PENNSYLVANIA PUBLIC UTILITY COMMISSION Harrisburg, Pennsylvania 17105-3265

PA PUC, Bureau of Investigation and Enforcement v. Columbia Gas of Pennsylvania, Inc.

Public Meeting: June 5, 2014 2306076-OSA Docket M-2014-2306076

JOINT STATEMENT OF COMMISSIONER JAMES H. CAWLEY AND COMMISSIONER PAMELA A. WITMER

Before us is the Settlement Agreement (Settlement) filed on February 6, 2014, by the Commission's Bureau of Investigation and Enforcement (I&E) and Columbia Gas of Pennsylvania, Inc. (Columbia) (collectively, Parties) regarding various alleged violations by Columbia regarding valve inspection procedures, excessive pipeline pressures, excavation damage, and lack of pressure devices. In order to assist this Commission in reviewing this Settlement, we ask that the Parties provide responses to the following directed questions:

- 1. Describe remedial actions that have been taken to date to address the alleged violations identified in the Settlement.
- 2. Provide an estimate of the total number of recording gauges at identified stations that do not have a recording gauge at this time, how many stations will require a design change to prevent accidental overpressuring, and how many of these units are single-feed, low pressure systems without over-pressure protection.
- 3. Explain why the investment in the issue referred to as the Delong Farm Tap and associated meters¹ justifies a lower penalty when the settlement contemplates recovery of this investment, to a maximum of \$200,000.²
- 4. Explicitly explain what, if any, risk Columbia bears regarding recovery of its investment in the issue referred to as the Delong Farm Tap. Is Columbia guaranteed recovery of these costs up to \$200,000 in its next filed rate case? Explain situations where Columbia might not recover costs up to \$200,000.
- 5. Have each of the privately metered accounts on the Delong Farm Tap agreed to take service from Columbia? If not, how will Columbia handle any instance where a Delong Farm Tap customer refuses service from Columbia?

² Settlement at paragraph 96(d).

¹ Statement in Support of Settlement Agreement of the Bureau of Investigation and Enforcement at 6.

6. Describe in detail how the additional training and testing requirements pursuant to paragraphs 95(vii) and (viii) of the Settlement will correct *each* of the nine alleged incidences described in this Order.

June 5, 2014

ames H. Cawley, Commissioner

Pamela A. Witmer, Commissioner