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VIA OVERNIGHT DELIVERY

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March 19, 2015

MAR 19 2015

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

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

Re: **Mario Urlini v. Peoples Natural Gas Company LLC -- Docket No. C-2014-2458557**

Dear Secretary Chiavetta:

Enclosed is a properly signed Response of Respondent, Peoples Natural Gas Company LLC ("Peoples"), to the Motion to Compel Discovery. The Response was originally filed on March 10th, however the Response was not properly signed. My apologies for the oversight.

Please contact the undersigned should you have any questions or concerns regarding this matter.

Very truly yours,

Jennifer L. Petrisek

Senior Attorney



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VIA OVERNIGHT DELIVERY

March 10, 2015

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

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**PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU**

Re: Mario Urlini v. Peoples Natural Gas Company LLC -- Docket No. C-2014-2458557

Dear Secretary Chiavetta:

Enclosed for filing please find the Response of Respondent, Peoples Natural Gas Company LLC ("Peoples"), to the Motion to Compel Discovery which was filed by Complainant's counsel, Ryan James, on March 5, 2015.

Please contact the undersigned should you have any questions or concerns regarding this matter.

Very truly yours,

Jennifer L. Petrisek
Senior Attorney

cc: Certificate of Service

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MAR 10 2015

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION
PENNSYLVANIA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

Mario Urlini :
Complainant :
v. : Docket No. C-2014-2458557
Peoples Natural Gas Company LLC :
Respondent :

**PEOPLES NATURAL GAS COMPANY LLC'S RESPONSE TO COMPLAINANT'S MOTION
TO COMPEL DISCOVERY**

Pursuant to 52. Pa Code §5.342(g)(1), Peoples Natural Gas Company LLC ("Peoples" or "Respondent") hereby responds to the Motion to Compel Discovery filed by Complainant's Counsel on March 5, 2013 (the "Motion").

On February 13, 2015, Mr. Richard C Brobst ("Mr. Brobst") propounded discovery, consisting of three individual document requests, upon Peoples in the above captioned matter by letter dated February 13, 2014 (the "Discovery Requests"). On February 23, 2015, Peoples objected to the Discovery Requests on two grounds: (1) that Mr. Brobst was not a party to this Formal Complaint proceeding at Docket Number C-2014-2458557 (*Mario Urlini v. Peoples Natural Gas Company LLC*) and (2) relevancy (the "Objections"). On March 5, Complainant's newly retained counsel, Attorney Ryan James, filed a Motion to Compel Discovery responding to Respondent's Objections (the "Motion"). For the reasons stated herein, the Complainant's Motion should be denied.

PEOPLES' RESPONSE TO THE MOTION TO COMPEL

DISCOVERY REQUEST #1.

Peoples Natural Gas Company Policy(s) concerning oversight and monitoring of 3rd party contractors performing work under contract for Peoples Natural Gas Company.

RESPONSE:

Peoples initially objected to this discovery request on the grounds that Mr. Brobst, the individual who propounded the discovery, was not a party to the Formal Complaint proceeding at Docket Number C-2014-2458557 (Mario Urlini v. Peoples Natural Gas Company LLC) and as such, had no legal standing in the Formal Complaint to propound discovery pursuant to 52 Pa. Code §§5.321 (a)(1) and 5.331(a). On March 5, 2015, Attorney James noted in the Motion that “These objections, now, can be disposed of summarily as Complainant is currently represented by undersigned counsel and all discovery requests are reasserted on Complainant’s behalf”. Peoples interprets Attorney James statement to agree that the initial Discovery Requests were improperly served. Peoples accepts the reassertion of the Discovery Request Number 1, by Counsel for Complainant, effective on its service date of March 5, 2015. Peoples will respond to this Discovery Request within the appropriate number of days proscribed in 52 Pa. Code §5.342, of the Discovery Request’s service date, March 5, 2015.

DISCOVERY REQUEST #2.

In Carl Orangis, Manager – Restoration at PNG email to me sent Tuesday, July 29, 2014 @ 1:36PM, he stated that M. O'Herron Company was the contractor on record and that M. O'Herron Company indemnify PNG Company. I am requesting to inspect and copy "ONLY" the contractual language that pertains to their indemnification of PNG. In lieu of my inspection of the contract, in the event you believe would not be possible, I would then request a copy of the "indemnify only portion" of the contract be copied by a PNG employee and provided to me.

