



17 North Second Street  
12th Floor  
Harrisburg, PA 17101-1601  
717-731-1970 Main  
717-731-1985 Main Fax  
www.postschell.com

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Andrew S. Tubbs

atubbs@postschell.com  
717-612-6057 Direct  
717-731-1985 Direct Fax  
File #: 151393

January 25, 2013

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: Application of Columbia Gas of Pennsylvania, Inc. for Approval of the  
Abandonment of Service by Columbia Gas to One (1) Natural Gas Service  
Customer Located in Greene County, Pennsylvania - Docket No. A-2011-2276780**

**Joseph Lucey v. Columbia Gas of Pennsylvania, Inc. - Docket No. C-2011-2248370**

Dear Secretary Chiavetta:

Enclosed for electronic filing is the Reply Brief of Columbia Gas of Pennsylvania, Inc. for the above-referenced proceeding. Copies will be provided as indicated on the Certificate of Service.

Respectfully submitted,

Andrew S. Tubbs

AST/jl  
Enclosures

cc: Honorable Katrina L. Dunderdale  
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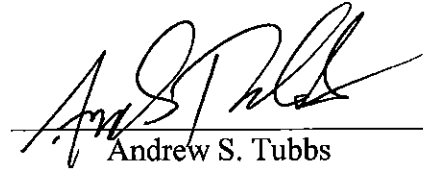
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David C. Hook, Esquire  
Law Office of Hook and Hook  
189 W. High Street  
PO Box 792  
Waynesburg, PA 15370

Date: January 25, 2013

  
\_\_\_\_\_  
Andrew S. Tubbs

**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Application of Columbia Gas of Pennsylvania, Inc. For Approval of the Abandonment of Service by Columbia Gas to One (1) Natural Gas Service Customer Located in Greene County, Pennsylvania	:	
	:	
	:	Docket No. A-2011-2276780
	:	
	:	
Joseph Lucey	:	
	:	
v.	:	Docket No. C-2011-2248370
	:	
Columbia Gas of Pennsylvania, Inc.	:	

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**REPLY BRIEF  
OF  
COLUMBIA GAS OF PENNSYLVANIA, INC.**

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Kimberly S. Cuccia (ID # 308216)  
Columbia Gas of Pennsylvania, Inc.  
121 Champion Way, Suite 100  
Canonsburg, PA 15317  
Phone: 724-416-6347  
Fax: 724-416-6384  
E-mail: [kscuccia@nisource.com](mailto:kscuccia@nisource.com)

Andrew S. Tubbs (ID # 80310)  
Post & Schell, P.C.  
17 North Second Street, 12<sup>th</sup> Floor  
Harrisburg, PA 17101-1601  
Phone: 717-731-1970  
Fax: 717-731-1985  
E-mail: [atubbs@postschell.com](mailto:atubbs@postschell.com)

Date: January 25, 2013

*Attorneys for Columbia Gas of Pennsylvania, Inc.*

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## **I. INTRODUCTION**

On January 11, 2013, pursuant to the schedule established by Administrative Law Judge Katrina L. Dunderdale (“ALJ”), Columbia Gas of Pennsylvania, Inc. (“Columbia”) and Joseph Lucey<sup>1</sup> (“Mr. Lucey”) filed main briefs in this proceeding. Columbia, in its Main Brief, explained why its emergency termination of service to 107 West Furman Highway, Wind Ridge, Pennsylvania 15380 (the “Lucey Residence”) was prudent and done consistent with the Commission’s regulations. In addition, Columbia addressed why its December 5, 2011, *Application for Approval of Abandonment of Service by Columbia Gas of Pennsylvania, Inc. to One (1) Natural Gas Service Customer Located in Greene County, Pennsylvania* (“Abandonment Application”), should be granted. In so doing, Columbia anticipated, and responded to, many of the arguments raised by Mr. Lucey. Nevertheless, it is appropriate for Columbia to respond to certain contentions advanced by Mr. Lucey in his main brief. In responding to Mr. Lucey, Columbia has attempted to minimize repetition of explanations provided in its Main Brief.

