two employees, PGW failed in two separate actions to comply with its emergency procedures that require actions be directed towards protecting people first and then property in that two PGW employees, [Field Tech One] and [Field Tech Three], each acting under their scope of employment, put themselves in danger by remaining in the building, operating the meter valve inside the building and ventilating the building by opening windows after they detected 70 % LEL in the basement of the building. Moreover, PGW did not effectively communicate between its employees on site in that, although [Supervisor One] was aware of readings above 40% LEL in 6932 Torresdale Avenue, this was not communicated to [Foreman Two] and [Crew Member Five] and they were permitted to enter even though [Supervisor One] knew the PFD had evacuated the building. These two employees, [Foreman Two] and [Crew Member Five], acting under their scope of employment, re-entered 6932 Torresdale Avenue after [Foreman Two] had obtained readings of 80% gas at the second floor exterior doorway. [Foreman Two] and [Crew Member Five] endangered themselves by entering and opening windows to ventilate.

Each separate action constitutes a violation of 49 CFR §192.605(a) and 49 CFR §192.615(a)(5).

g. Counts 21 and 22

PGW violated Bulletin 212, *Leak Response and Investigation Procedure*, Section III.C.1, wherein Outside Leak Investigation requires exchanging information with PGW employee(s) already on location, in that PGW did not effectively communicate among its Distribution divisions. There were also discrepancies, based on Gas Safety Inspector interviews, in the communication between [Field Tech One] and [Supervisor One] regarding the 70% LEL reading. All of the above resulted in an increased danger to the public.

This is a violation of 49 CFR §192.605(a) and 52 Pa. Code §59.33.

h. Counts 23 and 24

PGW's written procedures for emergency plans were deficient in that they failed to require prompt and effective response by Pressure Force to an incident of this type, resulting in a delay in the operation of the main line valves necessary to reduce pressure in the failed main.

This is a violation of 49 CFR §§192.615(a)(3)(i) and (a)(6).

i. Counts 25 and 26

PGW failed to follow the procedures set forth in its Foreman's Handbook when it failed to use shoring, make available or ready for use a fire extinguisher and where an employee did not wear a hard hat, all while working in an excavated trench at the southeast corner of Torresdale Avenue and Disston Street.

This is a violation of 49 CFR §§192.605(a) and (b)(9).

j. Counts 27 through 32

PGW failed to establish written procedures to minimize the hazard resulting from a pipeline emergency and failed to reasonably protect the public from danger in that PGW Bulletin 212, *Leak Response and Investigation Procedure*, Section III.B.2, fails to include explicit provisions in the procedures to contact the Company's electric supplier to shut off electric supply to the affected area during a gas emergency.

This is a violation of 49 CFR §§192.615(a)(5), (7), and (8), 49 CFR §§192.615(c)(3) and (4), and 52 Pa. Code §59.33.

k. Counts 33 through 35

PGW's written procedures for emergency plans are deficient in that PGW Bulletin 212, *Leak Response and Investigation Procedure*, fails to include explicit requirements that PGW employees first detect gas readings at doorways, foundations, windows, or other structure openings prior to entering a building during an outside leak investigation. Moreover, in Section III.B.3 of the evacuation procedure, employees are told to evacuate and ventilate at the same time. PGW Bulletin 258, *Laminated Reference Card to be Used When Responding to an Emergency*, does not protect people first because it does not require that evacuation take priority over ventilation.

This is a violation of 49 CFR §§192.615(a)(5) and (7) and 52 Pa. Code §59.33.

l. Counts 36 and 37

PGW Bulletin 63, *Notification Procedure of a Potential Emergency Involving a Pressure Operation*, was deficient in that the procedure only requires Pressure Force to be notified and dispatched in the event of a leak on a 35 psig or higher main or service. There was no written procedure for emergency pipeline pressure reduction under 35 psig but greater than inches water column.

This is a violation of 49 CFR §§192.615(a)(6) and (a)(7).

m. Counts 38 through 41

PGW failed to adequately protect the public in that the Company did not have a written procedure included in its emergency response plan regarding how to recognize a controllable and non-controllable incident and the necessary actions to be taken.

This is a violation of 49 CFR §§192.615(a)(1), (3)(i), and (5) and 52 Pa. Code §59.33.

n. Count 42

PGW did not have a written procedure to require a PGW liaison to maintain constant communication with the Commission Gas Safety Inspectors on site during a reportable incident investigation.

