

THE PUBLIC UTILITIES COMMISSION OF OHIO

IN THE MATTER OF THE INVESTIGATION
OF THE EAST OHIO GAS COMPANY D/B/A
DOMINION ENERGY OHIO RELATIVE TO
ITS COMPLIANCE WITH THE NATURAL
GAS PIPELINE SAFETY STANDARDS AND
RELATED MATTERS.

CASE NO. 19-2140-GA-GPS

ENTRY

Entered in the Journal on April 28, 2020

{¶ 1} The East Ohio Gas Company d/b/a Dominion Energy Ohio (DEO) is a natural gas company as defined in R.C. 4905.03 and a public utility within the meaning of R.C. 4905.02. DEO is also an operator, as defined in R.C. 4905.90. As such, DEO is subject to the ongoing jurisdiction and supervision of the Commission, pursuant to R.C. 4905.04, 4905.05, 4905.06, and 4905.90 through 4905.96. Accordingly, DEO is required to comply with the minimum gas service standards found in Ohio Adm.Code Chapter 4901:1-13, as well as the gas pipeline safety (GPS) rules contained in Ohio Adm.Code Chapter 4901:1-1-16, which set forth the safety standards and requirements for intrastate gas pipeline facilities subject to the Commission's jurisdiction. Pursuant to Ohio Adm.Code 4901:1-16-03(A), the Commission has also adopted the GPS regulations of the United States Department of Transportation contained in 49 C.F.R. Parts 40, 191, 192, and 199.

{¶ 2} R.C. 4905.91 provides that the Commission may investigate any service, act, practice, policy, or omission by an operator to determine its compliance with R.C. 4905.90 through 4905.96 and the pipeline safety code.

{¶ 3} Ohio Adm.Code 4901:1-16-12 provides that the Commission may initiate a GPS proceeding after, among other things, an incident has occurred and that, unless otherwise ordered, Staff shall file with the Commission and serve upon the operator a written report of investigation within 90 days after service of the entry that initiates the proceeding.

{¶ 4} On December 12, 2019, Staff filed a letter detailing its initial investigation into

DEO's compliance with the GPS rules following an incident that occurred on November 15, 2019, at 28000 Shaker Boulevard, Pepper Pike, Ohio in Cuyahoga County. In its letter, Staff stated that a recently installed, 30-inch steel distribution main operating at approximately 193 pounds per square inch gauge failed and released natural gas into the atmosphere, which subsequently ignited. Staff indicated that the section that failed was bored under the roadway at a depth of 15-25 feet and had been in service for approximately two weeks. Upon notification, Staff responded to the scene to conduct an investigation and discovered that a girth weld failure caused the rupture. Staff represented that further investigation of the incident revealed that several potential violations of the GPS rules contributed to the incident. As a result of the pipeline failure and the severity of the potential GPS violations, Staff requested that the Commission open a formal investigation to determine the cause of the incident. Staff represented that it intended to file a report of its findings at the conclusion of its investigation.

{¶ 5} On December 18, 2019, the Commission issued an Entry directing the Commission's Service Monitoring and Enforcement Department to conduct a formal investigation into DEO's compliance with Ohio Adm.Code Chapter 4901:1-16 and to file a GPS investigative report within 90 days of the Entry, consistent with Ohio Adm.Code 4901:1-16-12. Additionally, the Commission directed DEO to respond in writing to the staff investigative report within 30 days of its filing.

{¶ 6} On February 28, 2020, Staff filed its investigative report. In the report, Staff concluded that DEO showed a lack of institutional control at the construction project located at Shaker Boulevard in Pepper Pike. Staff believes that the weld failure and pipeline rupture occurred as a result of poor construction practices, failure to follow established procedures, and a lack of oversight. Staff also concluded that the number of bad welds found at the site, DEO's previous enforcement history related to not following or enforcing procedures in the field, and poor documentation practices show that failures similar to this incident may recur in the future unless properly addressed. Consequently, Staff recommends developing and implementing a third-party audit of DEO's gas safety program to assess the adequacy and

effectiveness of the program. Additionally, Staff recommends assessing a forfeiture of \$2,500,000 against DEO pursuant to R.C. 4905.95(B)(1)(b) for DEO's failure to comply with the pipeline safety regulations that caused or contributed to this incident and for the serious public danger posed by the incident.

{¶ 7} On March 17, 2020, DEO and Staff filed a joint motion for extension of time for DEO to file its response to Staff's investigative report. The parties requested that DEO be given a 30-day extension from the March 30, 2020 deadline to April 29, 2020. In support of the motion, the parties claimed that DEO would need more time to evaluate Staff's investigative report and that the rapidly developing responses by governments to the COVID-19 situation have required both parties to shift resources in order to protect public health and safety.

{¶ 8} By Entry issued on March 24, 2020, the attorney examiner granted the joint motion for extension of time for DEO to file its response to Staff's investigative report, directing DEO to file its written response by April 29, 2020.

{¶ 9} On April 24, 2020, DEO and Staff filed a joint motion for second extension of time. The parties request that DEO be given a second 30-day extension from the current April 29, 2020 deadline to May 29, 2020. In support of the motion, the parties claim that they have had to divert resources to implement Governor DeWine's Executive Order 2020-01D involving the COVID-19 situation and that additional time will enable DEO and Staff to continue to work toward resolving the case.

{¶ 10} The attorney examiner finds that good cause exists to grant the parties' joint motion for second extension of time for DEO to file its written response to Staff's investigative report. Therefore, the attorney examiner directs DEO to file its written response to Staff's investigative report by May 29, 2020. After DEO's written response is filed, the Commission will determine how to further proceed in this matter, including an evidentiary hearing if necessary.

{¶ 11} It is, therefore,

{¶ 12} ORDERED, That the joint motion for second extension of time be granted, extending the deadline for DEO to file its written response to Staff's investigative report by 30 days, with a new filing deadline of May 29, 2020, and that DEO serve a copy of its response upon Staff and all other interested persons and parties of record. It is, further,

{¶ 13} ORDERED, That a copy of this Entry be served upon DEO and all other interested persons and parties of record.

THE PUBLIC UTILITIES COMMISSION OF OHIO

/s/ Matthew J. Sandor

By: Matthew J. Sandor
Attorney Examiner

GAP/kck

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Case No(s). 19-2140-GA-GPS

Summary: Attorney Examiner Entry the joint motion for second extension of time be granted, extending the deadline for DEO to file its written response to Staff's investigative report by 30 days, with a new filing deadline of May 29, 2020, and that DEO serve a copy of its response upon Staff and all other interested persons and parties of record. electronically filed by Kelli C King on behalf of Matthew Sandor, Attorney Examiner, Public Utilities Commission of Ohio