## **II. SUMMARY OF ARGUMENT**

In its Main Brief, Columbia explained why its emergency termination of service to the Lucey Residence was reasonable and necessary. Specifically, Columbia provided evidence that Mr. Lucey was served by a direct tap off of an interstate transmission pipeline (“Line 954”), a 100-year old bare steel pipeline owned and operated by Columbia Gas Transmission, LLC (“Transmission”), a federally regulated interstate pipeline company. On or about June 1, 2011, Transmission employees received a report

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<sup>1</sup> Joseph T. Lucey is the customer of record at the Lucey Residence. However, Mr. Mark R. Lucey, the brother of Joseph Lucey, signed the verification for the Complaint and supplied an executed Durable Power of Attorney with Mr. Lucey’s Answer to Columbia’s *Application for Approval for the Abandonment of Service by Columbia Gas to One (1) Natural Gas Service Customer in Greene County, Pennsylvania*. Therefore, all references to “Mr. Lucey” refer to Joseph T. Lucey and Mark R. Lucey.

of a leak on Line 954. Transmission investigated the leak, and concluded that the transmission pipeline was blowing gas into a stream and needed to be taken out of service immediately. Transmission notified Columbia of the emergency situation and of its decision to cease delivery of gas on Line 954. In response to the decision of the interstate transmission owner of Line 954 to take the line out of service for safety reasons, Columbia had to immediately terminate service to the Lucey Residence by “locking and plating” the meter.

In its Reply Brief, Columbia will address the following issues: (1) that, despite Mr. Lucey’s attempt to disregard the record in this proceeding, Columbia and Transmission are separate legal entities and that Transmission’s ownership and operation of Line 954 is not subject to the jurisdiction of this Commission; (2) that Columbia’s decision to undertake an emergency termination of service to the Lucey Residence was reasonable and necessary in order to provide safe and reasonable service; (3) that advance notice of termination to Mr. Lucey was not required; and (4) that extending Columbia’s distribution facilities to the Lucey Residence is not in the public interest.

Despite the clear direction by the ALJ that the parties expressly distinguish between references to Columbia and references to Transmission, Mr. Lucey’s brief refers frequently to “Columbia Gas” without proper identification. In so doing, Mr. Lucey seeks to impute to Columbia actions and decisions made by Transmission. Mr. Lucey’s attempt to blur the lines as to which company he refers to is particularly improper as the record in this case has made the line between the two companies abundantly clear. Columbia is a “public utility” in Pennsylvania and regulated by the Commission. Transmission is an interstate pipeline engaged in the business of transporting natural gas in interstate commerce and is subject to regulation by the Federal Energy

Regulatory Commission (“FERC”). Columbia provided service to Mr. Lucey off a mainline tap to Line 954. Line 954 is a FERC jurisdictional line that is owned and operated by Transmission. Mr. Lucey’s attempt to erase the clear differences between Columbia and Transmission, and the rights and responsibilities of each company, should not be adopted.

In his Main Brief, Mr. Lucey contends that the leak that occurred on or about June 1, 2011 was not an emergency situation that necessitated the immediate termination of Columbia’s residential service to the Lucey Residence. Such contention reflects Mr. Lucey’s improper attempt to have the Commission assess the reasonableness of Transmission’s decision to respond to a leaking transmission line operating at a pressure of 20 pounds or more. However, it is not within the Commission’s jurisdiction to assess Transmission’s actions. The issue that is presented to the Commission is whether Columbia acted reasonably under the facts of this case. Mr. Lucey has failed to demonstrate, by a preponderance of the evidence, that Columbia failed to act reasonably in terminating residential service to the Lucey Residence on an emergency basis. Indeed, it was reasonable and necessary for Columbia to terminate service to the Lucey Residence on an emergency basis once Transmission, the owner and operator of the interstate transmission line that provided service to the Lucey Residence, informed Columbia of an emergency situation resulting in Transmission’s decision to cease gas service on Line 954.

Mr. Lucey also contends that Columbia failed to provide Mr. Lucey with the proper notice relative to the termination of service to the Lucey Residence. However, once notified of an emergency situation and an interstate transmission line owner’s decision to cease gas service on Line 954, Columbia properly terminated service without

advance notice. In addition, Columbia advised Mr. Lucey of the termination, and the reasons for the termination, in a prompt fashion. As a result of the manner in which Columbia was advised of the emergency situation, Columbia did not have information immediately available to identify the customer whose service had to be terminated. However, the next day Columbia was in contact with Mr. Lucey regarding Columbia's emergency termination of service, and a day later Columbia followed up by letter to inform Mr. Lucey of the reason why Columbia had to terminate his service on an emergency basis.