This is a violation of 49 CFR §192.615(a)(2).

o. Counts 43 and 44

PGW failed to adequately protect its employees and the general public in that the Company did not have a written procedure to establish a safety perimeter for leak investigations and emergency response.

This is a violation of 49 CFR §192.615(a)(5) and 52 Pa. Code §59.33.

p. Counts 45 and 46

PGW failed to adequately protect the public in that the Company did not have a written procedure that establishes a minimum training criteria and operator qualification for work crew members that respond to emergency situations.

This is a violation of 49 CFR §192.615(b)(2) and 52 Pa. Code §59.33.

q. Counts 47 and 48

PGW failed to maintain valve inspection reports and/or records for Valve No. 788 for calendar years 2007 and 2008.

This is a multiple violation of 49 CFR §192.603(b).

r. Counts 49 and 50

PGW failed to prepare and/or follow written maintenance procedures for remediation of Valve No. 788 when that valve was found to be inoperable upon inspection by the Company on July 30, 2010 and February 25, 2011.

This is a multiple violation of 49 CFR §192.605(b)(1).

s. Counts 51 and 52

PGW failed to service Valve No. 788 at least once each calendar year when that valve was found to be inoperable upon inspection by the Company on July 30, 2010 and February 25, 2011.

This is a multiple violation of 49 CFR §192.747(a).

t. Counts 53 through 224

PGW failed to take prompt remedial action to correct Valve No. 788 or to designate an alternative valve when that valve was found to be inoperable upon inspection by the Company on July 30, 2010, and continued to be inoperable for 172 days and up to and including the day of the explosion, January 18, 2011, and beyond; each day consisting of a separate violation herein.

This is a multiple violation of 49 CFR §192.747(b).

u. Counts 225 through 227

PGW failed to have and/or follow a written qualification program in that the Company failed to ensure that [Crew Member Four] was qualified to perform the covered task when, in fact, he was not qualified to perform the task nor was he directed and observed by an individual that was qualified to perform the task and, in so doing, failed to adequately protect the public.

This is a violation of 49 CFR §§192.805(b) and(c) and 52 Pa. Code §59.33.

v. Counts 228 and 229

PGW failed to train [Crew Member Four], a Distribution employee, to assure that he was knowledgeable of emergency procedures and to verify that the training was effective and, in so doing, failed to adequately protect the public.

This is a violation of 49 CFR §192.615(b)(2) and 52 Pa. Code §59.33.

w. Counts 230 through 264

PGW failed to conduct post-accident drug testing for 35 of the PGW employees who were on site and who could not be completely discounted

as a contributing factor to the incident; the failure to test each of the employees constituting a separate violation herein.

This is a multiple violation of 49 CFR §199.105(b).

x. Counts 265 through 299

PGW failed to conduct post-accident alcohol testing for 35 of the PGW employees who were on site and who could not be completely discounted as a contributing factor to the incident; the failure to test each of the employees constituting a separate violation herein.

This is a multiple violation of 49 CFR §199.225(a)(1).

y. Counts 300 through 334

PGW failed to prepare and maintain on file a record stating the reasons the post-accident testing was not promptly administered on any of the 35 employees referred to above; the failure to prepare and maintain such records on each employee constituting a separate violation herein.

This is a violation of 49 CFR §199.225(a)(2).

Requested Relief

WHEREFORE, for all the foregoing reasons, the Pennsylvania Public Utility Commission, Bureau of Investigation and Enforcement, respectfully requests:

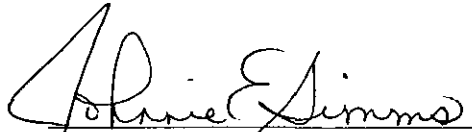
- a. That, after consideration of the record, the assigned Administrative Law Judge ("ALJ") and the Commission find PGW in violation of each and every of the 334 counts as set forth herein, and that, in any event, for each count charged, PGW be assessed the maximum civil penalty allowed by law;
- b. That, whereas the resulting civil penalty of \$3,340,000 from enforcement of the maximum penalty by state law for each count set forth in this complaint exceeds the maximum state civil penalty of \$500,000 for any series of violations pursuant to 66 Pa. C.S. §3301(c), PGW be ordered to pay the maximum state civil penalty allowed of \$500,000, and that PGW not be permitted to recover any portion of said amount through rates regulated by the Commission;