RESPONSE:

Peoples initially objected to this discovery request on the grounds that Mr. Brobst, the individual who propounded the discovery, was not a party to the Formal Complaint proceeding at Docket Number C-2014-2458557 (Mario Urlini v. Peoples Natural Gas Company LLC) and as such, had no legal standing in the Formal Complaint to propound discovery pursuant to 52 Pa. Code §§5.321 (a)(1) and 5.331(a). On March 5, 2015, Attorney James noted in the Motion that “These objections, now, can be disposed of summarily as Complainant is currently represented by undersigned counsel and all discovery requests are reasserted on Complainant’s behalf”. Peoples interprets Attorney James statement to agree that the initial Discovery Requests were improperly served. Peoples accepts the reassertion of the Discovery Request Number 2, by Counsel for

Complainant, effective on its service date of March 5, 2015. However, Peoples continues to assert its second objection, initially made on February 23, 2015, on the grounds that this discovery request is overly broad in that it is beyond the scope of these proceedings and will not lead to the discovery of relevant or admissible information. This discovery request seeks information about the business relationship between Peoples and its third-party, independent, non-affiliated contractor (the "Contractor") related to whether the Contractor is legally responsible to indemnify Peoples for certain damages. The presence, or lack thereof, of an *indemnification provision in a contract between a utility and its contractor is a legal decision* between the utility and that contractor, and has no effect upon the safety or adequacy of the services provided by that utility to the public. Indemnification provisions in contracts are designed to address the legal remedies between parties in the event of damages, generally monetary, as a result of one party's actions, or inactions and do not address the safe or reliable service to be provided by a utility.

In the Formal Complaint, the relief requested in this proceeding seeks "to impose a fine, civil penalty or take other appropriate actions against Peoples Gas as set forth under the Commonwealth's Public Utility Code". Complainant does not seek monetary damages in this proceeding, as he is likely aware that the Commission is without authority to award monetary damages to a Complainant. By seeking a copy of the indemnification provision in the contract, Complainant is attempting to view information solely related to whether or not the contractor has legal responsibility to pay monetary damages to Peoples or Complainant for any damages that occurred at 7323 Denniston Avenue, Pittsburgh, PA (the "Property"). As the Commission is without jurisdiction to order compensation by Peoples, or its Contractor, for damages at the Property, Complainant's discovery of the indemnification provisions of the contract would not result in admissible information. Complainant is seeking to obtain information irrelevant to the proceeding in order to make conclusions about the damages he has sought, through the internal claims process, from Peoples and its independent contractor. As the calculation or payment of damages for which Peoples or the Contractor may be liable is not before this Commission, discovery requests designed to capture information about the legal liability for those damages is not relevant to the questions before this Commission, and thus irrelevant to this proceeding. If Complainant seeks information related to the legal liability for the damages at his property, he should seek that information in a court of proper jurisdiction, namely the Pennsylvania Civil Courts.

In the Formal Complaint, by seeking a remedy of a fine, civil penalty other appropriate actions by the Commission, essentially, Mr. Urlini is requesting that the Commission review the action of Peoples to determine if Peoples has violated any rules, regulations, orders or tariff provisions *under the jurisdiction of the Commission*. Attorney James argues in his Motion that whether or not the Company has an indemnification provision in its contract is germane to Pa. Code § 59.33 and whether the company has used “every reasonable effort to properly warn and protect the public from danger, and shall exercise reasonable care to reduce the hazards to which employees, customers and others may be subjected to by reason of its equipment and facilities”. Attorney James’ argument is flawed. Section 59.33 does require a utility to provide safe service and to reduce the hazards to the public inherent to gas utility equipment and facilities. Such safety measures include many things - such as proper marking of facilities, proper odorization of gas, upkeep of gas distribution facilities, emergency procedures related to odor of gas investigations, one-call pre-excavation procedures, and other actions and procedures necessary to govern the safe operation of the system, personnel, facilities and equipment used to deliver natural gas service within the Commonwealth of Pennsylvania. Section 59.33(a) was not designed, however, to address and evaluate the pure legal terms and conditions of contacts between a utility and its independent contractor.

In order to impose a fine, as Complainant has requested in his relief, the Commission will have to find that Peoples violated an order, regulation or statute that the Commission has authority to administer. As no order, regulation or statute requires Peoples to maintain specific formula for indemnification terms with its contractor(s), the discovery requested is not likely to lead to the discovery of relevant or admissible evidence.

Attorney James continues to argue in the Motion that Complainant should be entitled to view the contract between Peoples and the Contractor in its entirety to “support a showing that Respondent acted negligently and in reckless disregard of 52 PA. Code § 59.33”. Again, and for the same reasons stated previously, Attorney James’ agreement is flawed. The terms of a contract generally address matters such as indemnification, payment dates, term periods, default proceedings, notice provisions, compensation rates, and other business relationship concerns. This terms of contract would not lead to relevant or admissible evidence as to whether Peoples has provided the safe delivery of natural gas over its distribution systems. Further, the legal terms and conditions governing the legal relationship between a utility and its independent, third-party, non-affiliated contractor is a management and legal decision between the utility. While the Commission has the

power to regulate the rates and services provided by a utility, the Commission does not have the power to regulate the management of the utility or act as a super board of directors for the utility (Metropolitan Edison Co. v. Pennsylvania Public Utility Commission, 437 A.2d 76, 62 Pa. Cmwlth. 460, Cmwlth. 1981).

