**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 to Change Accounting Methods For Expenses Related to the Pipeline Safety Program. | )  )  )  ) | Case No. 14-1615-GA-AAM |

**COMMENTS**

**BY**

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September 28, 2018

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**COMMENTS**

**BY**

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# INTRODUCTION

Pipeline safety is important to Ohioans. The recent catastrophic events in Massachusetts made national news and vividly depict just how important pipeline safety is for natural gas customers. The Pipeline Safety Program (“PSP” or “Safety Program”) of Columbia Gas of Ohio, Inc. (“Columbia” or “Utility”) is intended to protect customers from the dangers of gas pipeline leaks and life-threatening explosions. However, the annual reporting requirements that the PUCO imposed on Columbia – for Columbia to demonstrate the effectiveness and value of its program – are not being adhered to by Columbia. For the third straight year, Columbia’s reporting is not in compliance with the PUCO’s directives – and it is overdue for the PUCO to obtain Columbia’s compliance. As a start, the PUCO should direct Columbia to refile its 2017 pipeline safety report. And the PUCO should reject Columbia’s request to defer another $25 million of expenses for potential future collection from customers.

The Office of the Ohio Consumers’ Counsel (“OCC”) files these comments urging the Public Utilities Commission of Ohio (PUCO) to reject the Annual Report filed by Columbia and order Columbia to refile its Annual Report in compliance with the PUCO’s Order.[[1]](#footnote-2) OCC also comments on the PUCO Staff’s (“Staff”) Review and Recommendation filed in this case on August 29, 2018. OCC is the statutory representative of 1.3 million residential consumers of Columbia[[2]](#footnote-3) and is filing on behalf of Columbia’s residential utility customers who will likely be charged for the pipeline safety program in the future when Columbia seeks to collect the deferred expenses that are the subject of this proceeding.

# BACKGROUND

On September 12, 2014, Columbia filed an Application (“Application”) to establish a regulatory asset to defer up to $15 million[[3]](#footnote-4) annually to increase customer safety through the PSP.[[4]](#footnote-5) The OCC filed a Motion to Intervene, Comments, and Reply Comments opposing Columbia’s Application.

The PUCO Staff also filed Comments in which it made several important recommendations to the PUCO regarding Columbia’s Application. Among the recommendations of the Staff is a requirement that Columbia file an Annual Report on the Safety Program specifying annual and cumulative PSP expenses, identifying the monthly expenditures for each PSP component on an annual basis, and include a third-party audit report to verify the accuracy of Columbia’s accounting for the PSP expenditures. Staff recommended that the Annual Report include items such as the Safety Program’s progress towards reducing risks to Columbia’s system, the results of ongoing and future investigations, any mid-term adjustments to Safety Program projects or programs, and Columbia’s efforts towards identifying inefficiencies and implementing cost saving measures. Staff also recommended that “[t]he [PUCO] should direct Columbia to develop specific performance measures for each of its proposed safety initiatives and establish baseline performance measurements for each measure so that risk reduction resulting from the PSP can be tracked.”[[5]](#footnote-6)

The PUCO’s Finding and Order (“PUCO Order”) approved the Application as modified by the PUCO Staff’s Recommendations, subject to the PUCO’s review of Columbia’s Annual Reports.[[6]](#footnote-7) Columbia filed its 2015 Annual Report on June 1, 2016. The Staff filed its review of the Annual Report on August 18, 2016 . The Staff Report stated that Staff had no objection to the Annual Report.[[7]](#footnote-8) On September 19, 2016, OCC filed detailed comments on Columbia’s 2015 Annual Report and Staff’s 2015 Report describing how Columbia’s Annual Report as filed failed to comply with the PUCO Order.[[8]](#footnote-9)

