### **BEFORE** THE PUBLIC UTILITIES COMMISSION OF OHIO

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

#### REPLY COMMENTS OF THE OHIO GAS COMPANY

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**April 17, 2014** 

ON BEHALF OF THE OHIO GAS COMPANY

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#### I. <u>INTRODUCTION</u>

On March 5, 2014, the Public Utilities Commission of Ohio ("Commission") issued an Entry seeking comments and reply comments concerning the Commission Staff's ("Staff") proposed modifications to the Commission's Gas Pipeline Safety ("GPS") Rules contained in Chapter 4901:1-16, Ohio Administrative Code ("OAC"). Several interested parties filed initial comments on Staff's proposed modifications on April 4, 2014. Ohio Gas Company ("Ohio Gas") hereby respectfully submits its reply comments for the Commission's consideration.

# II. PROPOSED RULE 4901:1-16-01(M): DEFINITION OF LEAK DETECTION EQUIPMENT

In its initial comments, the Ohio Oil and Gas Association ("OOGA") recommended that the proposed definition of "leak detection equipment" be revised to refer to "any device used to detect natural gas in air." Ohio Gas agrees that the definition of leak detection equipment should be modified to permit best practices and new technology. Ohio Gas suggests that the definition be revised such that it provides for equipment capable of quantifying the amount of natural gas in the air because the

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<sup>&</sup>lt;sup>1</sup> Initial Comments of the Ohio Oil and Gas Association at 2 (Apr. 4, 2014) ("OOGA Comments").

definition proposed by OOGA is too broad.. The addition of the terms "capable of quantifying the amount" would provide the necessary clarity to the rule so that it is consistent with best practices and new technological developments.

## III. RULE 4901:1-16-04: RECLASSIFICATION OF LEAKS; SUBSEQUENT EVALUATION

Ohio Gas recommends that the Commission should modify the proposed rule to define the procedures a company should undertake after the reclassification of a leak. As noted in the comments filed by Dominion East Ohio ("DEO") and Vectren Energy Delivery of Ohio ("Vectren"), the proposed rule presents a problem concerning subsequent evaluation of reclassified leaks. Under the proposed rule, a natural gas company would be required to perform an evaluation of a reclassified leak after 30 days. Because the proposed rule does not have a defined period in which the evaluation must be undertaken, it is ambiguous.<sup>2</sup>

As suggested by the DEO/Vectren Comments, the rule should provide for a definite period in which to perform the evaluation. Ohio Gas recommends that the evaluation should be completed no sooner than 30 and no later than 60 calendar days after the reclassification.

## IV. RULE 4901:1-16-05(G)(1): DEFINITION OF "UNSAFE" ABANDONED SERVICE LINES

The comments filed by Columbia Gas of Ohio, Inc., ("Columbia") suggest an addition to the rule regarding the abandonment of unsafe inactive service lines to better define the circumstances that would be deemed unsafe. Columbia proposes that the Commission define "unsafe" as circumstances that present an existing or probable

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<sup>&</sup>lt;sup>2</sup> Joint Initial Comments of Dominion East Ohio and Vectren Energy Delivery of Ohio, Inc. at 2-3 (Apr. 4, 2014) ("DEO/Vectren Comments").

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.<sup>3</sup> Ohio Gas supports Columbia's recommendation for the reasons it provides.

#### V. RULE 4901:1-16-06(B): CONSTRUCTION REPORTS

As DEO/Vectren explain, the current rule regarding construction of lines requires three reports during the construction phase: the first is due 21 days before starting construction, the second is due seven days after construction has started, and the final report is due seven days after construction is completed.<sup>4</sup> These requirements overlap with another requirement for a company to submit an annual report of all construction completed during the prior year. The level of reporting is unnecessary and redundant.

Ohio Gas agrees that the current rule should be modified to limit the construction related reports required by Rule 4901:1-16-06(B) to a single report to be filed not later than 21 days before the construction work is to start.<sup>5</sup> The initial notice of construction report will provide the Commission Staff with sufficient notice to conduct any inspections it wishes to perform.

# VI. PROPOSED WORKSHOPS ON ABANDONMENT OF LINES INACTIVE FOR AT LEAST TWO YEARS

The Ohio Gas Association ("OGA") and DEO/Vectren Comments recommend that the Commission initiate workshops to clarify the rule that would require abandonment of a line within six months if the line is inactive for two consecutive years.<sup>6</sup>

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<sup>&</sup>lt;sup>3</sup> Initial Comments of Columbia Gas of Ohio, Inc. at 3 (Apr. 4, 2014).

<sup>&</sup>lt;sup>4</sup> DEO/Vectren Comments at 9.

<sup>&</sup>lt;sup>5</sup> *Id*. at 10.

<sup>&</sup>lt;sup>6</sup> Ohio Gas Association Comments at 2 (Apr. 4, 2014) (OGA Comments); DEO/Vectren Comments at 3-8.

OGA points out that its members have different proposals as to how the Commission should address inactive service lines that do not present an immediate hazard.<sup>7</sup>

Ohio Gas agrees that additional workshops to consider alternative or company-specific solutions would be appropriate. These differences pointed out by OGA require additional consideration. Therefore, Ohio Gas recommends that the Commission refrain from adopting proposed rule 4901:1–16–05(G)(2) until the Commission completes a more thorough review of the issues presented.

#### VII. <u>CONCLUSION</u>

Ohio Gas appreciates the opportunity to file these reply comments. Safety is a priority for Ohio natural gas utilities. While Ohio Gas substantially agrees with the proposed rules, it urges the Commission to adopt its recommendations and proposed revisions.

Respectfully submitted,

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<sup>&</sup>lt;sup>7</sup> OGA Comments at 2.

#### **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 17<sup>th</sup> day of April 2014 via electronic transmission, hand-delivery or first class mail, U.S. postage prepaid.

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**Commission of Ohio Docketing Information System on** 

4/17/2014 1:51:10 PM

in

Case No(s). 13-2237-GA-ORD

Summary: Reply Comments of the Ohio Gas Company electronically filed by Mr. Frank P Darr on behalf of Ohio Gas Company