



Candis A. Tunilo  
Senior Counsel  
Legal Department

800 N. Third Street  
Suite 204  
Harrisburg, PA 17102  
Cell: 223-488-0794  
ctunilo@nisource.com

June 12, 2024

***VIA ELECTRONIC FILING ONLY***

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: Application for Approval of Abandonment of Natural Gas Service by Columbia Gas of Pennsylvania, Inc. to One (1) Active and One (1) Inactive Residential Premises in Armstrong County, Pennsylvania Docket No. A-2024-**

Dear Secretary Chiavetta:

Enclosed for filing please find the Public Version of an Application for Approval of Abandonment of Natural Gas Service by Columbia Gas of Pennsylvania, Inc. to One (1) Active and One (1) Inactive Residential Premises in Armstrong County, Pennsylvania.

A Confidential version of the Application, which includes Confidential Attachments "C" will be filed as instructed by the Secretary's Bureau. The appropriate filing fee in the amount of \$350.00 has been paid via electronic payment through the PUC electronic filing system.

Thank you for your attention to this matter. Should you have any questions, please do not hesitate to contact the undersigned at (223) 488-0794.

Very truly yours,

Candis A. Tunilo

/kak  
Enclosure  
cc Certificate of Service

**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Application for Approval of :  
Abandonment of Natural Gas Service :  
by Columbia Gas of Pennsylvania, Inc. : Docket No. A-2024-\_\_\_\_\_  
to One (1) Active and One (1) Inactive :  
Residential Premises in Armstrong :  
County, Pennsylvania :

**APPLICATION OF COLUMBIA GAS OF PENNSYLVANIA, INC.**

**PUBLIC VERSION**

TO THE PENNSYLVANIA PUBLIC UTILITY COMMISSION:

Columbia Gas of Pennsylvania, Inc. (“Columbia” or “the Company”), pursuant to the provisions of Section 1102(a)(2) of the Public Utility Code, 66 Pa. C.S. § 1102(a)(2), hereby requests that the Pennsylvania Public Utility Commission (“Commission”) approve the abandonment or discontinuance of natural gas service to one (1) active and one (1) inactive residential Premises on Columbia’s distribution system in Armstrong County, Pennsylvania. In support of the request, Columbia states as follows:

1. The name and address of the Applicant are:

Columbia Gas of Pennsylvania, Inc.  
121 Champion Way, Suite 100  
Canonsburg, PA 15317

2. The names and addresses of Columbia’s attorneys are:

Candis A. Tunilo, Esquire (ID #89891)  
800 N Third Street, Suite 204  
Harrisburg, PA 17102  
ctunilo@nisource.com

Theodore J. Gallagher, Esquire (ID # 90842)  
121 Champion Way, Suite 100  
Canonsburg, PA 15317  
tjgallagher@nisource.com

3. Columbia is a corporation organized and existing under the laws of the Commonwealth of Pennsylvania with a principal place of business at 121 Champion Way, Suite 100, Canonsburg, PA 15317. Columbia is engaged in the business of selling and distributing natural gas to retail customers within the Commonwealth and therefore, is a “public utility” within the meaning of Section 102 of the Public Utility Code, 66 Pa. C.S. § 102, subject to the regulatory jurisdiction of the Commission. Columbia provides natural gas service to approximately 445,000 customers in 26 counties of Pennsylvania, pursuant to certificates of public convenience granted by the Commission.

4. Columbia seeks the Commission’s authorization to abandon natural gas service to one (1) active and one (1) inactive residential premises in Armstrong County, Pennsylvania. The names of the property owners and addresses of the affected premises (collectively referred to as the “Premises”) are:

<b>Name:</b>	<b>Service Address (Active):</b>	
Richard and Betsy Travis	365 Shirey Road, Mayport, PA 16240	
<b>Name:</b>	<b>Service Address (Inactive):</b>	<b>Disconnect Date:</b>
Richard Shirey	637 Salem Road, Mayport, PA 16240	08 /28/2018

5. Columbia provides service to the Premises from a 7,946-foot section of medium pressure (“MP”) pipe comprised of mixed size piping and materials, which is referred to as the New Salem, D5130 MP (“New Salem Distribution Line”). The New Salem Distribution Line is 66 years old. A map of the area depicting the distribution mainline and the Premises that Columbia proposes to abandon is included as Attachment “A” to this Application. Each premises is identified on Attachment “A” with a red rectangle. Also as depicted in Attachment “A”, the 7,946-foot section of the customer

distribution mainline that is proposed for abandonment is highlighted in pink and runs along Shirey Road, in Mayport, Pennsylvania.

6. The Company seeks to abandon 7,946 feet of the New Salem Distribution Line. The distribution mainline that Columbia seeks to abandon would require an extension from the new Point of Delivery (“POD”) off a Peoples Natural Gas Company distribution line. If the Company extended mainline to serve the one (1) active and one (1) inactive Premises, the Company would need to replace approximately 8,200 feet of mainline along the public right-of-way. The cost to replace the mainline is not reasonable or prudent with only one (1) active residential premises generating distribution revenue, as the other premises has been disconnected and inactive since 2018.