Columbia filed its 2016 Annual Report on June 1, 2017. Staff filed its review of the 2016 Annual Report on August 30, 2017. The 2016 Staff Report stated that Staff had no objections to the 2016 Annual Report.[[9]](#footnote-10) OCC filed comments on the 2016 Annual Report on September 29, 2017. In its comments, OCC again detailed how the 2016 Annual Report was not compliant with Staff’s recommendations and the PUCO’s directives. OCC recommended that the PUCO protect consumers by requiring Columbia to address the issues identified in its comments and refile its 2016 Annual Report.[[10]](#footnote-11)

This cycle continues for 2018. Columbia filed its calendar year 2017 Annual Report on June 1, 2018 (“2017 Annual Report”). Staff filed its review of the 2017 Annual Report on August 29, 2018 (“2017 Staff Report”). The 2017 Staff Report was a mirror of its report from the previous two years, stating that Staff has no objections to Columbia’s 2017 Annual Report and that Staff recommends that the PUCO approve the 2017 Annual report as filed.[[11]](#footnote-12)

OCC’s comments for this year again point out that Columbia’s Annual Report does not comply with Staff’s 2014 recommendations and PUCO directives. OCC recommends that the PUCO protect consumers by requiring Columbia to address the issues identified herein and refile its 2017 Annual Report.

# RECOMMENDATIONS

OCC agrees with the PUCO’s Order that safety to both persons and property is paramount.[[12]](#footnote-13) These safety concerns have risen to a new level by the gas explosions that recently occurred on Columbia’s system in Massachusetts.[[13]](#footnote-14) It is imperative that Columbia maintains its system safely, and it is charging consumers for that safety through the Columbia Infrastructure Replacement Program (“IRP”) and the Columbia Pipeline Safety Program designed for this very purpose. That said, safety improvements should be accomplished in the most economically efficient and effective way possible. This is in keeping with Ohio law that requires Ohio consumers be charged only just and reasonable rates for adequate utility services.[[14]](#footnote-15)

One way to encourage an effective and efficient program is by introducing transparency and verifiable performance metrics into the process. The PUCO’s Order in this proceeding recognized these needs when it directed Columbia to be forthcoming with information on its Pipeline Program, *i.e.* by including specific information in its Annual Reports.[[15]](#footnote-16) However, Columbia’s 2017 Annual Report, much like its 2015 and 2016 Annual Reports, lacks specificity, transparency and verifiable performance metrics and, consequently, fails to comply with significant parts of the PUCO Order. Therefore, the 2017 Annual Report, in its current state, should not be accepted by the PUCO. Instead, the PUCO should require Columbia to refile its 2017 Annual Report with the additional information, consistent with the PUCO’s Order.

## In 2014, Staff made recommendations to the PUCO for the protection of consumers that were adopted. However, Staff’s review of the Utility’s filing fails to address Columbia’s non-compliance with the PUCO’s Order adopting Staff’s recommendations.

A significant element of the deferral procedure established by the PUCO for use in this case was the review process that Staff had recommended in 2014. The PUCO required after Columbia’s June 1st annual filing that the Staff will file its report no later than 90 days after the Utility’s annual report.[[16]](#footnote-17) On August 29, 2018, Staff’s review of Columbia’s Annual Report stated, in part, that: “[it] has reviewed Columbia’s annual report and accompanying attachments that were filed in this case, and has no objection to the information contained in the report.”[[17]](#footnote-18) Staff’s review lacks any discussion on the items that should be in the Annual Report in order to make it compliant with PUCO’s Order. But earlier in the application process, Staff voiced its strong concerns regarding what the Utility’s annual report should contain. In comments to the PUCO, Staff recommended:

1. Meeting, at a minimum, biannually to review and discuss the progress of PSP, the results of new and ongoing investigations;
2. Staff asserted that Columbia’s annual report should not be limited to the items specified in the application and should include not only expenses, but should include the PSP’s progress toward reducing risks to the system, the results of ongoing and future investigation, any mid-term adjustments to the PSP, and the Utility’s efforts toward identifying inefficiencies and implementing cost-saving measures and that the specific contents and presentation of the report should be determined in the regular meetings between Staff and Columbia;
3. Staff asked the PUCO to direct Columbia to develop specific performance measures for each of its proposed safety initiatives and establish baseline performance measurements for each measure so that risk reduction resulting from the PSP can be tracked;
4. Staff also recommended a threshold for discontinuing the PSP deferrals, pointing to the fact that a number of the PSP initiatives involve projects that will be completed at some point in the future and the Staff and Columbia should agree on a threshold spending level and Staff will make recommendations to the PUCO in a staff report filed in response to Columbia’s annual report.[[18]](#footnote-19)

