

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Application of National Fuel Gas Distribution Corporation for Approval of the Abandonment of Service to Three (3) Natural Gas Service Customers Located in Scrubgrass Township, Venango County, PA	:	A-2018-3005258
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	:	
	:	
	:	

John A. Smith, Jr.	:	
	:	
v.	:	C-2018-3003081
	:	
National Fuel Gas Distribution Corporation	:	

Dennis Kemery	:	
	:	
v.	:	C-2018-3006007
	:	
National Fuel Gas Distribution Corporation	:	

INITIAL DECISION

Before
Mary D. Long
Administrative Law Judge

INTRODUCTION

An application to abandon service to three customers is granted. The utility sustained its burden of proving that abandonment of the line serving these customers is in the public interest because the line can no longer be repaired, and the replacement costs exceed the annual distribution revenue. The utility must compensate the abandoned customers for the conversion to an alternate energy source.

HISTORY OF THE PROCEEDINGS

On October 9, 2018, National Fuel Gas Distribution Corporation (NFG) filed an application to abandon natural gas service to three customers located in Scrubgrass Township, Venango County, Pennsylvania. Notice of the application was filed in the *Pennsylvania Bulletin* on October 20, 2018. *See*, 48 Pa.B. 6760. Notice was also published in *The News-Herald* and *The Derrick* local newspapers on November 1, 2018.

All three customers filed protests to the application. John A. Smith, Jr.¹ and Dennis Kemery, objected to the abandonment. Their protests were docketed as formal complaints at C-2019-3003081 and C-2018-3006007, respectively. The protest of Anthony Ricciardella was not docketed as a formal complaint.²

A prehearing conference was held on Tuesday, November 27, 2018. Counsel for NFG, Nathaniel J. Ehrman, Esquire, appeared. The Protestants also appeared and were self-represented. Following a discussion, an evidentiary hearing was scheduled for February 6, 2019.

The hearing convened as scheduled. NFG appeared and presented the testimony of two witnesses, Brett Leuschen and Eric Lynde. NFG offered five exhibits, labelled as NFG A-E, which were admitted into the record. Each of the Protestants also appeared and offered their own testimony. Mr. Smith offered two exhibits, one of which was admitted into the record as Smith Ex. II.

Following the testimony of NFG witness Brett Leuschen, I determined that certain provisions of NFG's tariff, upon which portions of Mr. Leuschen's testimony relied, should be produced for the record. By interim order dated February 6, 2019, I directed NFG to provide

¹ Mr. Smith's complaint was filed on June 14, 2018, in response to a letter from NFG notifying him of its intent to abandon service. NFG filed a motion for stay on July 17, 2018, noting that NFG would be filing an application to abandon service. The motion was granted by interim order dated August 29, 2018. By interim order dated November 6, 2018, the stay was lifted, and the formal complaint of Mr. Smith was consolidated with the application to abandon service.

² Mr. Smith, Mr. Kemery and Mr. Ricciardella are collectively referred to as "the Protestants."

copies of the tariff provisions on or before February 14, 2019. The Complainants were directed to file their objections, if any, on or before February 21, 2019.

NFG provided three pages from its tariff rules on February 14, 2019, as directed. None of the Complainants filed an objection to the tariff pages. But, by letter dated February 17, 2019, Mr. Smith filed two additional exhibits labelled as Complainants' Exs. IV and V, consisting of copies of two bills and a page from NFG's website. NFG objected to Mr. Smith's proposed exhibits by letter dated February 22, 2019. Following a review of the proposed exhibits and cover letters as well as the transcript of the testimony offered by Mr. Leuschen at the February 6, 2019 hearing, I concluded that a further hearing was necessary. The parties conferred and agreed to a further hearing to take place on May 28, 2019.

