



National Fuel®

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Senior Attorney

May 24, 2023

VIA ELECTRONIC FILING

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

RE: *Pennsylvania Public Utility Commission, Bureau of Investigation and Enforcement v. National Fuel Gas Distribution Corp.*
Docket No. M-2022-3024040

Notice of Compliance Filing

Dear Secretary Chiavetta:

The Joint Petition for Approval of Settlement between the Pennsylvania Public Utility Commission’s (“**Commission**”) Bureau of Investigation and Enforcement (“**I&E**”) and National Fuel Gas Distribution Corporation (“**National Fuel**” or the “**Company**”) filed at the above-referenced docket was approved by Order of the Commission (the “**Order**”).¹

The Order required National Fuel to undertake certain actions as specified in the Settlement Agreement/the Order (the “**Compliance Actions**”).² The Compliance Actions and the Company’s implementation of same are listed below:³

#	Compliance Actions per Order	Company’s Narrative re: Implementation of Same
1	Remit a civil penalty in the amount of \$125,000 to the Commission (Order at Ordering ¶ 2, p. 24).	On May 8, 2023, National Fuel sent a certified check in the amount of \$125,000 to the Commission by overnight mail.
2	Annually review excavation risk scores for updates to ineffective training materials and effectiveness using, but not limited to, hit, incident, and near-miss data. (Order at Ordering ¶ 3, p. 24).	Within the timeframe specified in the Order, the Company has established a process by which it will comply with this provision of the Settlement Agreement.
3	Create a program based on its review of risk scores review to assign inspectors and more frequent inspections on projects where high-risk excavators are known to be working. (Order at Ordering ¶ 4, p. 24).	Within the timeframe specified in the Order, the Company has developed the program specified in this provision of the Settlement Agreement. The Company is working with a vendor to deploy same.

¹ Order of April 20, 2023.

² Order at Ordering ¶¶ 2-13, pp. 24-26.

³ The following list is a summary of those compliance items specified in the Order at Ordering ¶¶ 2-13.

4	Identify a list of line locations which may have suspected mapping issues and within thirty (30) days of finalizing such list, (1) apprise its operations personnel of the possible need for extra resources to timely conduct facility locates in these areas; and (2) ensure that mapping updates are made to each facility location specified by the list. (Order at Ordering ¶ 5, p. 24).	Within the timeframe specified in the Order, the Company has identified the list of locations with suspected mapping issues, communicated this list to the appropriate personnel, and completed the required mapping updates.
5	Develop a training session (“ Annual Training ”) that: (1) highlights common and uncommon issues found in the field that have led to line hits; (2) includes a lesson learned portion from damages deemed as significant; (3) shall be attended annually by its line locating employees, construction contractors responsible for performing excavations and/or line locates, and other contracted line locators; and (4) shall be incorporated into the training conducted for new employees performing locating task. The Annual Training should meaningfully discuss the availability and uses of specialized line-locating techniques. (Order at Ordering ¶¶ 6 and 8, p. 25).	Within the timeframe specified in the Order, the Company has developed this Annual Training, as specified in the Order. The Company has begun offering the Annual Training to its personnel, with a goal of providing this training to all individuals covered by the terms of the Order in the following months.
6	Add language to its Procedures Manual for Operations, Maintenance, and Emergencies (“ O&M Manual ”), to explicitly reference that the Company has acquired specialized line-locating technologies and that, when deemed appropriate, such specialized technology may be used in line locating. (Order at Ordering ¶ 7, p. 25).	Ahead of the timeframe specified in the Order, the Company has added the language specified in the Order to its O&M Manual.
7	Track the use and effectiveness of its specialized line-locating technologies and review the criteria for low confidence mark out classifications. (Order at Ordering ¶ 9, p. 25).	Within the timeframe specified in the Order, the Company has confirmed that it has the ability to track the use of specialized line-locating technologies, and the Company will continue to review these metrics to evaluate the effectiveness of same and to review the criteria for low confidence mark out classifications.
8	Require its Damage Prevention Supervisor to meet quarterly with the Pennsylvania Operations Superintendent and the Executive overseeing the Pennsylvania Operations Department, to discuss, among other items, trends and findings resulting from National Fuel Gas Distribution Corporation’s Damage Prevention Program, such that the Superintendent/Executive can make meaningful changes in real-time, as necessary	Ahead of the timeline specified in the Order, the Company has begun these DPC Quarterly Meetings. The Company has already scheduled DPC Quarterly Meetings through the balance of the current calendar year.

	(“DPC Quarterly Meeting”). (Order at Ordering ¶ 10, p. 26).	
9	The Company’s Quality Assurance/Quality Control Program shall include a field review of a representative sample, defined as at least twenty-five percent (25%) in each service territory, of employees performing locates, at least once per calendar year. (Order at Ordering ¶ 11, p. 26).	Within the timeframe specified in the Order, the Company has made the requisite process adjustments to ensure that its existing processes conform with this provision of the Settlement Agreement.
10	Create a process to field audit the employee’s past and present work to ensure that the employee is performing their requisite duties, with such process being utilized on employees whose line locate error(s) have caused damage on the Company’s system. (Order at Ordering ¶ 12, p. 26).	Within the timeframe specified in the Order, the Company has made the requisite process adjustments to ensure that its existing processes conform with this provision of the Settlement Agreement.

Pursuant to the terms of the Order (and per 52 Pa. Code § 5.591), National Fuel is filing this notice of its compliance with the requirements specified in the Order (Order at Ordering ¶ 13, p. 26). Should you have any questions or comments regarding this matter, please do not hesitate to contact me at (814) 871-8177 or via email at sisinnid@natfuel.com.

Very truly yours,



Dominick A. Sisinni

cc (via First-Class U.S. Mail):

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VERIFICATION

I, Jason C. Scouten, certify that I am the Superintendent of Pennsylvania Operations for National Fuel Gas Distribution Corporation, and that in this capacity I am authorized to, and do make this Verification on their behalf, that the facts set forth in the foregoing document are true and correct to the best of my knowledge, information and belief, and that the Company expects to be able to prove the same at any hearing that may be held in this matter. I understand that false statements made therein are made subject to the penalties of 18 Pa. C.S. § 4904, relating to unsworn falsifications to authorities.

DocuSigned by:
Jason Scouten
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Jason C. Scouten

DATED: 5/24/2023