None of these Staff recommendations (that are excluded from Columbia’s filing), which were adopted by the PUCO,[[19]](#footnote-20) are addressed in the Staff’s review. The PUCO’s Order expressly granted approval of Columbia’s application, *as modified by Staff’s recommendations adopted in the proceeding,* and subject to the PUCO’s review of Columbia’s annual filing.[[20]](#footnote-21)

Columbia’s Annual Report failed to demonstrate that it had addressed any other criteria established in the PUCO’s order. Staff’s review did not mention any of the performance benchmarks, meetings held, or discuss any of the other measurements established in the order. The OCC recommends that the PUCO protect consumers by requiring Columbia to refile its 2017 Annual Report with information that the PUCO ordered. Otherwise it is not possible to track the effectiveness of the Pipeline Program, to determine whether the PSP has reached its conclusion, and/or to determine whether the PSP expenses should be charged to consumers in the inevitable future rate proceeding. For these reasons, the OCC respectfully recommends that Columbia be required to refile the 2017 Annual Report to include the information that complies with the PUCO order.

Under these circumstances, Columbia’s deferral request should be denied.

## Columbia’s Annual Report fails to develop specific performance measures for each of its proposed safety initiatives and establish and quantify baseline performance so that risk reduction resulting from the PSP can be tracked and help protect consumers.

Columbia’s 2017 Annual Report should not be accepted by the PUCO because the Annual Report does not comply with the PUCO’s order. The PUCO Order explicitly states that the PUCO Staff’s 2014 comments, as outlined above, are reasonable and appropriate and should be adopted in their entirety.[[21]](#footnote-22) In addition, the PUCO Order states that Columbia’s application, “as modified herein by Staff’s recommendations,” is approved, subject to the PUCO’s review of the Annual Reports.[[22]](#footnote-23) Because Columbia’s 2017 Annual Report fails to comply with the PUCO Order, the PUCO should not approve the Application. The PUCO should require Columbia to file an Annual Report that complies with its Order.

For example, while the 2017 Annual Report provides some information regarding the Pipeline Program’s progress, the majority of the 2017 Annual Report merely describes the activities Columbia has been pursuing under the Pipeline Program. There is a significant lack of quantifiable specifics[[23]](#footnote-24) regarding each initiative’s respective goals. And, there are few quantifiable data on the progress of the Pipeline Program on reaching those goals. The 2017 Annual Report either fails to provide such information at all or provides such minimal information that it is difficult to track the effectiveness of the Pipeline Program, determine whether the Pipeline Program has reached its conclusion, and/or determine whether the expenses should be charged to consumers in an inevitable future rate proceeding. Therefore, the 2017 Annual Report does not comply with the PUCO Order. Columbia should be required to refile the 2017 Annual Report to include the information discussed above, as required in the PUCO’s 2014 order.

### The costs associated with the Advanced Workforce Training Initiative should not be approved for deferral (and potential future collection from customers) because Columbia’s filing did not comply with the PUCO’s Order, and Staff’s review failed to address this filing deficiency.

The Advanced Workforce Training Initiative is intended to provide for a new training center to include classroom training, technology labs, and a gas simulation facility, as well as training curriculum for employees.[[24]](#footnote-25) Columbia states that with a more comprehensive training program, new hires are better able to maintain Columbia’s system, which will reduce incidents and other safety hazards.[[25]](#footnote-26) However, Columbia did not develop the required specific performance measures or establish the required baseline performance measurements so that alleged risk reduction can be tracked. It also violated the PUCO Order by failing to quantify the initiatives progress toward reducing risks to the system.