The further hearing convened as scheduled on May 28, 2019. NFG appeared and was represented by Mr. Ehrman and Anthony D. Kanagy, Esquire. NFG presented the further testimony of Brett Leuschen and also the testimony of Jeremy Barber. NFG Exhibits F and G were admitted into the record. The Protestants each offered additional testimony. Smith Exhibits IV, V and VI, Ricciardella Ex. 1 and Kemery Ex. 1 were admitted into the record.

In total the transcript consists of 208 pages. Briefs were filed. By interim order dated August 22, 2019, the record was closed.

FINDINGS OF FACT

1. National Fuel Gas Distribution Company is a jurisdictional public utility.
2. John A. Smith, Jr. resides at 274 Big Bend Road, Emlenton, Pennsylvania.
(N.T. 78)
3. Mr. Smith has resided at his property, which consists of 34 acres, for over 20 years. (N.T. 83-84)

4. Dennis W. Kemery resides at 172 Highlands Road, Emlenton, Pennsylvania. (N.T. 94)
5. Anthony Ricciardella resides at 159 Highlands Road, Emlenton, Pennsylvania. (N.T. 96)
6. The line that serves the Protestants, known as Line T, was constructed in 1919. (N.T. 34)
7. NFG's records reflect that there are multiple leaks on Line T. (N.T. 37; 172-73)
8. Leaks have been reported and investigated recently along Line T. (N.T. 172-73)
9. At least one leak was identified and could not be repaired because the pipe itself was so deteriorated that a clamp could not be successfully installed. (N.T. 173)
10. The bare steel in Line T is severely corroded and there are multiple pipeline exposures. (N.T. 37)
11. The leaks in combination with the pipeline exposures can lead to potentially dangerous scenarios. (N.T. 37)
12. Based on the current condition of Line T, with the corrosion, leakage, and exposures, it is not feasible to repair Line T in order to render safe and reasonable service. (N.T. 38)
13. To replace Line T would cost \$400,000. (N.T. 38)
14. The existing pipeline is not in an area of any additional prospective customers. (N.T. 68)

15. In order for the replacement of Line T to be economic and consistent with NFG's tariff requirements, the customers of Line T would need to generate \$87,373 in annual distribution revenue. (N.T. 143; NFG Ex. F)

16. The annual distribution revenue generated by the three customers served on Line T is approximately \$920. (N.T. 148; NFG Ex. G)

17. Gas costs, and other revenue collected from customers which are not related to distribution, such as tax adjustment riders, customer education charges, etc. are not included in the revenue deficiency calculation. (N.T. 137-47, 149)

18. If NFG were to replace Line T, it would result in a revenue deficiency in excess of \$86,000. (N.T. 151; NFG Ex. C)

19. Propane is readily available as an alternate fuel source. (N.T. 68-69)

20. A Columbia Gas Company distribution system is located in the vicinity of Protestants' homes. (N.T. 70)

21. It is possible to connect the Protestants to Columbia's distribution system. (N.T. 70)

22. It would cost NFG an estimated \$89,634.85 to connect all three of the Protestants to Columbia's distribution system. (N.T. 70, 76)

23. The estimate provided to NFG from Columbia was premised on connection from Mr. Smith's property, which is the closest to Columbia's system. (N.T. 70-71, 76)

24. Removing the pipe after the line is abandoned could cost as much as replacing the line and is therefore cost-prohibitive. (N.T. 172)

25. NFG conducted energy audits through a third-party consultant, Kindle Heating and Cooling. (N.T. 69, 72; NFG Ex. E)

26. Based on the Kindle audit, NFG offered payment to each of the Protestants to help defray the cost to convert to propane, in the following amounts: \$7,750 to Mr. Smith; \$6,700 to Mr. Ricciardella; and \$7,000 to Mr. Kemery. (N.T. 69; NFG Ex. E)

27. Mr. Smith's estimate from One Hour Heating and Air Conditioning estimated that it would cost \$11,000 to convert to electricity. (N.T. 87; Smith Ex. II)

28. Mr. Smith's estimate did not include a new stove, but he speculated a new stove would cost an additional \$1,000. (N.T. 87; 117)

