

**BEFORE  
THE PUBLIC UTILITIES COMMISSION OF OHIO**

In the Matter of the Commission's Review of     )  
the Gas Pipeline Safety Rules Contained in     )     Case No. 09-829-GA-ORD  
Chapter 4901:1-16 of the Ohio Administrative     )  
Code.     )

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**REPLY COMMENTS OF  
THE OHIO GAS COMPANY**

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**November 20, 2009**

**Attorneys for The Ohio Gas Company**

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**I. INTRODUCTION**

On September 30, 2009, the Public Utilities Commission of Ohio ("Commission") issued an Entry with the Commission Staff's ("Staff") proposed modifications to the Commission's Gas Pipeline Safety ("GPS") Rules, as contained in Chapter 4901:1-16 of the Ohio Administrative Code ("O.A.C."). As invited by the Commission, Ohio Gas Company ("Ohio Gas") and several other interested parties filed initial comments on Staff's proposed changes to the GPS rules. Ohio Gas hereby respectfully submits its reply comments for the Commission's consideration.

**II. REPLY COMMENTS**

The initial comments of the Ohio Consumers' Counsel ("OCC"), among other things, urges the Commission to require public filing of incident and service failure reports by pipeline operators as well as notices of probable non-compliance and notices concerning hazardous facilities issued by Staff. OCC claims that greater transparency in reporting, compliance efforts, and enforcement efforts by Staff is needed and that more publicly available

information is appropriate given the seriousness of potential issues and the cost impact that can be felt by all customers.<sup>1</sup> OCC asserts that the public has a right to know about issues that can impact public safety and also observes that publicly filing this information may be of interest to other stakeholders.<sup>2</sup> For the reasons explained below, the Commission should not adopt OCC's recommendations.

Publicly docketing all reports of incidents and service failures is unnecessary and will only cause increased costs for natural gas companies. Docketing these reports will entail the costs of preparing and submitting the reports to docketing. Further, docketing the reports (presumably as new cases) would only invite litigation and the costs associated with litigation over each of the reports when there has been no demonstration by OCC that publicly providing this information furthers the goals of the GPS rules.

Additionally, publicly filing the list of additions to pipeline facilities provided annually to Staff, as well as the costs of those additions, adds no value to this reporting process. OCC already has access to this information through the rate case process and provides no rationale for publicly filing this information or examples of how or why this information might be useful to OCC or the public. OCC's request should be denied.

Further, OCC's proposal to publicly file notices of probable non-compliance, as well as notices concerning hazardous facilities, should also be denied. Again, OCC describes no deficiencies in the current system and

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<sup>1</sup> OCC Initial Comments at 2-3.

<sup>2</sup> Id. at 3-4.  
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provides no reason why the current system should be changed. The current system provides pipeline operators an opportunity to cooperatively work with Staff to remedy issues identified by Staff while granting Staff the authority to open a formal case at the Commission if a mutually agreeable resolution cannot be found. OCC does not question Staff's judgment or enforcement of the GPS rules in the past and there is no need to make such a change going forward. Opening a new case number and docketing each notice of probable non-compliance or notice of hazardous facilities would potentially jeopardize the well-functioning process and atmosphere of cooperation currently in place for handling these situations.

Finally, adopting OCC's proposals would run contrary to Governor Ted Strickland's February 12, 2008 Executive Order entitled "Implementing Common Sense Business Regulation."<sup>3</sup> The Executive Order mandates that administrative agencies strike "a reasonable balance between the underlying regulatory objectives and the burdens imposed by regulatory activity"<sup>4</sup> and further states that "agency rules are expected to impose the least burden and costs to business, including paperwork and other compliance costs, necessary to achieve the underlying regulatory objective."<sup>5</sup> OCC's suggestions would strike an unreasonable balance and impose burdens and costs on pipeline operators unnecessary to accomplish the underlying regulatory objectives of the GPS rules.

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<sup>3</sup> The Governor's Executive Order can be viewed at <http://governor.ohio.gov/Portals/0/Executive%20Orders/Executive%20Order%202008-04S.pdf>.

<sup>4</sup> Executive Order at 2, ¶4(c).

<sup>5</sup> Executive Order at 2-3, ¶4(f).

{C29521: }

### **III. CONCLUSION**

Ohio Gas appreciates the opportunity to make these reply comments and respectfully urges the Commission to consider and adopt the recommendations of Ohio Gas.

Respectfully submitted,

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## **CERTIFICATE OF SERVICE**

I hereby certify that a copy of the foregoing *Reply Comments of The Ohio Gas Company* was served upon the following parties of record this 20th day of November, 2009, via electronic transmission.

/s/ \_\_\_\_\_ Joseph M. Clark

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