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File #: 180345

May 22, 2020

VIA E-MAIL (RCHIAVETTA@PA.GOV)

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: Energymark, LLC, Vinyard Oil and Gas Company, Mid American Natural Resources LLC and Total Energy Resources LLC v. National Fuel Gas Distribution Corporation
Docket No. C-2020-3019621

Dear Secretary Chiavetta:

On August 29, 2019, the Pennsylvania Public Utility Commission (“PA PUC”) issued an Order approving National Fuel Gas Distribution Corporation’s (“Distribution” or the “Company”) Supplement No. 207 to Tariff Gas – PA PUC No 9.¹ Therein, the PA PUC approved Distribution’s proposed Rule 33 of Tariff Gas – Pa. P.U.C. No. 9 (“Rule 33”), which requires that parties that access customer information through the Company’s business systems sign a Data Security Agreement (“DSA”) and maintain cyber-security insurance in an amount no less than \$5,000,000 per incident.

On March 27, 2020, Distribution posted to its website and e-mailed NGSs operating in its Pennsylvania service territory a notification that the Pennsylvania DSA deadline was extended to April 30, 2010, due to the COVID-19 pandemic. Distribution further extended the deadline until May 31, 2020.

¹ *National Fuel Gas Distribution Corporation, Supplement No. 207 Tariff Gas Pa. P.U.C. No. 9*, Docket No. R-2019-3010744 (Order entered Aug. 29, 2019).

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On April 27, 2020, Distribution was served with a Formal Complaint from EnergyMark LLC, Vineyard Oil and Gas Company, Mid American Natural Resources LLC, and Total Energy Resources LLC (the “Complainants”), at PA PUC Docket No. C-2020-3019621 (“Complaint”). The Complaint, among other things, challenges the lawfulness and reasonableness of the cyber-security insurance requirements of Rule 33 and Distribution’s PA PUC-approved DSA.

Distribution denies the allegations in the Complaint and maintains that Rule 33 and the associated PA PUC-approved DSA are lawful, just and reasonable. Specifically, the requirements in the DSA are necessary to decrease the risk of disclosure of confidential and personal customer information due to a cyber-attack on customers, NGSs, and electronic data interchange service providers and other parties who access Distribution’s utility business systems.

Although Distribution maintains that Rule 33 and the associated PA PUC-approved DSA implement lawful and reasonable cyber-security insurance requirements, Distribution is voluntarily suspending its enforcement of the cyber-security insurance requirements contained in Rule 33 and Distribution’s PA PUC-approved DSA pending the outcome of the Complaint proceeding. This voluntary suspension of enforcement is without waiver of Distribution’s rights generally and in connection with the Complaint proceeding, and Distribution fully reserves all rights generally and in the Complaint proceeding.

Please direct any questions to the undersigned.

Respectfully yours,



Anthony D. Kanagy

ADK/kl

cc: Certificate of Service

CERTIFICATE OF SERVICE

C-2020-3019621

I hereby certify that a true and correct copy of the foregoing has been served upon the following persons, in the manner indicated, in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a participant).

VIA EMAIL ONLY

Todd S. Stewart, Esquire
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Date: May 22, 2020



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