29. The Kindle estimate includes \$700 to replace the kitchen stove. (NFG Ex. E)

30. Mr. Ricciardella also received an estimate from One Hour Heating and Air Conditioning in the amount of \$9,696, to convert his furnace to propane, \$6,475.53 from Hearth and Home Furnishing to convert his natural gas fireplace to propane, and \$809.10 from Home Depot for a gas range. (Ricciardella Ex. A)

31. Mr. Kemery presented an estimate in the amount of \$10,995 from One Hour Heating and Air Conditioning to convert his furnace and \$878.73 from Home Depot to replace his gas range. (Kemery Ex. 1)

DISCUSSION

Before a public utility may abandon service to the public, the utility must first apply for, and obtain, a certificate of public convenience.³ Section 1103(a) of the Code, defines

³ Section 1102(a)(2) of the Public Utility Code (the "Code"), 66 Pa. C.S. § 1102(a)(2).

the general standard by which the Commission determines whether to grant a certificate of public convenience:

A certificate of public convenience shall be granted by order of the commission, only if the commission shall find or determine that the granting of such certificate is necessary or proper for the service, accommodation, convenience, or safety of the public. The commission, in granting such certificate, may impose such conditions as it may deem to be just and reasonable.^[4]

The touchstone for the Commission's approval of a public utility's voluntary relinquishment of its franchise right is the public interest.⁵

In *Re Victor Gas*, the Commission modified the four-part standard which had been utilized by the courts of the Commonwealth to consider the abandonment of service by motor carriers. The Commission recognized that abandonment of gas service required additional consideration.⁶ Therefore, when determining whether it is in the public interest to permit the abandonment of gas service, the Commission considers the following: (1) the availability of supply; (2) the economics of maintaining the system; (3) the number of customers affected; (4) the availability of alternative fuels and/or suppliers; (5) the costs of converting to alternate fuels or suppliers and the allocation of such costs; and (6) any other miscellaneous factors.⁷

As the party seeking affirmative relief from this Commission, NFG bears the burden of proof.⁸

⁴ 66 Pa. C.S. § 1103(a).

⁵ *Lucey v. Columbia Gas of Pa. Inc.*, Docket No. A-2011-2276780 (Opinion and Order entered February 6, 2014)(citing *Pennsylvania Railroad Company v. Pa. Pub. Util. Comm'n.*, 146 A.2d 352, 356 (Pa. Super. 1959), *vacated on other grounds*, 152 A.2d 422 (Pa. 1959))(Lucey).

⁶ *Re Victor Gas Company*, 49 Pa. PUC. 649 (1976).

⁷ *E.g., Application of National Fuel Gas Distribution Corporation for Approval of Abandonment of Service to Five Natural Gas Customers Located in Washington Township, Butler County*, Docket No. A-121850F2023 (Order entered March 26, 2003)(NFG Butler County).

⁸ 66 Pa. C.S. § 332(a).

1. The Availability of Supply

NFG does not allege that it is abandoning service to the Protestants because there is inadequate supply to serve them. The existence of adequate gas supply, however, does not preclude abandonment.⁹

2. The Economics of Maintaining the System

NFG argues that it is no longer cost-effective to provide service to the Protestants. The line that serves the Protestants, known as Line T, was constructed nearly 100 years ago. NFG's records reflect that there are multiple leaks on the line. Leaks have been reported recently and investigated along Line T. At least one leak was identified but could not be repaired because the pipe itself was so deteriorated that a clamp could not be successfully installed. The bare steel in Line T is severely corroded and there are multiple pipeline exposures. The leaks in combination with the pipeline exposures can lead to potentially dangerous scenarios.