- c. PGW re-qualify all work crews as to PGW's procedures for not entering a building when more than 40 % LEL is discovered inside the building;
- d. PGW provide a written procedure that establishes the parameters and steps needed to be taken by PGW field supervisors in notifying the electric utility to shut off the electric power during emergency situations;
- e. PGW coordinate a meeting between PGW, PECO Electric, and Philadelphia Fire Department to address the electric power shut off procedure, as set forth in the preceding paragraph;
- f. PGW provide a written procedure that establishes a minimum training criteria and operator qualification for work crew members that respond to emergency situations;
- g. PGW re-qualify all work crews as to personal protection equipment needed to be worn and equipment required at an excavation site and for emergency response;
- h. PGW re-train all emergency responders and field supervisors to address the Incident Command System and coordinate a meeting between PGW and the Philadelphia Fire Department to review Incident Command requirements;
- i. PGW provide a written procedure that establishes a PGW liaison to maintain constant communication with the Commission Gas Safety Inspectors on site during a reportable incident investigation;
- j. PGW provide a written procedure that allows PGW emergency responders to shut off emergency valves during gas emergencies;
- k. PGW identify all non-operable emergency valves and provide a schedule to make such valves operable;
- l. PGW provide a written procedure that establishes a safety perimeter for leak investigations and emergency response and a plan to qualify PGW emergency responders and field supervisors to these procedures;
- m. PGW provide a written procedure to require PGW emergency responders and field supervisors to receive National Incident Management System ("NIMS") training and a schedule of this training;

- n. PGW provide a written procedure included in PGW's emergency response on how to recognize a controllable and non-controllable incident and appropriate actions that should be taken;
- o. PGW re-qualify all work crews, emergency responders and field supervisors as to protecting the public, PGW workers, and property during emergencies, with emphasis on the requirement that responders not enter a building with 40% LEL or higher;
- p. PGW revise its written procedures to define and distinguish ventilating a building from ventilating a street and to stop ventilating when a building has gas at or above the explosive range;
- q. PGW train Field Service Department personnel to be qualified to operate emergency valves or require Pressure Force to respond to every leak;
- r. That PGW be ordered to immediately review and modify its Operator Qualification program to address issues described above and submit the review and subsequent modifications to the Commission's Gas Safety Division;
- s. That PGW modify its emergency procedures to include a section related to "blowing gas;"
- t. That PGW retrain its work crews regarding the use of critical valves;

- u. PGW consolidate emergency procedures into one manual that cover responsibilities for all departments involved. References to outside handbooks are permissible but the applicable text needs to be in the consolidated manual. Each department's responsibilities need to be outlined. This manual needs to be provided to each supervisor and used in all emergency response training; and
- v. That the Commission grant such further relief as is deemed appropriate.

Respectfully submitted,



Johnnie E. Simms
Chief Prosecutor
PA Attorney ID No. 33911

Wayne T. Scott
First Deputy Chief Prosecutor
PA Attorney ID No. 29133

Michael L. Swindler
Prosecutor
PA Attorney ID No. 43319

Carrie B. Wright
Prosecutor
PA Attorney ID No. 208185

Bureau of Investigation and Enforcement

Date: December 15, 2011


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**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Pennsylvania Public Utility Commission,	:	
Bureau of Investigation and Enforcement	:	
Complainant	:	
	:	
v.	:	Docket No. C-2011-
	:	
Philadelphia Gas Works,	:	
Respondent	:	

VERIFICATION

I, Paul J. Metro, hereby state that the facts above set forth are true and correct to the best of my knowledge, information and belief and that I expect to be able to prove the same at a hearing held in this matter. I understand that the statements herein are made subject to the penalties of 18 Pa.C.S. § 4904 (relating to unsworn falsification to authorities).



Signature

14 DEC 11
Date

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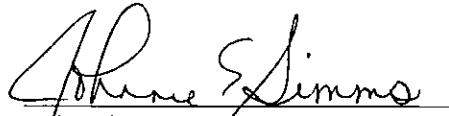
BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission :
v. : Docket No. C-2011-
Philadelphia Gas Works :

CERTIFICATE OF SERVICE

I hereby certify that I am serving the foregoing **Non-Proprietary Complaint** dated December 15, 2011, either personally, by first class mail, electronic mail, express mail and/or by fax upon the persons listed below, in accordance with the requirements of § 1.54 (relating to service by a party):

Craig White
Philadelphia Gas Works
800 West Montgomery Avenue
Philadelphia, PA 19122



Johnnie E. Simms
Chief Prosecutor
Bureau of Investigation and Enforcement
PA Attorney I.D. #33911

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