**BEFORE**

**THE PUBLIC UTILITIES COMMISSION OF OHIO**

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| In the Matter of the Commission’s Review of its Rules in Chapter 4901:1-16 of the Ohio Administrative Code, Regarding Gas Pipeline Safety. | )))) | Case No. 13-2237-GA-ORD |

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**INITIAL COMMENTS OF**

**COLUMBIA GAS OF OHIO, INC.**

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 Columbia is committed to maintaining a safe and reliable gas system. The Commission Staff’s proposed changes to Ohio Adm. Code Chapter 4901:1-16, including the new section requiring the timely abandonment of inactive service lines, demonstrate a commitment to furthering the safety of Ohio consumers. As Staff states in its CSI report, “The Staff proposes a procedure for the abandonment of service lines to address public safety and property damage as a result of fire and explosions at vacant and abandoned properties.”[[1]](#footnote-1) Columbia agrees with the intent of Staff’s abandoned service line rule, and has several proposed clarifications to the new language.

 In sum, the proposed rule in Ohio Adm. Code 4901:1-16-05(G) would impose three new requirements on pipeline operators: (1) an annual assessment of service lines inactive for more than one year; (2) a physical abandonment, within three months, of any unsafe, inactive service lines discovered during the assessment; and (3) a physical abandonment, within six months, of all service lines inactive for more than two years with no possible future use. Columbia understands that this rule is significant and, though it proposes changes and clarifications below, Columbia would support the utilization of a stakeholder workshop to further clarify rule requirements and provide an opportunity for local distribution companies to present to the Commission ways to incorporate the rules into their current policies and procedures.

**(1) Assessment of Inactive Service Lines**

 Initially, the proposed rule is silent as to the parameters of the annual assessment. According to the CSI report, Staff “believes this assessment can be incorporated into the operator’s current system evaluation process.”[[2]](#footnote-2) Columbia agrees and believes this comment should be incorporated into the rule language. Columbia reviewed its current system evaluation process and identified the following areas in which it can assess inactive service lines: the abandoned service line prioritization program, the land bank program, the investigation orders triggered by meter reading, and Columbia’s distribution leak survey and corrosion monitoring program.

 Initially, Columbia evaluates and schedules the abandonment of service lines for accounts that have been inactive for more than two years. During this review, Columbia prioritizes the abandonment of priority pipe (i.e., bare steel, cast iron and wrought iron) and unknown pipe service lines, first with inside meters and then with outside meters. Its scheduling personnel conduct this analysis on a monthly basis to ensure newly inactive service lines are prioritized according to the service line composition. To incorporate the proposed rule, Columbia may expand its analysis from 2-years to 1-year of inactivity. This expansion would allow Columbia to more quickly identify those service lines with the greatest potential safety concern, and incorporate them sooner within the process for abandonment.

Columbia also physically examines its inactive service lines during Columbia’s distribution leak survey and corrosion monitoring program required by Ohio Adm. Code 4901:1-16-03 and 49 CFR 192. To conduct these surveys, Columbia reviews a third of its territory annually to ensure it is able to identify potential leaks or corrosion in its system. During this survey, Columbia inspects inactive service lines alongside active service lines and mains for leaks and evidence of corrosion. Therefore, continuing to utilize these surveys to physically examine inactive service lines should not be an excessive burden or expense.

Columbia takes other proactive steps to assess and abandon inactive service lines that may present a safety risk or hazard. Columbia participates in Ohio’s land banks and partners with numerous counties and municipalities to ensure Columbia’s facilities are abandoned before the demolition of vacant and condemned properties. Specifically, in Toledo and Columbus alone, Columbia completed 600 requested abandonments of inactive service lines in three years. Columbia also physically abandons inactive service lines associated with main lines replaced pursuant to Columbia’s accelerated mains replacement program. Furthermore, Columbia utilizes the data collected from its automated meter reading devices, which can register consumption on inactive meters, to schedule field orders to investigate potential tampering situations with inactive service lines.

By incorporating the inactive service line assessment within Columbia’s current system evaluation process, the Commission would be aligning the assessment requirements of inactive facilities with Columbia’s active service lines and mains. Therefore, Columbia requests that the Commission revise its rules to incorporate the service line assessment into an operator’s current system evaluation process.