NFG's witness, Brett Leuschen, serves as an engineer at NFG. In this role, his responsibilities include the design and development of pipeline projects.¹⁰ He testified that given the current condition of Line T, it cannot be repaired and must be replaced. He estimates that it would cost approximately \$400,000 to replace Line T. He did not provide details, such as the cost per foot of pipe or labor costs for this estimate. However, Mr. Leuschen is trained as an engineer and these types of cost estimates are within his education and training and are part of his job function. His testimony is credible and sufficient. None of the Protestants challenged the cost to replace the line.

Jeremy Barber, an NFG rate analyst, provided thorough testimony which described the calculation of the distribution revenue generated by the Protestants. He explained which elements of the customer's bill are included in the calculation of the distribution revenue,

⁹ *E.g., Application of National Fuel Distribution Corporation for the Abandonment of Natural Gas Service to Six (6) Natural Gas Service Customers Located in Washington Township, Armstrong County, Pennsylvania, Docket A-121850F2041 (Final Order entered July 15, 2009)(NFG Armstrong County).*

¹⁰ N.T. 33.

and which charges are not included. Those charges which are excluded from distribution revenue are generally related to other functions related to the provision of gas service, such as supply, merchant function and various riders related to non-distribution related functions. He also explained that according to NFG's tariff, in order to justify a pipeline replacement project, distribution revenue must equal 21.83% of the cost of the project. In this case, NFG would require \$87,373 in annual distribution revenue to justify the \$400,000 replacement project. Because the distribution revenue generated by the Protestants is equal to less than \$1,000, the replacement project is not economic.

The Commission has frequently permitted a utility to abandon service in the face of significant revenue deficiencies. In *Groff v. North Penn Gas Company*,¹¹ North Penn sought to abandon gas service to four customers in Potter Township. The customers were receiving service from a 10,500 foot long section of deteriorated two-inch steel pipe, which was installed in 1937. Annual revenues from the customers totaled \$846.53 and the cost of replacing the pipe was \$50,000. The Commission approved North Penn's application for abandonment, finding the economic factors favored abandonment over replacement. In *Application of Equitable Gas Co., a Division of Equitable Resources, Inc., for Approval of the Abandonment of Service to Two (2) Field Gathering Customers and One (1) Vacant Field Gathering Line Meter Tap Location in Whitely Township, Greene County, Pa.*, the Commission authorized the abandonment of service to two customers based upon an annual revenue deficiency of approximately \$21,000.¹² In *Application of NFG for Approval of the Abandonment of Natural Gas Service to Nine (9) Natural Gas Customers Located in Canal Township, Venango County, Pa.*, the Commission authorized the abandonment of service to nine customers based upon an annual revenue deficiency of less than \$50,000.¹³ Likewise, in *Application of National Fuel Gas Distribution Corporation for Approval of the Abandonment of Natural Gas Service to Six (6) Natural Gas Service Customers Located in Washington Township, Armstrong County, Pa.*, the Commission

¹¹ 77 Pa. PUC 203 (1992).

¹² Docket No. A-2008-2027716 (Final Order entered March 9, 2009).

¹³ Docket A-121850F2037 (Opinion and Order entered March 17,2006)(granted customer's exceptions, making a small adjustment to the compensation granted, but otherwise adopting the Initial Decision of ALJ Corbett.)

authorized abandonment of service to six customers based on an annual revenue deficiency of approximately \$55,000 per year.¹⁴

The evidence supports the conclusion that the condition of Line T has deteriorated to the point that it can no longer be repaired and must be replaced. The evidence also supports NFG's position that replacement of the line is not supported by the annual distribution revenue generated by the customers as set forth in its tariff.

3. The Number of Customers Affected

Three customers are affected by the proposed abandonment of service. None of them have consented to the abandonment. It is not likely that additional development will occur in the area that would result in additional customers.

4. The Availability of Alternate Fuels and/or Suppliers

Generally, propane and electricity are alternative energy sources available to the Protestants. While several other Commission decisions note that wood and fuel oil are also readily available in many cases, there was no evidence offered regarding the availability of these sources. The Protestants also contend that natural gas service from nearby Columbia Gas mains is available.

