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Assistant General Counsel Legal Department

**Theodore J. Gallagher** 

March 16, 2022

# VIA ELECTRONIC FILING

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Rosemary Chiavetta, Secretary Pennsylvania Public Utility Commission Commonwealth Keystone Building 400 North Street, 2nd Floor North Harrisburg, PA 17105-3265

## RE: Pennsylvania Public Utility Commission Bureau of Investigation and Enforcement v. Columbia Gas of Pennsylvania, Inc Docket No. M-2021-3005572

Dear Secretary Chiavetta:

Enclosed for filing in the referenced matter please find Columbia Gas of Pennsylvania, Inc.'s Comments.

If you have any questions regarding this filing, please do not hesitate to call me at 724-416-6355.

Very truly yours,

Theodore J. Gallagher

enclosure

cc (via e-mail): Office of Special Assistants Certificate of Service

### BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission	:
Bureau of Investigation and Enforcement,	:
Complainant,	:
	:
V.	:
	:
Columbia Gas of Pennsylvania, Inc.,	:
Respondent	:

Docket No. M-2021-3005572

### <u>COLUMBIA GAS OF PENNSYLVANIA, INC.'s</u> COMMENTS REGARDING SETTLEMENT AGREEMENT

Columbia Gas of Pennsylvania, Inc. ("Columbia Gas" or "the Company"), by and through its counsel, hereby respectfully submits its Comments regarding the proposed Settlement in the captioned proceeding. Columbia is a party to the Settlement along with the Commission's Bureau of Investigation and Enforcement ("I&E").

On February 3, 2022, the Commission entered an Opinion and Order in this matter directing that the Joint Petition for Approval of Settlement (including Appendices) and the Statements in Support thereof, be deposited with the Legislative Reference Bureau for publication in the *Pennsylvania Bulletin* and that interested parties may file comments regarding the proposed Settlement within 25 days such publication. The Joint Petition for Approval of Settlement (including Appendices) and the Statements in Support were published in the *Pennsylvania Bulletin* on February 19, 2022.

Columbia submits these comments to correct two items in I&E's Statement in Support, and to respond to comments filed on February 25, 2022 by Richard C. Culbertson.

### I. I&E's Statement in Support

1. On page 19 of its Statement in Support, I&E states that "Columbia became a jurisdictional gas distribution supplier licensed by the Commission at Docket No. A-2015-

2491750." Docket No. A-2015-2491750 was an abandonment proceeding. As Columbia has

noted in recent base rate cases,

Columbia was incorporated on June 23, 1960 as a wholly-owned subsidiary of the Columbia Gas System, Inc., under the Act of May 29, 1885, P.L. 29 of the Commonwealth of Pennsylvania and commenced service as Columbia Gas of Pennsylvania, Inc., on January 1, 1962, when it acquired the Pennsylvania retail business of The Manufacturers Light and Heat Company, which was at that time another wholly-owned subsidiary of The Columbia Gas System, Inc.

Pennsylvania Public Utility Commission v. Columbia Gas of Pennsylvania, Inc., Docket No. R-

2021-3024296 (Columbia Statement No. 1, Direct Testimony of Mark Kempic).

2. On page 22 of its Statement in Support, I&E states:

As consequences of a serious nature did not ensue, alongside Columbia Gas cooperating with I&E's investigation and Columbia Gas bearing the expense, *inter alia*, to replace more than 45,000 feet of its Fayetteville system pipeline, this factor weighs in favor of an agreed upon civil penalty of \$535,000.

The language "Columbia Gas bearing the expense" could be interpreted to mean that, as part of the Settlement, the Company agreed it would not seek to recover any portion of the cost of pipe replacement. Columbia notes that while it did agree, in paragraph A.1.g. in the Terms of Settlement, that it would not seek to recover any part of the civil penalty in any future ratemaking proceeding, the Settlement did not contain any restriction on Columbia's ability to seek rate relief for the costs associated with facility replacement.

#### II. Richard C. Culbertson Comments

3. On February 25, 2022, Richard C. Culbertson submitted comments regarding the Settlement. In his comments, Mr. Culbertson raises issues that he litigated in Columbia's 2021 base rate case at Docket No. R-2021-3024296, and which the Commission denied in an order issued on December 16, 2021. On February 17, 2022, Mr. Culbertson filed a Petition for Review in the Commonwealth Court to challenge the Commission's December 16, 2021 Order. (*Richard* 

*C. Culbertson v. Pennsylvania Public Utility Commission*, Case No. 152 CD 2022 (Pa. Cmwlth. 2022)). Mr. Culbertson should not be afforded the ability to relitigate these matters in the case at hand. Accordingly, Columbia respectfully submits that the Commission should afford no weight to the comments filed by Mr. Culbertson in this matter on February 25, 2022.

WHEREFORE, Columbia Gas of Pennsylvania, Inc. respectfully requests that the Pennsylvania Public Utility Commission adopt an order approving the terms of the Settlement Agreement as being in the public interest.

Respectfully submitted COLUMBIA GAS OF PENNSYLVANIA, INC.

By:

Theodore J. Gallagher Assistant General Counsel NiSource Corporate Services Co. 121 Champion Way, Suite 100 Canonsburg, PA 15317 724-809-0525 tjgallagher@nisource.com

Date: March 16, 2022

### **CERTIFICATE OF SERVICE**

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

### VIA E-MAIL ONLY

Michael L. Swindler **Deputy Chief Prosecutor** mswindler@pa.gov

Darryl A. Lawrence Senior Assistant Consumer Advocate Office of Consumer Advocate DLawrence@paoca.org

Richard Culbertson richard.c.culbertson@gmail.com

Dated: March 16, 2022

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