**(2) Abandonment of Unsafe Inactive Service Lines within Three Months**

The Commission’s proposed rules next require the three-month abandonment of “unsafe” service lines that have been inactive for at least one year. Columbia supports the Commission’s push to address unsafe service lines, as is demonstrated by Columbia’s Hazardous Customer Service Line Program, and further believes any inactive service line that is unsafe should be abandoned to ensure public safety. Columbia proposes that the Commission define “unsafe,” inactive service lines as those inactive service lines that present an existing or probable hazard to persons or property due to a leak that would otherwise require immediate or scheduled repair or replacement, an abnormal operating condition (e.g., shallow or exposed pipe, etc.), or any other situation that in the judgment of the operator could constitute a potential threat to life or property (e.g., building instability, vandalized premises, visible damage to meter setting, etc.). Columbia believes this definition more fully describes unsafe service lines and conforms to what Columbia considers to be a hazardous service line.

**(3) Abandonment of Inactive Service Lines with Six Months**

Finally, abandoning inactive service lines in a timely manner is an important step to enhance public safety and prevent property damage due to incidents at vacant and abandoned properties.[[3]](#footnote-3) To accomplish this goal, Staff’s proposed rules require the ultimate abandonment of service lines, which have been inactive for at least two years with no future planned use, within six months. Staff recognized that “[a]ffected businesses may incur additional costs…to abandon unsafe inactive service lines.”[[4]](#footnote-4) Columbia agrees with Staff and its goal to encourage timely abandonment of inactive service lines. Because the proposed rules incorporate a significant change to the current abandonment process, Columbia asks that the Commission consider giving operators additional time to implement this new requirement.

Under Columbia’s policies and procedures, Columbia evaluates service lines that have been inactive for at least two years for future use. If Columbia deems the inactive service line to have no future use, it abandons the inactive service line within 36 months. Moving this requirement from 36 months to 6 months is a significant change, requiring additional resources, both personnel and financial, to achieve the Commission and Columbia’s safety goal. Without a transition period, utilities will be required to draw capital and resources from their existing safety programs for active facilities (i.e., Columbia’s Accelerated Mains Replacement Program and Hazardous Service Line Program) to inactive facilities. Columbia asks that the Commission utilize a measured, five-year transition period to give operators an opportunity to secure capital and personnel to implement the requirements of proposed Ohio Adm. Code 4901:1-16-05(G)(2).

Based on the comments above, Columbia recommends the following revisions to proposed Ohio Adm. Code 4901:1-16-05(G)(1) and (G)(2):

(G) Abandonment of service lines.

(1) Each operator shall conduct**, within the operator’s current system evaluation process,** an annual assessment of all services lines that have been inactive for more than one year and take immediate action to protect persons or property if any inactive service line is found to be unsafe. If the inactive service line is determined unsafe, the operator shall retire and physically abandon the line within three months of that determination. An inactive service line is considered unsafe when it presents **an existing or probable hazard to persons or property due to a leak that would otherwise require immediate or scheduled repair or replacement, an abnormal operating condition, or any other situation that in the judgment of the operator could constitute a potential threat to life or property**~~a threat of serious harm to persons or property~~.

(2) In instances where a service line has been inactive for more than two years, and for which there are no definite plans for future use or the reasonable possibility for future use, the operator shall retire and physically abandon the line within six months of that determination. **All operators shall have five years from the effective date of this rule, to implement the requirements of this section.**

Columbia supports the continued efforts of Commission Staff to ensure utilities are operating a safer and more reliable pipeline system. Therefore, for the reasons stated herein, Columbia respectfully requests that the Commission accept Columbia’s proposed changes to Ohio Adm. Code 4901:1-16-05(G).

Respectfully submitted by,

**COLUMBIA GAS OF OHIO, INC.**

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1. *In the Matter of the Commission’s Review of its Rules in Chapter 4901:1-16 of the Ohio Administrative Code, Regarding Gas Pipeline Safety*, Case 13-2237-GA-ORD, Entry (March 5, 2014) Attach. B at 6. [↑](#footnote-ref-1)
2. *Id.* [↑](#footnote-ref-2)
3. *Id.* [↑](#footnote-ref-3)
4. *Id.* [↑](#footnote-ref-4)