NFG's witness, Eric Lynde¹⁵ testified that propane was the most readily available alternative. The Protestants object to propane as an alternate fuel. In their view, propane is more expensive. They are concerned that their homes will lose value if they are served by propane. Mr. Ricciardella in particular opposed propane because propane tanks are unsightly. Mr. Smith expressed concern that trucks delivering the propane may damage his driveway.

¹⁴ Docket No. A-121850F2041 (Final Order entered July 15, 2009).

¹⁵ Mr. Lynde is employed by NFG and is responsible for researching existing property rights, negotiating new property rights and responding to customer complaints. N.T. 67-68.

None of the Protestants offered any evidence to support their claims that their properties would be devalued if propane became their fuel source. Similarly, while it is generally not disputed that propane and electricity are more expensive energy sources than natural gas, the Protestants did not offer any admissible evidence to support their claim that their energy bills would increase substantially after conversion.

All of the Protestants would prefer to receive natural gas service from Columbia Gas. Columbia was not represented in this matter, but Mr. Lynde testified that he contacted Columbia regarding the extension of service to the Protestants. It is possible to connect the Protestants to Columbia's distribution system.

5. Cost of Converting to Alternate Fuels and the Allocation of Those Costs

The Commission has required a utility seeking to abandon service to provide some contribution to the affected customers to convert to an alternate fuel supply.¹⁶ In some cases, the Commission has found that a calculation of compensation based on prior bills is reasonable;¹⁷ in other cases the Commission has directed a utility to contribute either the partial or full actual costs of conversion.¹⁸

NFG conducted energy audits through a third-party consultant, Kindle Heating and Cooling. Based on the Kindle audits, NFG offered payment to each of the Protestants to help defray the cost to convert to propane, in the following amounts: \$7,750 to Mr. Smith; \$6,700 to Mr. Ricciardella; and \$7,000 to Mr. Kemery.

¹⁶ *E.g. Application of Equitable Gas Company*, A-2008-2027716 (Final Order entered March 9, 2009) (*Equitable*)(see cases cited therein).

¹⁷ *Victor Gas; Equitable*.

¹⁸ *Lucey; Application of National Fuel Gas Distribution Corporation*, A-121850F2011 (Final Order entered March 20, 1997).

The Protestants argued that NFG's estimates were too low. Further, Mr. Lynde, who discussed the energy audits in his testimony, could not say what modification work or appliances were actually included in the Kindle estimates.¹⁹

The Protestants offered into evidence estimates for the costs to convert their homes to an alternate fuel source, which included the replacement costs for their furnaces, other appliances as well as the connection alterations that would be necessary to convert to propane or electricity.²⁰ Mr. Smith's estimate from One Hour Heating and Air Conditioning estimated that it would cost \$11,000 to convert to electricity. Mr. Smith also testified that he would need a new stove, but did not provide a written estimate for a new stove. The Kindle estimate includes \$700 to replace the kitchen stove.

Mr. Ricciardella also received an estimate from One Hour Heating and Air Conditioning in the amount of \$9,696, to convert his furnace to propane, \$6,475.53 from Hearth and Home Furnishing to convert his natural gas fireplace to propane, and \$809.10 from Home Depot for a gas range.

Mr. Kemery presented an estimate in the amount of \$10,995 from One Hour Heating and Air Conditioning to convert his furnace and \$878.73 from Home Depot to replace his gas range.

The Protestants argue that NFG should be required to connect them to the nearby Columbia Gas distribution system. The Commission has the authority to order a service extension to the Columbia system.²¹ However, the Commission will only do so, where such construction would "neither place an undue burden on other utility customers in the form of higher rates nor prevent the utility from realizing a fair rate of return."²²

¹⁹ N.T. 110-15.

²⁰ Mr. Smith opted to convert to electricity rather than to propane. N.T. 87.

²¹ *Victor Gas*, 49 PUC at 658.