DISCOVERY REQUEST #3.

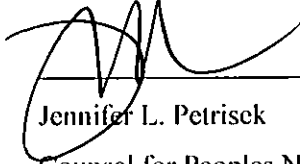
A second item includes in Carl Orangis, Manager – Restoration at PNG email to me sent Tuesday, July 29, 2014 @ 1:36PM he stated that the name of the PNG employee that visited the job site at 7323 Denniston Avenue in Swissvale, PA the same day that the improper repair of the common sewer line was discovered by Stahl Plumbing and Hearing was Bart Ryan, PNG Supervisor. Mr. Orangis further stated that Bart determined at that time to contact M. O'Herron Company to request an investigation. I am requesting permission to view and copy the results of his investigation with M. O'Herron Company including memorandum, email, charts, computer records or other compilations of data from which the information I am requesting can be obtained.

RESPONSE:

Peoples initially objected to this discovery request on the grounds that Mr. Brobst, the individual who propounded the discovery, was not a party to the Formal Complaint proceeding at Docket Number C-2014-2458557 (*Mario Urlini v. Peoples Natural Gas Company LLC*) and as such, had no legal standing in the Formal Complaint to propound discovery pursuant to 52 Pa. Code §§5.321 (a)(1) and 5.331(a). On March 5, 2015, Attorney James noted in the Motion that “These objections, now, can be disposed of summarily as Complainant is currently represented by undersigned counsel and all discovery requests are reasserted on Complainant’s behalf”. Peoples interprets Attorney James statement to agree that the initial Discovery Requests were improperly served. Peoples accepts the reassertion of the Discovery Request Number 3, by Counsel for Complainant, effective on its service date of March 5, 2015. Peoples will respond to this Discovery Request within the appropriate number of days proscribed in 52 Pa. Code §5.342, of the Discovery Request’s service date, March 5, 2015.

WHEREFORE, for the reasons stated above, Peoples respectfully requests that the Commission deny Respondent's Motion to Compel Discovery as it relates to Discovery Request Number 2.

Respectfully submitted,



Jennifer L. Petrisek

Counsel for Peoples Natural Gas Company LLC

375 North Shore Drive, Suite 600

Pittsburgh, PA 15212

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PA Attorney ID No. 83411

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**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Mario Urlini :
Complainant :
v. : Docket No. C-2014-2458557
Peoples Natural Gas Company LLC :
Respondent :

**PEOPLES NATURAL GAS COMPANY LLC'S OBJECTIONS TO THE DISCOVERY
REQUESTS PROPOUNDED BY MR. RICHARD C. BROBST DATED FEBRUARY 13, 2015**

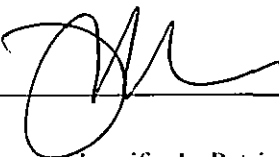
CERTIFICATE OF SERVICE

I hereby certify that I have on this 23rd day of February, 2015 served a true copy of Peoples Natural Gas Company LLC's Objections to the Discovery Requests Propounded by Mr. Richard C. Brobst dated March 10, 2015 upon the individuals listed below in the manner stated:

VIA OVERNIGHT DELIVERY:

Ryan James, Esquire
James Law
633 Long Run Road
McKeesport, PA 15132

Administrative Law Judge Susan D. Colwell
Pennsylvania Public Utility Commission
P.O. Box 3265
Harrisburg, PA 17105-32651



Jennifer L. Petrisck

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Dated this 10th day of March, 2015

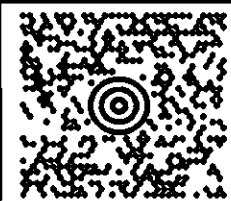
MAR 10 2015

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

TRACY SPROWLS
412-208-6806
PEOPLES NATURAL GAS
375 N SHORE DR
PITTSBURGH PA 15212

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SHIP TO:
ROSEMARY CHIAVETTA, EXEC SECRETARY
PA PUC
COMMONWEALTH BUILDING
400 NORTH STREET
HARRISBURG PA 17120-0200



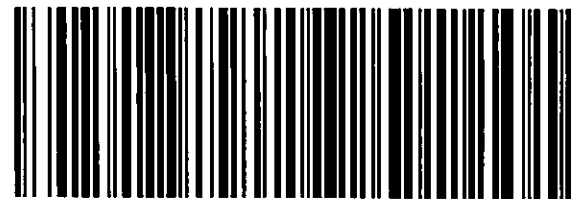
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