7. Columbia estimates that the incremental investment to replace 7,946 feet of mainline to serve the Premises would result in an annual revenue deficiency of approximately \$116,405 per year. This figure is calculated as follows: First, Columbia would have to replace the existing line at an incremental additional cost of approximately \$993,250. Second, the resulting annual cost, based on cost of capital, income taxes and depreciation, will be approximately \$117,162. To be economically justified, the replaced facilities must provide at least this amount in annual non-gas distribution revenues. Included as Attachment B to this Application is a schedule of gas delivered to the active premises over the most recent twelve-month period available. As shown in Attachment B, a total of 610 therms were consumed at the one (1) active premises from June 2023 through May 2024. There has been no gas usage at the (1) inactive premises since at least 2018 when the premises was disconnected. Applying the total usage from the historic twelve-month period to Columbia’s currently effective residential base rates, which consist of a customer charge of \$16.75 per month and a per therm charge of \$0.91069,

the estimated total annual non-gas distribution revenue received by Columbia from the active customer would be \$756.52. Subtracting the \$756.52 total non-gas distribution revenue from the calculated yearly revenue requirement of \$117,162 results in a revenue deficiency of \$116,405.48 per year.

8. Columbia has determined that the costs associated with the replacement of its facilities and the associated ongoing maintenance costs to serve the one (1) active premises cannot be justified based upon the historical usage. Further, there is no opportunity for growth or additional business along this section of the distribution mainline, and replacement of the facilities is not otherwise operationally needed for Columbia to transport or deliver gas to other locations in its service territory. Consequently, Columbia submits that it is neither in the public interest, nor in the interest of Columbia's other customers, to replace this section of the New Salem Distribution Line.

9. The one (1) inactive premises has remained inactive since August 2018, and there are no pending requests to reactivate service. Columbia physically abandoned the inactive premises on October 17, 2022. Since extending the facilities to serve the one (1) inactive premises is not expected to produce future revenues, the cost of replacing such facilities is not justified.

10. Prior to filing this Application, Columbia sent an initial contact letter, dated February 22, 2024, via certified mail and regular mail to the property owner on file for the one (1) active residential premises located at 365 Shirey Road, Mayport, PA 16240. The letter explained that the distribution facilities that currently serves the premises are reaching the end of their useful lives and need to be retired; therefore, the distribution mainline would be abandoned and that natural gas would no longer be available to the premises. In the letter, Columbia also requested that conversion cost estimate(s), to

reimburse for the reasonable costs for conversion to an alternate energy source, be provided to the Company. Columbia has reached an agreement with the owner of the one (1) active residential premises for the reasonable costs to convert to an alternative energy source. The agreement under which the one (1) active residential premises has consented to the abandonment of natural gas service to the premises is provided as CONFIDENTIAL Attachment “C” and is provided with the CONFIDENTIAL version of this Application.

11. Columbia also sent an initial contact letter, prior to filing this Application, dated February 23, 2024, via certified mail and regular mail to the property owner of the one (1) inactive residential premises located at 637 Salem Road, Mayport, PA 16240. The letter informed the property owner that Columbia would be requesting Commission approval to abandon service to the premises and that the premises would no longer have access to natural gas distribution service from Columbia if the Commission granted the request. The owner of the one (1) inactive residential premises has not responded to Columbia’s correspondence.

12. Approval of Columbia’s Application is necessary and proper for the following reasons:

- a. Columbia’s replacement of facilities in order to continue natural gas distribution service to the one (1) active residential premises and one (1) inactive residential premises, on the section of the subject mainline is not in the public interest for the economic reasons stated herein;
- b. Columbia and the one (1) active residential premises have reached an agreement for compensation to convert to an alternative energy source;  
and

- c. The one (1) inactive residential premises has remained inactive since August 2018, when the gas service was disconnected, and there are no pending requests to activate service. Furthermore, the owner of the one (1) inactive residential premises has been advised of Columbia's intent to abandon the subject facility and has not reached out to Columbia of any opposition to such abandonment.

WHEREFORE, Columbia Gas of Pennsylvania, Inc. respectfully requests that the Pennsylvania Public Utility Commission issue a Certificate of Public Convenience, pursuant to 66 Pa. C.S. § 1102(a)(2), authorizing Columbia Gas of Pennsylvania, Inc. to abandon natural gas distribution service to the one (1) active residential premises located at 365 Shirey Road, Mayport, PA 16240 and one (1) inactive residential premises located at 637 Salem Road, Mayport, PA 16240, in conjunction with its proposed abandonment of approximately 7,946 feet of the New Salem Distribution Line in Armstrong County, Pennsylvania.

Respectfully submitted,



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Candis A. Tunilo (ID #89891)  
NiSource Corporate Services Company  
800 N. Third Street, Suite 204  
Harrisburg, PA 17102  
Phone: 717-233-1351  
E-mail: ctunilo@nisource.com

Theodore J. Gallagher (ID # 90842)  
NiSource Corporate Services Company  
121 Champion Way, Suite 100  
Canonsburg, PA 15317  
Phone: 724-416-6355  
Fax: 724-416-6384  
E-mail: tjgallagher@nisource.com

Date: June 12, 2024

*Attorneys for Columbia Gas of  
Pennsylvania, Inc.*

**Attachment "A"**  
Map of the Affected Area



**Attachment "B"**

Schedule of Gas Delivered to the one (1) active residential Premises at 365 Shirey Road,  
Mayport, PA 16240 for the twelve-month period, June 2023 - May 2024:

<u>Month</u>	<u>Year</u>	<u>Consumption (therms)</u>
June	2023	16
July	2023	12
August	2023	11
September	2023	12
October	2023	13
November	2023	49
December	2023	98
January	2024	113
February	2024	114
March	2024	81
April	2024	68
May	2024	23
<b>Total</b>		<b>610</b>

## CERTIFICATE OF SERVICE

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 FIRST CLASS MAIL

#### Service Address (Active)

Richard Travis  
365 Shirey Road  
Mayport, PA 16240

#### Service Address (Inactive)

Richard Shirey  
637 Salem Road  
Mayport, PA 16240

Date: June 12, 2024



Candis A. Tunilo