²² *Id.*

Mr. Lynde testified that it would cost NFG over \$89,000 to connect the Protestants to Columbia's distribution system. None of the Protestants introduced any evidence to dispute these costs and the record is silent as to any provisions in Columbia's tariff that might offset these costs. Compared to the costs to convert to propane or electricity, as discussed below, it is not reasonable to require NFG to connect the Protestants to Columbia's distribution system.²³

The Protestants argue that they have been NFG customers for many years and that the money that they have paid to NFG has likely subsidized projects for other NFG customers that have not benefitted them. Therefore, NFG should pay to convert them to customers of Columbia and NFG's other ratepayers should subsidize these costs.

While it is no doubt true that the Protestants have over the years helped to subsidize infrastructure projects in other areas of NFG's system, it is just as likely that NFG's other customers have been subsidizing service to the Protestants. The annual distribution revenue generated by these customers is less than \$1,000 annually. It may have cost NFG more than \$1,000 on an annual basis to provide service to these customers, including any leak repairs that have been made, inspections, and routine costs of meter reading, bill generation and service calls. It is not reasonable to impose the much higher cost of converting the Protestants to Columbia's system to NFG's other ratepayers because this is the option they prefer.²⁴ A personal preference for natural gas does not render another energy source unreasonable.²⁵

²³ See *Application of Able Company, Ltd.*, A-120025F2000 (Final Order entered November 1, 1996); *Application of Leechburg Gas Company*, 66 PUC 29 (1988).

²⁴ *NFG Butler County* (Initial Decision dated April 8, 2002). The Commission modified the compensation to the customers by approving Joint Petition for Settlement by Opinion and Order entered March 26, 2003.

²⁵ *Application for Approval of Abandonment of Service by National Fuel Gas Distribution Corporation to Four Gas Service Customers Located in Hovey Township, Armstrong County, Allegheny Township, Butler County; Richland Township, Clarion County; and Scrubgrass Township, Venango County*, A-121850F2014 (Final Order entered January 7, 1998).

NFG stated in its main brief that it is willing to compensate the Protestants for their full conversion costs as set forth in their exhibits.²⁶ The amounts of the estimates provided by the Protestants are reasonable,²⁷ and substantially less than the cost to replace Line-T or to connect the Protestants to Columbia's distribution system.

6. Other

The Protestants argue that NFG should not be permitted to abandon service because NFG has failed to properly maintain Line-T. In their view, they have been paying their utility bills over the years and NFG should have used this revenue to invest in repairs and maintenance of the line. According to the Protestants, if NFG had properly maintained the line it would not be deteriorated to the point where repairs cannot be made.

Line-T is over 100 years old. There is no evidence in the record that NFG has failed to inspect and repair the line in accordance with Commission regulations.

The Protestants also argue that NFG should be directed to remove the pipe after the pipeline is abandoned. Mr. Leuschen testified that removing the line could cost as much as replacing the line and is therefore cost-prohibitive. He also stated that it is industry practice to abandon lines in place.

In prior cases, the Commission has directed a gas utility to remove pipe that was above-ground, based on testimony in the record.²⁸ Here, there is no testimony that any of the pipeline is above-ground or that leaving the pipeline in the ground is a gas safety issue. Therefore, NFG will not be directed to remove the pipe at this time. This issue will be left to the discretion of the Commission's Gas Safety Division.

²⁶ Main Brief at p. 10. *See also* N.T. 69.

²⁷ Mr. Smith's written estimate did not include the cost to replace his stove. However, the Kindle audit for Mr. Smith included \$700 to replace a stove. Therefore, this amount will be added to Mr. Smith's conversion costs.

²⁸ *NFG Butler County*.

7. Terms and Conditions of Abandonment

Section 1103(a) of the Code, 66 Pa. C.S. § 1103(a), authorizes the Commission to impose reasonable terms and conditions on the abandonment of service by a utility. For the reasons discussed above, this application will be granted subject to certain conditions. NFG must pay the Protestants their costs of converting to an alternate energy source, as set forth in the ordering paragraphs below. Next, NFG must purge and cap all service lines, which had been used to deliver gas to these affected customers, at its sole cost and expense as directed by the Gas Safety Division of the Bureau of Investigation and Enforcement.