The 2017 Annual Report shows that 130 service technicians attended 6,312 hours of training and 207 plant technicians attended 12,904 hours of training.[[26]](#footnote-27) There was an increase in hours of training in 2017 compared to 2016. This merely shows that the size of the trained workforce and the duration of training have increased. There was no discussion of whether the training expansion had any impact on the occurrence of “incidents and other safety hazards,” the reduction of which was one of the purported goals of the training initiative.

The PUCO Order specifically stated in relation to this initiative that “the development of specific performance measures and baseline performance criteria to track reductions in risk should be adopted.”[[27]](#footnote-28) But, in the 2017 Annual Report there are no specific performance measures or baseline performance criteria. The 2017 Annual Report vaguely identifies and describes the activities that Columbia has implemented in relation to these initiatives. Moreover, Columbia has not identified, as the PUCO Order required, how it will measure the initiative’s performance. There is no specific identification or quantification of: (1) the impact that the initiative’s activities have had, (2) the initiative’s progress towards reducing incidents and safety hazards, (3) a risk-reduction goal for next year or the rest of the program, (4) the impact of the actions it is taking to reduce inefficiencies or promote cost-saving, (5) the impact that midterm adjustments to the initiative have had, and (6) the impact that ongoing and future investigations have had.

The Advanced Workforce section of the Annual Report does not present any data to indicate the impact of the initiative on safety risk prevention and remediation. The Annual Report merely makes the bold and unsupported assertion that, “with a more comprehensive training, new hires are better able to maintain Columbia’s system.”[[28]](#footnote-29) Therefore, the Annual Report does not comply with the PUCO Order. Columbia should be required to resubmit the Annual Report and include such specific information.

The Utility’s filing lacks the required specificity (under the PUCO’s Order) that is necessary to understand whether the Advanced Workforce Training Initiative furthers the intended benefits of the PSP for consumer protection as Columbia alleges. Furthermore, Staff’s review of the Utility’s filing fails to address these concerns relative to the Advanced Workforce Training Initiative. Therefore, it is inappropriate for Columbia to be authorized to defer these PSP costs since their Annual Report does not comply with the PUCO order. Before authorizing these costs for deferral, Columbia should be required to refile the 2017 Annual Report to include the information discussed above, as required.

### The costs associated with the Damage Prevention and Technology Initiative should not be approved for deferral (and potential future collection from customers) because Columbia’s filing did not comply with the PUCO’s Order, and Staff’s failed to address this filing deficiency.

The Damage Prevention and Technology Initiative was intended to implement new technologies and damage prevention activities designed to reduce system risks associated with excavation damage.[[29]](#footnote-30) Damage prevention included targeting gaps in improving the accuracy of Columbia’s infrastructure records and strategize responses using a risk assessment tool.[[30]](#footnote-31) The 2017 Annual Report identifies the total footage of distribution facilities located, describes the damage prevention risk model it has implemented to predict the riskiest one-call tickets, and quantifies the percentage of record errors due to damages per year from 2014 to 2017.

However, Columbia failed to quantify the initiatives’ progress toward reducing risks to the system. The 2017 Annual Report fails to identify or quantify the specific goal of the initiative. The report seems to identify that the baseline performance measure is the amount of damages per year due to record error.[[31]](#footnote-32) For example, the report states that in 2017, 17.6% of damages were due to record error.[[32]](#footnote-33) Damages due to record error in 2014, 2015 and 2016 were 25.5%, 20.4% and 21.4% respectively.[[33]](#footnote-34) This shows that the progress toward reducing damages due to record error is uneven and therefore does not provide any clear indication of the effectiveness of the damage prevention technology initiative used by Columbia. Moreover, there is no identification of the end goal of the initiative (e.g., 10% of damages due to record error). Without establishing a specific quantifiable goal there is no way to measure the progress or effectiveness of the initiative or to determine when the program has reached its conclusion. Staff, in its 2014 comments, recommended that Columbia should recommend a threshold for discontinuing the program.[[34]](#footnote-35)

In addition, the 2017 Annual Report lacks other important specifics regarding the initiatives progress. Specifically, there is no identification or quantification of: (1) the impact that the initiatives have had, (2) the initiative’s progress towards reducing incidents and safety hazards, (3) any risk-reduction goal for next year or the rest of the program, (4) the impact of the actions that have been taken to reduce inefficiencies or promote cost savings, (5) the impact that midterm adjustments to the initiative have had, and (6) the impact that ongoing and future investigations have or will or have.