The record is clear that Transmission has determined to permanently cease all operations of Line 954. Mr. Lucey has not challenged the analysis completed by Columbia relative to the distance and costs associated with extending a new Columbia main from Columbia's nearest existing distribution facilities in order to provide service to the Lucey Residence. Instead, Mr. Lucey argues that Columbia failed to adequately investigate the potential to provide residential gas service from other "Columbia Gas" lines in the vicinity of the Lucey Residence. However, as evidenced by the record in the proceeding, the lines identified by Mr. Lucey are not owned by Columbia but are owned by Transmission. Columbia has no authority to connect to such lines. Further, Columbia has not provided a new mainline tap service to a residential customer like Mr. Lucey in over 15 years. Residential distribution service provided by an interstate transmission line neither owned nor operated by Columbia is not an available alternative for Columbia to provide service to Mr. Lucey.

For these reasons, and as more fully explained below and in Columbia's Main Brief, Mr. Lucey's Complaint should be dismissed and Columbia's Abandonment Application should be granted.

### **III. ARGUMENT**

#### **A. MR. LUCEY IMPROPERLY IGNORES THE DISTINCTIONS BETWEEN ACTIONS TAKEN BY, AND FACILITIES OWNED BY TRANSMISSION, A FEDERALLY REGULATED ENTITY, AND THE ACTIONS TAKEN BY, AND FACILITIES OWNED BY, COLUMBIA**

Throughout his Main Brief, Mr. Lucey frequently references “Columbia Gas” without identifying whether he is referring to Columbia or Transmission. In certain instances, Mr. Lucey insinuates that the distinction between Columbia and Transmission is unclear. However, the distinction between Columbia and Transmission is abundantly clear from the record in this proceeding. This distinction is critically important, because only the actions taken by, and the facilities owned by, Columbia are subject to Commission oversight in this case.

There can be no reasonable dispute that Transmission and Columbia are two separate and distinct corporate entities. Columbia is a corporation organized and existing under the laws of the Commonwealth of Pennsylvania. Columbia provides natural gas service to approximately 415,000 customers in 26 counties of Pennsylvania, pursuant to certificates of public convenience granted by the Commission. Transmission is an interstate pipeline, or a “natural gas company,” as defined in the Natural Gas Act,<sup>2</sup> engaged in the business of transporting natural gas in interstate commerce and is subject to regulation by FERC and not this Commission. (Columbia Statement No. 2, p. 3.)

It is also undisputed that the leak that was the proximate cause for the emergency termination of service to the Lucey residence occurred on the facilities of Transmission,

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<sup>2</sup> See 15 U.S.C. § 717(b)(2006).

and not on the facilities of Columbia. Mr. Lucey has not challenged, and could not challenge, that Columbia provided service to the Lucey Residence via Transmission's Line 954, and not through distribution facilities owned and operated by Columbia. (Columbia Statement No. 1, p. 3; Tr. 14.) Further, Mr. Lucey has not disputed, and could not dispute, that Columbia provided his residential gas service from gas transported by Transmission on a pipeline owned and operated by Transmission and regulated by the FERC. (Columbia Statement No. 1, p. 3; Columbia Statement No. 2, pp. 3-4.) Moreover, Mr. Lucey has not contested Columbia's Commission-approved tariff Section 8.1(b), which provides that direct tap service from a transmission line is at the sole discretion of the owner of the transmission line, and can be terminated at any time. (Exhibit NJDK-2.)

Mr. Lucey's continued attempts to imply or assert that Columbia and Transmission, and their respective employees, are interchangeable or indistinguishable are unsupported by the record evidence in this case. Mr. Lucey frequently refers generically to "Columbia Gas" employees and "Columbia Gas" facilities throughout his brief and in a number of his proposed findings of fact. (Lucey Proposed Findings of Fact #13, 14, 15, 21, and 45.) However, a review of the record in this proceeding makes it clear that all of these references are to Transmission and not to Columbia.