In order to assure compliance with these terms and conditions, NFG will be directed to file a sworn certification with the Commission within 90 days of entry of the Commission's Final Order in this application proceeding. NFG must also serve a copy of the same upon the affected customers.

CONCLUSIONS OF LAW

1. The Commission has jurisdiction over the subject matter and the parties to this proceeding. 66 Pa. C.S. §§ 501, *et seq.*

2. As the party seeking affirmative relief in this application, NFG bears the burden of proving that abandonment of natural gas service to these customers is in the public interest. 66 Pa. C.S. §§ 332(a) and 1102(a)(2).

3. NFG has satisfied its burden of proving that approval of this application is necessary or proper for the service, accommodation, convenience and safety of the public. 66 Pa. C.S. § 1103(a).

4. Under the circumstances, approval of this application is conditioned upon NFG accepting the terms and conditions of abandonment as discussed above. 66 Pa. C.S. § 1103(a).

ORDER

THEREFORE,

IT IS ORDERED:

1. That the application of National Fuel Gas Distribution Corporation, docketed with the Pennsylvania Public Utility Commission at No. A-2018-3005258, for approval of abandonment of service to three (3) natural gas service customers located in Scrubgrass Township, Pennsylvania, is hereby approved, subject to the following conditions:

a. That National Fuel Gas Distribution Corporation pay John Smith, Jr. the sum of \$11,700.00, to defray the cost of converting to an alternate fuel source within 30 days of entry of the Commission's Order in this proceeding; and,

b. That National Fuel Gas Distribution Corporation pay Dennis Kemery the sum of \$11,873.73 to defray the cost of converting to an alternate fuel source within 30 days of entry of the Commission's Order in this proceeding; and,

c. That National Fuel Gas Distribution Corporation pay Anthony Ricciardella the sum of \$16,980.63 to defray the cost of converting to an alternate fuel source within 30 days of entry of the Commission's Order in this proceeding; and,

d. That National Fuel Gas Distribution Corporation purge and cap all service lines, which had been used to deliver gas to these affected customers, at its sole cost and expense in compliance with the directives of the Gas Safety Division of the Commission's Bureau of Investigation and Enforcement; and,

e. That National Fuel Gas Distribution Corporation file a sworn certification with this Commission of its compliance with these terms and conditions within 90 days of entry of the Commission's Order in this application proceeding and serve a copy of the same on John Smith, Jr., Dennis Kemery and Anthony Ricciardella.

2. That the formal complaint of John Smith, Jr. against National Fuel Gas Distribution Corporation at Docket C-2018-3003081 is dismissed.

3. That the formal complaint of Dennis Kemery against National Fuel Gas Distribution Corporation at Docket C-2018-3006007 is dismissed.

4. That Docket No. A-2018-3005258 shall remain open until the subject facilities of National Fuel Gas Distribution Corporation meet the approval of the Gas Safety Division of the Bureau of Investigation and Enforcement, as evidenced by its letter to that effect, which letter shall be served upon the Applicant as well as the affected customers, and inserted into the documents folder for this application proceeding.

5. That upon National Fuel Gas Distribution Corporation filing the certificate of compliance and the Gas Safety Division of the Bureau of Investigation and Enforcement inserting its letter in accordance with the foregoing ordering paragraphs, this docket shall be marked closed.

6. That if National Fuel Gas Distribution Corporation does not comply with the foregoing terms and conditions for abandoning service or fails to file and serve the required certificate of compliance as set forth in the foregoing ordering paragraphs, its application for abandonment of gas service at Docket No. A-2018-3005258 shall be dismissed without further action.

Date: November 12, 2019

/s/
Mary D. Long
Administrative Law Judge