

**FILE**

**BEFORE  
THE PUBLIC UTILITIES COMMISSION OF OHIO**

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In the Matter of the Application of Columbia  
Gas of Ohio, Inc. for Approval of Tariffs to  
Recover Through an Automatic Adjustment  
Clause Costs Associated with the Establish-  
ment of an Infrastructure Replacement  
Program and for Approval of Certain  
Accounting Treatment. :

Case No. 07-478-GA-UNC

**PUCO**

In the Matter of the Application of Columbia  
Gas of Ohio, Inc. for Authority to Modify its  
Accounting Procedures to Provide for  
Deferral of Expenses Related to the  
Commission's Investigation of the  
Installation, Use, and Performance of Natural  
Gas Service Riders. :

Case No. 07-237-GA-AAM

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**PREPARED TESTIMONY  
OF  
EDWARD M. STEELE  
IN SUPPORT OF  
THE AMENDED STIPULATION AND RECOMMENDATION  
GAS PIPELINE SAFETY SECTION  
FACILITY AND OPERATIONS FIELD DIVISION  
SERVICE MONITORING AND ENFORCEMENT DIVISION  
PUBLIC UTILITIES COMMISSION OF OHIO**

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Staff Exhibit \_\_\_\_\_

January 28, 2008

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## **I. INTRODUCTION AND PURPOSE**

1    1.    **Q.    Please state your name and business address.**

2            A.    My name is Edward M. Steele. My business address is 180 East Broad  
3                      Street, Columbus, Ohio 43215.

4  
5    2.    **Q.    What is your current position?**

6            A.    I am employed by the Public Utilities Commission of Ohio as Chief of the  
7                      Gas Pipeline Safety Section, Facility and Operations Field Division,  
8                      Service Monitoring and Enforcement Department.

9  
10   3.    **Q.    Please summarize your education and professional qualifications.**

11           A.    I am a graduate of the University of Pittsburgh, where I obtained a Bachelor  
12                      of Science degree in Geology. I also have completed 9 week long classes  
13                      on Pipeline Safety at the Transportation Safety Institute in Oklahoma City,  
14                      OK. I also completed the three Appalachian Underground Corrosion Short  
15                      Courses offered at West Virginia University in Morgantown, WV. From  
16                      June 2003 to September 2004, I was chairman of the National Association  
17                      of Pipeline Safety Representatives (NAPSR). I am also a member of the  
18                      National Association of Regulatory Utility Commissioners (NARUC), of  
19                      which I am currently the chairman of the Pipeline Safety Subcommittee.

1     **4.     Q.     Please summarize your business experience.**

2           A.     I began working for the Public Utilities Commission in 1986 as a compli-  
3                    ance investigator in the Gas Pipeline Safety Section. My responsibilities  
4                    included inspection of gas company facilities, records and procedures for  
5                    compliance with state and federal regulations. I prepared reports on these  
6                    inspections, and, when applicable, prepared probable violation reports. In  
7                    1989, I was promoted to field supervisor of the Gas Pipeline Safety Section.  
8                    In this position, I was responsible for training the compliance investigators  
9                    as well as reviewing reports and probable noncompliance records for accu-  
10                  racy and content. I created a GPS computer database used for tracking  
11                  inspections, follow ups and incidents and also entered data into this data-  
12                  base. In 1991, I was promoted to my current position of Chief of the Gas  
13                  Pipeline Safety Section. I am responsible for the supervision of ten full  
14                  time Gas Pipeline field staff as well as the review of their reports, probable  
15                  noncompliance reports, follow up investigations, incidents, complaints,  
16                  scheduling of their workload, and filing federal documents as part of the  
17                  PUCO's certification program with the Pipeline and Hazardous Materials  
18                  Safety Administration.

19  
20     **5.     Q.     What is the purpose of your testimony in this proceeding?**

21           A.     The purpose of my testimony is to support the Amended Stipulation and  
22                  Recommendation between Columbia Gas of Ohio (Columbia), the Staff of

1 the Public Utilities Commission (Staff), the Office of the Consumers'  
2 Counsel (OCC), and Ohio Partners for Affordable Energy (OPAE)

3  
4 **6. Q. Did you previously file testimony in this case?**

5 A. Yes and I testified at the October 24, 2007 proceeding in this case.  
6

7 **7. Q. What does your testimony address?**

8 A. My testimony addresses the Amended Stipulation and Recommendation  
9 (Amended Stipulation) paragraph 21, specifically Columbia's agreement to  
10 submit to the signatory parties a Riser Material Plan (RMP).  
11

12 **8. Q. What is the RMP?**

13 A. The RMP is a plan that will summarize the riser materials Columbia will  
14 use in its riser replacement program under the IRP and its rationale for the  
15 use of those materials. As part of the RMP, Columbia's decision regarding  
16 riser materials will focus primarily on safety, but will also consider material  
17 reliability, cost of remediation and operational flexibility. Full cost esti-  
18 mates for all riser materials reviewed by COH will also be included in the  
19 RMP.  
20

1     **9.     Q.     Please elaborate on why you support the RMP and do you believe it to**  
2                   **be in the public interest?**

3           A.    In my opinion the RMP is in the public interest. The RMP will provide a  
4                   list of the riser materials used by Columbia in its service territory and  
5                   Columbia's rationale for that decision. Columbia's decision regarding riser  
6                   materials will focus primarily on safety, but it will also consider the reli-  
7                   ability of the chosen materials. The RMP will not only allow staff to  
8                   review the decisions that Columbia is making in relation to the replacement  
9                   of these risers but also allows some public review of these decisions.

10  
11   **10.    Q.     What public review is allowed under the RMP?**

12           A.    Under the terms of the Amended Stipulation the RMP will be circulated by  
13                   February 1, 2008 to the signatory parties for review. If one of the parties  
14                   in this case has an objection to the RMP they must file it on or before  
15                   February 15, 2008 and the RMP will be docketed. The parties will request  
16                   that the Commission hold an expedited hearing regarding the reasonable-  
17                   ness of the RMP.

18  
19   **11.    Q.     Will an expedited hearing affect the start date for Columbia's riser**  
20                   **replacement program?**

21           A.    No, Columbia will begin its riser replacement program on March 1, 2008.

1    **12.    Q.    Does the Amended Stipulation and the RMP violate any regulatory**  
2                   **principle or practice?**

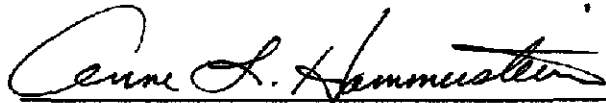
3            A.    From the pipeline safety perspective the Amended Stipulation and RMP  
4                   provides Staff with the ability to review the general criteria and the circum-  
5                   stances in which Columbia makes its decision around riser materials. The  
6                   RMP allows Staff to verify the materials compliance with the Gas Pipeline  
7                   Safety Code and as stated above does not affect the start date of the riser  
8                   replacement program, which Staff believes is vital for pipeline safety.

9  
10   **13.    Q.    Does this conclude your testimony?**

11          A.    Yes.

## PROOF OF SERVICE

I hereby certify that a true copy of the foregoing Prepared Testimony of Edward M. Steele in Support of the Amended Stipulation and Recommendation submitted on behalf of the Staff of the Public Utilities Commission of Ohio was served by regular U.S. mail, postage prepaid, hand-delivered, and/or delivered via electronic message to the following parties of record, this 28<sup>th</sup> day of January, 2008.



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