As noted in Columbia's Main Brief, Mr. Lucey named a number of individuals that he came in contact with, but indicated that he was uncertain as to whether they were employees of Transmission or Columbia. (Tr. 14; 16; 23; and 52.) Columbia Witness Davis identified the individuals named by Mr. Lucey as employees of Transmission. (Tr. 154; Tr. 157.) Further, Columbia Witnesses Krajovic and Davis each testified that vehicles and employees for both Columbia and Transmission are clearly

identifiable. (Tr. 86; Tr. 158.) Finally, Mr. Lucey's reference to "Columbia Gas line 1360" fails to make clear that Line 1360 referenced by Mr. Lucey is a transmission line owned by Transmission. (Tr. 274.) Columbia witness White testified that the closest Columbia distribution facilities are more than five miles from the Lucey Residence and specifically stated that Columbia owns no facilities west of the Lucey Residence. (Columbia Statement No. 3, p. 3; Exhibit NJDK-2; Tr. 240.)

The record in this proceeding shows that Columbia and Transmission, although affiliated, are separate and distinct corporate entities that are separately operated. Columbia is subject to the jurisdiction of this Commission. However, Transmission's ownership and operation of interstate transmission Line 954 is subject to FERC jurisdiction.<sup>3</sup> For these reasons, Mr. Lucey's efforts to blur the distinction between Columbia and Transmission are unsupported and should be rejected.

**B. COLUMBIA'S JUNE 1, 2011 EMERGENCY TERMINATION OF MR. LUCEY'S SERVICE WAS APPROPRIATE AND CONSISTENT WITH THE COMMISSION'S REGULATIONS**

**1. Columbia's Emergency Termination of Service Was Prudent**

At the outset, it is important to clarify the applicable Commission regulation in this proceeding. Throughout his brief, Mr. Lucey references Section 56.71 of the Commission's regulations as the controlling provision in determining whether Columbia's emergency termination of Mr. Lucey on June 1, 2011 was proper. However, as noted by Columbia in its Main Brief, at the time of Columbia's termination, Section

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<sup>3</sup> The line serving the Lucey Residence, Line 954, is located both in Richhill Township, Greene County, Pennsylvania and Liberty and Cameron Districts, Marshall County, West Virginia and is an approximately 10,000 foot steel coupled 10" main owned by Transmission. (Columbia Statement No. 2, p. 3.) Line 954 was put into service in 1905, (Columbia Statement No. 2, p. 3.), and was connected to another Transmission main in West Virginia, from which gas was provided. (Tr. 190.) Historically this line has been used by Transmission to transport natural gas in interstate commerce from 1971 to present, including transporting gas on Line 954 to Columbia, which in turn provided retail service through a transmission mainline tap to Mr. Lucey. (Columbia Statement No. 2, p. 4.)

56.98 of the Commission's regulations was in effect. Subsequent to June 1, 2011, the Commission amended its regulations by rulemaking that became effective on October 8, 2011. *Rulemaking to Amend the Provisions of 52 Pa. Code, Chapter 56 to Comply with the Provisions of 66 Pa.C.S., Chapter 14; General Review of Regulations*, Docket No. L-00060182 (Order June 13, 2011); effective October 8, 2011, 41 Pa.B. 5473. The Commission's current regulation relative to the interruption of service without notice is not the appropriate standard by which to review Columbia's June 1, 2011 termination of Mr. Lucey.

On June 1, 2011, the Commission's regulation regarding emergency termination of service by a public utility was Section 56.98, which provided:

When a service termination is based on an occurrence which endangers the safety of any person or may prove harmful to the energy delivery system of the utility, the utility may terminate service without written notice so long as the utility honestly and reasonably believes grounds to exist. At the time of termination, the utility shall make a bona fide attempt to deliver a notice of termination to a responsible person at the affected premises and, in the case of a single, meter, multiunit dwelling, shall conspicuously post the notice at the dwelling, including common areas where permissible.

52 Pa. Code § 56.98 (2008). Columbia's actions on June 1, 2011 comport in all respects to the Commission's regulations.

Mr. Lucey states in his Main Brief that prior to terminating Mr. Lucey's service, Columbia had an obligation to investigate whether the leak reported by Transmission posed an immediate threat. This argument is without merit as it is clear from the record evidence in this proceeding that Columbia "honestly and reasonably believe[d] grounds...exist[ed]," which required the termination of service on June 1, 2011.

