BEFORE THE PUBLIC UTILITIES COMMISSION OF OHIO

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In the Matter of the Investigation of Columbia Gas of Ohio relative to compliance with the Natural Gas Pipeline Safety Standards.

Case No. 20-1759-GA-GPS

JOINT STIPULATION AND RECOMMENDATION

Pursuant to Ohio Adm.Code 4901:1-16-11, any two or more parties may enter into a written stipulation covering the issues presented in this proceeding. This Joint Stipulation and Recommendation (the "Joint Stipulation") sets forth the understanding of Columbia Gas of Ohio, Inc. ("Columbia") and the Staff of the Public Utilities Commission of Ohio¹ ("Staff") (together both constitute the "Signatory Parties"). The Signatory Parties recommend that the Public Utilities Commission of Ohio (the "Commission") approve and adopt this Joint Stipulation, which resolves all of the issues identified by Staff in its Staff Report dated December 3, 2020 ("Staff Report"), filed in this proceeding.

This Joint Stipulation is the product of serious bargaining among capable and knowledgeable parties. Each of the Signatory Parties was represented by experienced counsel who regularly practice and participate in proceedings before the Commission. The Joint Stipulation will benefit the public interest. The Joint Stipulation does not violate any important regulatory principle or practice. The Signatory Parties believe that the terms and conditions agreed to herein represent a fair and reasonable solution to the issues raised in the Staff Report.

This Joint Stipulation is not an admission or finding of liability, and is not intended to reflect the views or proposals that either of the Signatory Parties may have advanced acting unilaterally. This Joint Stipulation results from discussions between Columbia and Staff, who agree that it is supported by adequate data and information and is therefore entitled to careful consideration by the Commission.

¹ Pursuant to Ohio Adm.Code 4901-1-10(C) and 4901-1-30, Staff is deemed a party for purposes of entering into this Joint Stipulation.

NOW, THEREFORE, the Signatory Parties stipulate, agree, and recommend that the Commission make the following findings and issue its Finding and Order in this case approving this Joint Stipulation in accordance with the following:

1. Staff filed a Report on December 3, 2020, in the above-referenced proceeding, in response to an incident that occurred on October 1, 2020, at Columbia's Kitts Hill Road Compressor Station located at 8358 State Route 141, Kitts Hill, Ohio in Lawrence County. In its Report, Staff detailed its investigation into the root causes of the incident and found Columbia in violation of two Pipeline Safety Regulations: 49 CFR 192.13(c) and 49 CFR 192.805. Based on Staff's investigation, Staff recommended that Columbia perform the following actions:

a. Columbia must conduct an internal investigation to determine why a written tie-in plan was not created or followed at Kitts Hill as required by Columbia's Gas Standard GS 1680.010, and report these findings to the Commission within 90 days of the Commission issuing a Finding and Order in this case.

b. Columbia must conduct an internal audit of the effectiveness of the procedures in place to ensure construction plans are reviewed by all applicable departments for accuracy, completion, and correctness. This audit should include a GAP analysis of policies, programs, procedures, and practices use for planning new construction against API Recommended Practice 1173, "Pipeline Safety Management Systems," and report these findings to the Commission within 90 days of the Commission issuing a Finding and Order in this case.

c. Columbia must review its Operator Qualification training programs to ensure individuals qualified to work on gas pressure regulators are able to recognize instances where control lines may be isolated or depressurized during construction.

2. Staff further recommended a forfeiture of \$250,000 be assessed pursuant to RC 4905.95(B)(1) against Columbia.

3. Columbia will complete Staff's recommendations, contained within paragraph 1(a) - 1(c) of this Joint Stipulation within the timelines outlined in the Staff Report and above. Further, Columbia will complete 1(c) within 180 days of the Commission issuing a Finding and Order in this case.

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4. Columbia will pay a forfeiture of \$250,000. The payment shall be paid within thirty days of the Commission Order approving this Joint Stipulation. The payment shall be made payable to "Treasurer State of Ohio," and mailed to the Public Utilities Commission of Ohio, Attn: Fiscal Division, 180 East Broad Street, 4th Floor, Columbus, Ohio 43215 – 3793. The Case Number (20-1759-GA-GPS) shall appear on the face of the check.

5. The Signatory Parties agree that this Joint Stipulation establishes no precedent to be relied upon in any manner in any other proceeding except any proceeding that may be necessary to enforce the provisions of this Joint Stipulation.

This Joint Stipulation constitutes a compromise resolution by the Signatory 6. Parties of all issues raised by the Signatory Parties in this case. The Signatory Parties agree and acknowledge that this Joint Stipulation is not and shall not be construed as an admission by Columbia regarding any legal or regulatory violation, or regarding any finding or conclusion set forth in the Staff Report in the above-referenced proceeding. The Signatory Parties agree that if the Commission rejects all or any part of this Joint Stipulation, or otherwise materially modifies its terms, either Signatory Party shall have the right, within thirty days after the date of the Commission's Order, either to file an application for rehearing or to terminate and withdraw from the Joint Stipulation by filing a notice of termination and withdrawal with the Commission in this proceeding. If an application for rehearing is filed and if the Commission does not, on rehearing, accept the Joint Stipulation without material modification, either Signatory Party may terminate and withdraw from the Joint Stipulation by filing a notice of termination and withdrawal with the Commission in this proceeding within ten business days after the date of the Commission's Entry on Rehearing. Upon filing a notice of termination and withdrawal by either Signatory Party, the Joint Stipulation shall immediately become null and void. In such event, a hearing shall go forward and the Signatory Parties shall be afforded the opportunity to present evidence through witnesses, to cross-examine all witnesses, to present rebuttal testimony, and to file briefs on all issues, and to have this proceeding be decided, on the record and brief, as if the Joint Stipulation had never been executed.

The undersigned stipulate and represent that they are authorized to enter into this Joint Stipulation on the 11th day of December, 2020.

COLUMBIA GAS OF OHIO, INC.

<u>/s/ Joseph M. Clark</u> Joseph M. Clark (0080711)

Joseph M. Clark, Asst. Gen. Counsel (0080711) (Counsel of Record) Columbia Gas of Ohio, Inc. 290 W. Nationwide Blvd. P.O. Box 117 Columbus, OH 43216-0117 Telephone: (614) 460-6988 Email: josephclark@nisource.com

PUBLIC UTILITIES COMMISSION OF OHIO STAFF

<u>/s/ Jodi J. Bair</u> Jodi J. Bair (0062921)

Jodi J. Bair (0062921) (Counsel of Record) Assistant Attorney General Public Utilities Section 30 E. Broad Street, 16th Floor Columbus, OH 43215 Telephone: (614) 466-2766 Email: Jodi.bair@ohioattorneygeneral.com This foregoing document was electronically filed with the Public Utilities

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Summary: Stipulation Joint Stipulation and Recommendation electronically filed by Ms. Melissa L. Thompson on behalf of Columbia Gas of Ohio, Inc.