The Utility’s filing lacks the required specificity under the PUCO’s Order that is necessary to understand whether the Damage Prevention and Technology Initiative furthers the intended benefits of the PSP for consumer protection as Columbia alleges. Furthermore, Staff’s review of the Utility’s filing fails to address these concerns relative to the Damage Prevention and Technology Initiative. Therefore, it is inappropriate for Columbia to be authorized to defer these PSP costs since their Annual Report does not comply with the PUCO order. Columbia should be required to refile the 2017 Annual Report to include the information discussed above.

### The costs associated with the Enhanced Public Awareness Initiative should not be approved for deferral (and potential future collection from customers) because Columbia’s filing did not comply with the PUCO’s Order, and Staff’s review failed to address this filing deficiency.

The Enhanced Public Awareness Initiative was intended to “prepare a comprehensive pipeline safety public campaign.”[[35]](#footnote-36) The campaign goal is to decrease the amount of third-party excavation damage.[[36]](#footnote-37) Columbia states that one of the biggest causes of third-party excavation damage is the failure of excavators to call the 8-1-1 call-before-you-dig number.[[37]](#footnote-38) The PUCO Order approved this initiative and directed that "development of specific performance measures and baseline performance criteria to track risk reductions should be adopted.”[[38]](#footnote-39)

In the 2017 Annual Report, Columbia included a chart allegedly demonstrating that, due to the Enhanced Public Awareness Initiative, the public is learning more about natural gas awareness.[[39]](#footnote-40) However, Columbia failed to provide identification or quantification of: (1) the initiative’s progress towards reducing incidents and safety hazards,[[40]](#footnote-41) (2) a risk-reduction goal for next year or the rest of the program, (3) the impact of the actions it is taking to reduce inefficiencies or promote cost savings,[[41]](#footnote-42)and (4) the impact midterm adjustments to the initiative have had.

In addition, the survey in the 2017 Annual Report is not demonstrative of the initiative’s progress, much less its success. For example, a better indicator of progress would be annual data showing the number of people that have actually used the 8-1-1 call-before-you-dig number, the number of people that were injured due to excavation without calling the 8-1-1 call-before-you-dig number, and/or the amount of property damage due to excavation without calling 8-1-1 call-before-you-dig. These data and resulting statistics would allow for the parties to track risk reduction and the initiative’s effectiveness. Simply polling the public’s awareness of the 8-1-1 number does not demonstrate the initiative’s success. The utility must translate that awareness into a reduction in harm to persons and property. Statistics on these key data points are notably absent.

Lastly, even if the survey did show the initiative’s progress, these data show that the progress is not positive. Between 2017 to 2018 alone, 9 out of 20 data points either decreased or didn’t improve at all. Most notably, the chart demonstrates that from 2015 to 2017, when excavators were asked, “In the past year, do you recall seeing, hearing or reading any information from Columbia Gas of Ohio regarding natural gas safety,” the percentage of people that answered “yes” was 40%, 53%, 75% and 54%, respectively.[[42]](#footnote-43) Thus, the percentage of excavators aware of the risks that are supposedly being resolved by Columbia’s “Enhanced Public Awareness Initiative” initially increased until 2017 and then abruptly dropped by 20% in 2018.