As addressed in Columbia's Main Brief, there is definitive record evidence in this proceeding supporting Columbia's decision to immediately terminate service on June 1, 2011. First, Columbia was informed by the owner and operator of Line 954 that "gas was blowing into a stream" and that Transmission decided to cease gas service on Line 954.

Second, despite Mr. Lucey's continued disregard of the facts, Columbia does not own or operate Line 954. Columbia has no right or legal authority to inspect Transmission facilities, let alone to repair them. As noted by Columbia witness Krajovic, Columbia had no reason to question a transmission line owner's declaration of an emergency on its facilities. (Tr. 83; 112-113.) Further, Columbia had no ability or authority to stop Transmission from terminating service on Line 954. As explained by Ms. Krajovic, once Transmission determined to cease gas flow on Line 954, Columbia had to "lock and plate" Mr. Lucey's meter as a safety precaution. (Tr. 92; 105.) No gas service could be provided through the meter, as there was no source of supply available. Further, absent the installation of the plate, the potential existed for any gas remaining in Transmission's facilities to migrate from Line 954 and into the Lucey Residence via Mr. Lucey's service line.<sup>4</sup> (*Id.*)

As a regulated public utility in Pennsylvania, Columbia has a duty to provide safe service to its customers. (66 Pa. C.S. § 1501.) If Columbia had failed to respond to the declaration by an interstate pipeline of an emergency situation on the facilities used to

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<sup>4</sup> Mr. Lucey also suggests that Columbia had an obligation to convert him following the June 3, 2011 termination. (Lucey M.B., p. 3.) However, the Commission has made it clear that the Company is not permitted to pay for a customer's conversion cost in advance of receipt of a Commission order approving the abandonment of service. *Application for Approval of Abandonment of Service by Columbia Gas of Pennsylvania, Inc. to Eight (8) Natural Gas Service Customers located in Greene County, Pennsylvania*, Docket Number: A-2011-2250138, 2012 Pa. PUC LEXIS 1110 (2012). Moreover, Mr. Lucey was contacted by Transmission after the June 1, 2011 termination of service regarding his service and successfully converted to propane on or about June 6, 2011. (Exhibit NJDK-1, Attachment A; Tr. 71.)

deliver gas service to its customers, Columbia would have been derelict in its legal obligations. Columbia's decision to immediately terminate service on the mainline tap was absolutely necessary given that the owner and operator of the facility informed Columbia that because of an emergency involving gas blowing on Line 954, Transmission had ceased gas service on the interstate transmission line. Therefore, Columbia's decision to lock and plate the meter was prudent.

Columbia's decision is consistent with prior Commission decisions, wherein the need for public utilities to immediately terminate customers without prior notice, as Columbia did on June 1, 2011, has been upheld by the Commission. See, *Loretta Warren v. Duquesne Light Company*, 2005 Pa. PUC LEXIS 7 (2005) (utility action to immediately terminate service due to the existence of unsafe conditions without prior notice was reasonable); *Marvin Elias v. PECO Energy Company*, 2008 Pa. PUC LEXIS 1229 (2008) (utility response to immediately terminate service without personal contact with customer due to a dangerous situation caused by a ruptured gas line was appropriate.) Therefore, Columbia properly terminated service on June 1, 2011, and Mr. Lucey's claims to the contrary must be rejected.

**2. Columbia Complied with the Notice Requirements of Section 56.98**

Section 56.98 of the Commission's regulations sets forth the standard that a utility may terminate service without prior written notice if it honestly and reasonably believed that an emergency existed. In this case, it is clear that an emergency existed and Columbia properly terminated service without prior written notice. The June 1, 2011 call to Columbia relative to the emergency on Line 954 came from Transmission, an interstate pipeline operator and Columbia's knowledge at that time consisted of

Transmission's notice that gas was blowing on Line 954 and that as result of the blowing gas Transmission shut down its line. (Columbia Statement No. 1, p. 4.) Columbia had no basis to dispute Transmission's determination, and in any event could not prevent Transmission from shutting down Line 954.

