PENNSYLVANIA PUBLIC UTILITY COMMISSION HARRISBURG, PENNSYLVANIA 17120

Pennsylvania Public Utility Commission, Bureau of Investigation and Enforcement v. Columbia Gas of Pennsylvania, Inc. Public Meeting December 8, 2022 3012079-OSA Docket No. M-2022-3012079

JOINT STATEMENT OF COMMISSIONER JOHN F. COLEMAN, JR. AND COMMISSIONER RALPH V. YANORA

Before the Commission is a proposed Joint Petition for Approval of Settlement of an informal investigation into a natural gas explosion at the home of a Columbia Gas Company customer in 2019. The explosion caused four injuries and significant property damage. The Commission's Bureau of Investigation and Enforcement (BI&E) opened an informal investigation into this incident, and subsequently negotiated a full settlement of the matter with Columbia Gas.

The settlement, if approved, would require Columbia Gas to implement significant changes to the company's policies, procedures, and employee training to ensure that such an incident never happens again. Given the gravity of this event, it is appropriate that Columbia Gas pay a \$990,000 civil penalty, the largest ever assessed by the Commission against this company.

It is the Commission's policy to promote settlements, but the Commission may only approve a settlement after it has reviewed its terms and concluded that it is in the public interest. As is our practice in informal investigations, the Commission issued the settlement for public comment. We thank the interested parties for the comments they submitted. Some of the issues raised and changes requested are beyond the Commission's jurisdiction to address, and we will not discuss them here.

The Office of Consumer Advocate has recommended rejecting the settlement over the lack of information about the timeline and costs associated with compliance with the settlement, and the failure to include an express reporting requirement to document the completion of the work required. It is within the Commission's authority to condition the approval of settlements on the provision of the types of information that the OCA is seeking. We note from BI&E's reply comments that Columbia has already identified some cost information in a report filed with the Pipeline and Hazardous Materials Safety Administration. Any costs that Columbia might seek to recover from its ratepayers will be addressed in the company's next base rate case, and Columbia will have the burden of proof to demonstrate that recovery is appropriate.

We conclude that the settlement is in the public interest and should be approved as filed. If some additional information is needed, it would have been appropriate to make the provision of that information a condition of the settlement, rather than denying the settlement outright. The settlement is not legally enforceable until the Commission approves it. While the Motion calls for any revised settlement to be filed within sixty days, a rejection of the settlement does introduce some unnecessary uncertainty about how this matter will conclude. We believe that the public interest would be best served by the approval of the settlement, with or without some additional, reasonable conditions, at today's Public Meeting.

JOHN F. COLEMAN, JR. COMMISSIONER

RALPH V. YANORA COMMISSIONER

Date: December 8, 2022