The Utility’s filing lacks the required specificity (under the PUCO’s Order) that is necessary to understand whether the Public Awareness Initiative furthers the intended benefits of the PSP for consumer protection as Columbia alleges. Furthermore, Staff’s review of the Utility’s filing fails to address these concerns relative to the Public Awareness Initiative. Therefore, it is inappropriate for Columbia to be authorized to defer these PSP costs since their Annual Report does not comply with the PUCO Order. Columbia should be required to refile the 2017 Annual Report to include the information discussed above.

### The costs associated with the Cross Bore Safety and Remediation Initiative should not be approved for deferral (and potential future collection from customers) because Columbia’s filing did not comply with the PUCO’s Order, and Staff’s review failed to address this deficiency.

The Cross Bore Safety and Remediation Initiative is intended to systematically identify, investigate, and remediate cross bores on Columbia’s system.[[43]](#footnote-44) Cross-bores are defined as the intersection of one underground utility or structure by a second underground utility or structure that compromises the structural integrity of the underground utility and/or the underground structure.[[44]](#footnote-45) Once again, the PUCO Order specifically states in relation to this initiative that Columbia is required to “develop specific performance measures for this safety initiative and establish baseline performance criteria in order to track risk reduction….”[[45]](#footnote-46)

The 2017 Annual Report identifies the number of sewer laterals, sewer mains, and storm sewer facilities that were inspected and the number of cross bores that were identified during 2017. However, Columbia did not identify how many of these cross- bores were remediated. In addition, the 2017 Annual Report failed to quantify a risk-reduction goal for next year or the remainder of the program so that the efficiency and effectiveness of the program can be tracked.

Of note, the only information provided related to the initiative’s progress shows an increase in the number of cross-bores identified by the Targeted Camera Program and a decrease in the field.[[46]](#footnote-47)

The 2017 Annual Report only states that the risk model “identified central Ohio communities… to guide Columbia’s inspection work.”[[47]](#footnote-48) The 2017 Annual Report also failed to identify the annual costs associated with the model. Without more information it is not possible to know whether the expenses being deferred from this program are just and reasonable.

Columbia states that it is continuously verifying and inspecting contractor invoices in the program and monitoring the contractor costs per foot to identify any inefficiencies or chances for cost-savings measures.[[48]](#footnote-49) However, the 2017 Annual Report does not identify the amount of costs that have been saved from Columbia’s actions. Nor does the 2017 Annual Report specify how Columbia’s actions have created a more efficient program.

This section of the 2017 Annual Report fails to comply with the PUCO Order. Columbia failed to develop specific performance measures and establish baseline performance measurements for the cross-bore initiative so that risk reduction can be tracked and measured. Columbia has vaguely divulged the measures it has taken but has not identified the resulting impact of those measures. It also failed to quantify the initiative’s progress toward reducing risks to the system.

Accordingly, it is not possible, from the information provided, to determine the effectiveness of the cross-bore initiative from year-to-year or whether the initiative is meeting established benchmarks (if benchmarks are even identified), and being accomplished effectively and efficiently.[[49]](#footnote-50) Therefore, it is not possible for the PUCO to determine whether these expenses are just and reasonable such that Columbia should be permitted to continue deferring these expenses with the opportunity to collect those costs from customers. Columbia should be required to refile the 2017 Annual Report to include this information.

## The PUCO should require Columbia to file a supplement to its current annual pipeline safety report to inform the PUCO and parties whether the tragic events of the Massachusetts pipeline explosions on Columbia’s system reveal any risk for Columbia’s system and service to Ohio consumers, among other relevant information to report.

As stated above, recent tragic events in Massachusetts underscore the importance of pipeline safety for the public.[[50]](#footnote-51) The PUCO should require Columbia, as it progresses with its review, analysis and safety efforts in Massachusetts, to supplement its Annual Report on its Ohio pipeline safety program. The PUCO’s requirement should include that, as soon as information is available, Columbia should file to advise the PUCO and parties in this case if the circumstance in Massachusetts has revealed any risk for Columbia’s system and service to Ohio consumers.