Section 56.98 also requires that the utility promptly inform the customer after the fact of the termination. Columbia also complied with this requirement. After receiving the call from Transmission, Columbia issued a work order to lock and plate the meter. However, the Columbia work order was issued in a Transmission employee's name because, as a result of the emergency situation, Columbia did not have information immediately available to identify the impacted account(s). (Columbia Statement No. 1, p. 4.) On June 2, 2011, Columbia was in contact with Mr. Lucey, when he called Columbia to report that he was without gas service. Columbia's call center representative informed Mr. Lucey that Columbia would dispatch a service person to investigate. (Columbia Statement No. 1, p. 4.) Columbia processed the dispatch, and that day returned Mr. Lucey's call and left a message indicating that his gas service was turned off due to no gas in Transmission's Line 954. (Columbia Statement No. 1, p. 4.) Mr. Lucey's account was then updated to indicate that the emergency order from the previous day impacted the Lucey residence. (Columbia Statement No. 1, p. 4.)

Furthermore, contrary to Mr. Lucey's contention in his main brief, Mr. Lucey did receive a written notice of termination. On June 3, 2011, Columbia was informed, for the first time, of prior leaks on Line 954 and that Transmission had determined to permanently discontinue service on Line 954 due to ongoing safety concerns related to chronic leaks as a result of longwall mining near Line 954, including a leak believed to be located in a nearby stream bed. (Tr. 95-96; Exhibit NJDK-1, Attachment B.) Indeed,

Transmission determined that Line 954 could not be adequately repaired and would need to be replaced, and that doing so was not cost effective. (Tr. 153.) Therefore, Transmission determined that it would not continue service on Line 954. Columbia has no ability to force Transmission to repair or replace a line that Columbia does not own.

That same day, Columbia sent a “Notice of Termination” letter to Mr. Lucey via overnight mail, informing him of the reasons for the termination. (Exhibit NJDK-1, Attachment B.) The “Notice of Termination” letter informed Mr. Lucey that the natural gas service to his home was terminated due to the immediate safety concerns on Line 954. In addition, Columbia’s June 3, 2011 letter informed Mr. Lucey of Transmission’s decision to permanently discontinue operation of Line 954 due to ongoing safety concerns related to chronic leaks as a result of longwall mining near Line 954, including a leak believed to be located in a nearby stream bed. (Exhibit NJDK-1, Attachment B.) In addition, Columbia’s June 3, 2011 “Notice of Termination” letter informed Mr. Lucey that his service from Columbia would not be permanently abandoned prior to Columbia’s receipt of the required regulatory approvals from the Commission. (Columbia Statement No. 1, p. 5.)

For these reasons, Mr. Lucey’s contention that Columbia failed to adhere to the requirements of Section 56.98 in terminating service to the Lucey Residence on June 1, 2011 should be rejected. Further, as Columbia’s termination of Mr. Lucey on June 1, 2011 was proper and the notice provided on June 2<sup>nd</sup> and June 3<sup>rd</sup> adhered to the Commission’s regulations, Mr. Lucey’s basis for requesting a civil penalty is unsupportable and should be rejected.

**C. EXTENDING COLUMBIA'S FACILITIES TO SERVE MR. LUCEY IS NOT IN THE PUBLIC INTEREST**

In his Main Brief, Mr. Lucey does not directly challenge the results of Columbia's evaluation of extending a line from Columbia's closest distribution facilities to provide service to the Lucey Residence. Instead, Mr. Lucey states that Columbia failed to investigate providing service to the Lucey Residence from pipelines located west of the Lucey Residence. This argument is without merit.

Prior to filing its Abandonment Application, Columbia investigated the possibility of extending its distribution facilities to the Lucey Residence in order to continue to provide service to Mr. Lucey following Transmission's decision to cease operating Line 954. (Columbia Statement No. 1, pp. 5-6.) As explained in Columbia's Main Brief, although Columbia has existing distribution facilities in Greene County, based upon its investigation, Columbia determined that it could not justify the cost of extending its facilities to the Lucey Residence. (Columbia Statement No. 1, p. 6.) Columbia witness White testified that in order for Columbia to extend its existing facilities to the Lucey Residence, Columbia would have to install approximately 28,000 feet of four-inch plastic pipe from its existing facilities located near the intersection of State Route 21 (West Roy Furman Highway) and Rush Road to the Lucey Residence. (Tr. 257; Columbia Statement No. 3, p. 3.) As explained by Columbia witness Nelson, the route depicted on Exhibit NWW-2 represents the closest distance from the Lucey Residence to Columbia's existing distribution facilities. (Columbia Statement No. 3, p. 4.) The cost to construct these facilities would be approximately \$2.9 million. (*Id.*)

Mr. Lucey suggests that there are "Columbia Gas" facilities closer to the Lucey Residence and that Columbia failed to evaluate these lines as potential options. (Lucey

M.B. at unnumbered p. 12.) This is yet again an example of Mr. Lucey's attempt to blur the differences between Columbia and Transmission in his brief, and another misrepresentation of the record in this proceeding. Mr. Lucey himself testified that the lines west of the Lucey Residence are owned by Transmission, not Columbia. (Tr. 274.) Columbia evaluated providing service from its closest distribution facilities. Columbia cannot be expected to extend service from facilities it does not own.

Moreover, Columbia has no obligation to determine whether Mr. Lucey could receive service from a different interstate transmission pipeline in the vicinity of the Lucey Residence. Because Columbia does not own the facilities, Columbia has no right to offer service to Mr. Lucey from other interstate transmission lines in the vicinity of the Lucey Residence. In addition, Columbia witness White testified that Columbia has not added any additional residential main line tap customers in the last 15 years. (Tr. 245.) Indeed, Transmission has no obligation to provide service to Mr. Lucey. (Tr. 157.) Further, Transmission and Mr. Lucey had been engaged in discussions to convert the Lucey Residence from natural gas to an alternative fuel source since 2009. (Tr. 16.) The discussions between Transmission and Mr. Lucey were unsurprising due to commencement of long-wall mining under Mr. Lucey's property and based upon the age and condition of Line 954. (Tr. 156.) Based upon the record in this proceeding, the negotiations between Transmission and Mr. Lucey did not entail providing service to the Lucey Residence via a new tap off of another Transmission interstate pipeline but instead were focused on conversion. (Tr. 51-54.) Again, the pipelines identified in Exhibit MRL-4 are facilities owned and operated by Transmission not Columbia. (Tr. 274.) These facilities are not subject to the jurisdiction of the Commission.


Despite Mr. Lucey's assertions to the contrary, Columbia properly evaluated whether it was in the public interest to extend service from Columbia's distribution facilities in order to continue to provide service to Mr. Lucey. It is clear that to build a five mile distribution line to the Lucey Residence at the cost of \$2.9 million to serve a single customer, resulting in \$500 of annual revenues, simply is not justifiable. Columbia's abandonment application should be granted.

#### **IV. CONCLUSION**

WHEREFORE, for the foregoing reasons, Columbia Gas of Pennsylvania, Inc. respectfully requests that the Honorable Katrina L. Dunderdale and the Pennsylvania Public Utility Commission enter an order denying the relief requested in the Formal Complaint of Joseph T. Lucey at Docket No. C-2011-2248370; and granting Columbia Gas of Pennsylvania, Inc.'s Application for Approval of the Abandonment of Service by Columbia to One (1) Natural Gas Service Customer Located in Greene County, Pennsylvania at Docket No. A-2011-2276780.

Respectfully submitted,

Kimberly S. Cuccia (ID # 308216)  
Columbia Gas of Pennsylvania, Inc.  
121 Champion Way, Suite 100  
Canonsburg, PA 15317  
Phone: 724-416-6347  
Fax: 724-416-6384  
E-mail: [kscuccia@nisource.com](mailto:kscuccia@nisource.com)

  
\_\_\_\_\_  
Andrew S. Tubbs (ID # 80310)  
Post & Schell, P.C.  
17 North Second Street, 12<sup>th</sup> Floor  
Harrisburg, PA 17101-1601  
Phone: 717-731-1970  
Fax: 717-731-1985  
E-mail: [atubbs@postschell.com](mailto:atubbs@postschell.com)

Date: January 25, 2013

*Attorneys for Columbia Gas of Pennsylvania, Inc.*