# CONCLUSION

The gas explosions on Columbia’s system in Massachusetts in mid-September 2018 have heightened concerns about pipeline safety for consumers in Ohio. Columbia maintains its system safety through two customer-funded programs, namely the Columbia Infrastructure Replacement Program and the Columbia Pipeline Safety Program, designed for this very purpose. It is very important that Columbia file its annual report on the Safety Program with the expected specificity and detail so that parties and the PUCO can ascertain whether the PUCO’s directives on this program have been fulfilled for public safety.

Columbia’s 2017 Annual Report and the Staff Report are not compliant with Staff’s recommendations and the PUCO’s directives in its 2014 Order. Columbia’s reporting falls way short because it fails to contain much of the information that the PUCO required. OCC recommends that Columbia’s Application be denied. And Columbia’s Pipeline Safety Program costs should not now be approved for deferral – and not approved for potential future collection from customers. Before approval of deferrals can happen, the Columbia should comply with the PUCO’s reporting requirements established in 2014 and there should be a fair process on Columbia’s reporting.

Respectfully submitted,

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**CERTIFICATE OF SERVICE**

I hereby certify that a copy of the foregoing Comments was served via electric transmission upon the parties this 28th day of September 2018.

*/s/ Amy Botschner O’Brien\_\_\_*

Amy Botschner O’Brien

Assistant Consumers’ Counsel

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1. In the Matter of the Application of Columbia Gas of Ohio, Inc. for Approval to change Accounting Methods, Case. No. 14-1615-GA-AAM (“Columbia PSP Order” or “PUCO Order”). [↑](#footnote-ref-2)
2. Ohio R.C. Chapter 4911. [↑](#footnote-ref-3)
3. Columbia can now defer $25 million per calendar year for activities directly associated with PSP initiatives. *In the Matter of the Application of Columbia Gas of Ohio, Inc. for Approval to Change Accounting Methods,* Case No. 15-0552-GA-AAM, Opinion and Order (August 26, 2016). [↑](#footnote-ref-4)
4. Columbia Application (Sept 12, 2014). [↑](#footnote-ref-5)
5. *Columbia PSP Order* at 11. [↑](#footnote-ref-6)
6. *In the Matter of the Application of Columbia Gas of Ohio, Inc. for Approval to change Accounting Methods,* Case No. 14-1615-GA-AAM (“PUCO Order”), December 17, 2014. [↑](#footnote-ref-7)
7. Staff Report at 2, (August 18, 2016). [↑](#footnote-ref-8)
8. *Columbia PSP Case,* OCC Comments on 2015 Annual Report (September 19, 2016). [↑](#footnote-ref-9)
9. *Columbia PSP Case*, Staff Report at 2, (August 30, 2017) (“2016 Staff Report”). [↑](#footnote-ref-10)
10. *Columbia PSP Case*, OCC Comments on 2016 Annual Report (September 29, 2017). [↑](#footnote-ref-11)
11. *Columbia PSP Case*, Staff Report at 2, (August 29, 2018) (“2017 Staff Report”). [↑](#footnote-ref-12)
12. PUCO Order at 17. [↑](#footnote-ref-13)
13. Columbus Dispatch, “Columbia Gas tries to alleviate concerns over Massachusetts gas explosion,” September 18, 2018. [↑](#footnote-ref-14)
14. *See*, R.C. 4905.22 [↑](#footnote-ref-15)
15. PUCO Order at 9-11; 19-20. [↑](#footnote-ref-16)
16. *Id*. at 10. [↑](#footnote-ref-17)
17. Staff Report (Aug. 29, 2018). [↑](#footnote-ref-18)
18. PUCO Order at 9-11 (Dec. 17, 2014). [↑](#footnote-ref-19)
19. *Id*. at page 20, “That Columbia’s application, as modified herein by Staff’s recommendations, be approved, subject to the Commission’s review of the company’s annual information filings.” (Dec. 17, 2014). [↑](#footnote-ref-20)
20. *Id*. at page 20. [↑](#footnote-ref-21)
21. PUCO Order at 19 (“The Commission finds that the recommendations set forth by Staff in its comments are reasonable and appropriate and should be adopted in their entirety.”). [↑](#footnote-ref-22)
22. PUCO Order at 20 (emphasis added) (It is important to note that the PUCO Order explicitly states that approval of the Application is subject to the PUCO’s review of Columbia’s Annual Report). [↑](#footnote-ref-23)
23. Such specifics might include performance goals, achieved milestones and quantified metrics. [↑](#footnote-ref-24)
24. PUCO Order at 3. [↑](#footnote-ref-25)
25. 2017 Annual Report, Attachment C at 1. [↑](#footnote-ref-26)
26. *Id.* [↑](#footnote-ref-27)
27. PUCO Order at 18. [↑](#footnote-ref-28)
28. 2017 Annual Report, Attachment C, page 1. [↑](#footnote-ref-29)
29. *See,* Columbia Application at 9. [↑](#footnote-ref-30)
30. *Id*. [↑](#footnote-ref-31)
31. 2017 Annual Report, Attachment C at 3. [↑](#footnote-ref-32)
32. *Id.* [↑](#footnote-ref-33)
33. *Id*. [↑](#footnote-ref-34)
34. *Columbia PSP Case*, Staff Comments at 13; PUCO Order at 11, 18-19. [↑](#footnote-ref-35)
35. PUCO Order at 3. [↑](#footnote-ref-36)
36. *See,* Columbia Application at 16. [↑](#footnote-ref-37)
37. *Id*. [↑](#footnote-ref-38)
38. PUCO Order at 18-19. [↑](#footnote-ref-39)
39. 2017 Annual Report, Attachment C at 4. [↑](#footnote-ref-40)
40. Columbia does state that between 2012 and 2017 it has experienced at 32% decrease in damages per 1,000 locates. Interestingly, the same percentage of decrease was reported between 2012 and 2016 in the 2016 Annual Report. It is not clear what has changed between 2016 and 2017. Moreover, Columbia fails to prove the correlation between the Enhanced Public Awareness Initiative and such an increase in safety. In addition, the Enhanced Public Awareness Initiative started in 2015, so any alleged success or progress based on data from before 2015 would be unreliable and not demonstrative. *See,* 2017 Annual Report, Attach. C at 4 and 2016 Annual Report, Attach. C at 2. [↑](#footnote-ref-41)
41. Columbia claims that there are potential cost savings associated with using Facebook instead of other social media or traditional radio mediums. However, Columbia does not identify what cost savings it has actually realized in this proceeding. *See*, 2017 Annual Report, Attach. C at 4. [↑](#footnote-ref-42)
42. 2017 Annual Report, Attachment C at 4. [↑](#footnote-ref-43)
43. PUCO Order at 10. [↑](#footnote-ref-44)
44. Columbia Application at 7. [↑](#footnote-ref-45)
45. PUCO Order at 17. [↑](#footnote-ref-46)
46. *See*, 2016 Annual Report at Attach. C, page 3 (showing 35 cross bores identified through the camera program and 116 cross bores identified in the field in 2016) *and* 2017 Annual Report, Attach. C, page 2 (showing 58 cross bores identified through the camera program and 94 cross bores identified in the field in 2017). [↑](#footnote-ref-47)
47. *Id*. [↑](#footnote-ref-48)
48. *Id*. [↑](#footnote-ref-49)
49. For example, at Attachment C to Columbia’s Report, under the results section, Columbia states that it “anticipates, with the new model, more success finding cross bores.” “Anticipates” is not a specific benchmark as required in the PUCO Order. The Utility must provide actual numbers or percentages in order to show actual goals and benchmarks are being reached. [↑](#footnote-ref-50)
50. *See*, Massachusetts Department of Public Utilities announcement of its hiring of an evaluator of pipeline safety policies and practices (Sept. 26, 2018): https://www.mass.gov/news/dpu-to-hire-independent-evaluator-to-assess-statewide-natural-gas-distribution-system-company [↑](#footnote-ref-51)