

# THE PUBLIC UTILITIES COMMISSION OF OHIO

IN THE MATTER OF THE INVESTIGATION OF  
COLUMBIA GAS OF OHIO, INC. RELATIVE  
TO ITS COMPLIANCE WITH THE NATURAL  
GAS PIPELINE SAFETY STANDARDS AND  
RELATED MATTERS.

CASE NO. 19-452-GA-GPS

## FINDING AND ORDER

Entered in the Journal on February 27, 2019

### I. SUMMARY

{¶ 1} The Commission finds that the joint stipulation and recommendation entered into by Staff and Columbia Gas of Ohio, Inc. is reasonable and should be approved.

### II. DISCUSSION

{¶ 2} Columbia Gas of Ohio, Inc. (Columbia) is a natural gas company as defined in R.C. 4905.03 and a public utility within the meaning of R.C. 4905.02. Columbia is also an operator as defined in R.C. 4905.90. As such, Columbia is subject to the ongoing jurisdiction and supervision of the Commission, pursuant to R.C. 4905.04, 4905.05, 4905.06 and 4905.90 through 4905.96. Accordingly, Columbia is required to comply with the minimum gas service standards found in Ohio Adm.Code Chapter 4901:1-13, as well as the gas pipeline safety (GPS) rules contained in Ohio Adm.Code Chapter 4901:1-1-16, which set forth the safety standards and requirements for intrastate gas pipeline facilities subject to the Commission's jurisdiction.

{¶ 3} R.C. 4905.91 provides that the Commission may investigate any service, act, practice, policy, or omission by any operator to determine its compliance with R.C. 4905.90 through 4905.96 and the pipeline safety code.

#### A. *Staff Report*

{¶ 4} On February 22, 2019, Staff filed its Staff Report (Report) detailing the results of its investigation into Columbia's compliance with the GPS rules following an incident that occurred on August 2, 2017, when a house located at 4149 Case Road in Avon, Ohio

(property) caught fire. According to the Report, the house fire was caused by a release of natural gas from an improperly abandoned natural gas service line that was damaged due to an excavation. Staff concluded that Columbia failed to provide accurate pipeline facility location information to a line locating contractor, Utiliquest, leading to a failure to mark the line prior to the underground excavation. (Report at 4.)

{¶ 5} Between 1975 and 1979, the property owner installed a two-inch plastic service line to supply gas to a greenhouse on the property (greenhouse service line). Columbia records show that on or about May 1, 1979, a survey was made of the service line at the property. The service line order (tap card) describes a service line to two separate meters and two separate accounts; however, the map on the tap card only shows a single service line extending to the location of the meter at the property and nothing extending to the greenhouse approximately 200 feet away. The tap card also indicated that the service line to the meter at the property was a one-inch plastic line, but the meter at the greenhouse was connected to a two-inch riser. (Report at 4-5, 9.)

{¶ 6} In November 2012, the greenhouse meter was removed and a locking device was installed at the meter stop; however, the greenhouse service line was not disconnected from the distribution main and remained pressurized at 42 psig. Columbia Job Order 12-9977763-00 described the work performed at the property in November 2012. Based on the notes of the job order, Staff concluded that the Columbia employees performing the work made an assumption that the greenhouse and home on the property were being supplied by a manifold meter system on the same service line; however, the greenhouse and the home were supplied by two taps and two roughly parallel service lines running approximately five to eight feet apart from each other. (Report at 5, 7.)

{¶ 7} In July 2017, the current homeowner employed Kyle's Excavating to install a new water service line at the property. Representatives from Kyle's Excavating contacted the Ohio Utility Protection Service (OUPS) on July 15, 2017, in order to have gas lines in the work area marked prior to excavation activities as required by R.C. 3781.28. On July 27,

2017, in response to the OUPS request, a Utilquest employee located and correctly marked a four-inch steel gas main and a one-inch plastic service line providing gas to the residential property. The abandoned greenhouse service line in question did not appear on the maps or records provided to Utilquest by Columbia, and therefore, was not marked on the property. On August 2, 2017, a natural gas release occurred at the property when the excavator damaged the greenhouse service line. The leaking gas ignited and caused a fire at the property at approximately 10:24 a.m. Columbia was notified of the fire at 10:34 a.m. and arrived on the scene at 11:21 a.m. At 1:00 p.m., Columbia used a squeeze-jack to stop the flow of gas in the plastic pipe, which eliminated the flow of gas and extinguished the fire. (Report at 5-6.)

{¶ 8} In its Report, Staff states that Columbia has no records of the installation of the service line in question, and Columbia's failure to record the existence of the service line contributed directly to the incident. Furthermore, Staff avers that Columbia failed to identify the unusual operating conditions of the property regarding the tap card and work order discrepancies, and thus failed to take appropriate actions. Specifically, Columbia employees relied too heavily on the incorrect tap card record for the property instead of observing and appropriately responding to conditions at the scene. Additionally, Staff posits that Columbia employees at the scene assumed the damaged greenhouse service line was associated with a local production operation and did not want to take action to stop the flow of gas on a pipeline that they presumed was not owned by Columbia. Staff states that this inaction resulted in a delay of repairing the hazardous leak. Lastly, Staff claims that Columbia failed to physically disconnect the greenhouse service line from the gas supply during abandonment, stating that the meter was removed, but the line was not purged and the pipe was not disconnected from the source of gas. Following its investigation, Staff concluded that Columbia violated 49 C.F.R. 192.13(c), 192.613(a), 192.614(c)(5), 192.703(c), and 192.727(b). (Report at 7-10.)

{¶ 9} Staff states that this recent incident is one in a series of violations arising out of Columbia's failure to maintain the records of its pipeline system. Although Columbia

generally has a good record of compliance with other pipeline safety regulations, Staff has cited Columbia six times in the past three years for violations associated with incomplete or inaccurate line location records. Staff notes that the available records support the conclusion that Columbia may have a more significant problem with excavation damage caused by incomplete or inadequate records than other Ohio operators. (Report at 12.)

{¶ 10} After consideration of the information in its Report, Staff offered the following recommendations:

- (a) Columbia should conduct a management review of the actions taken by company personnel at the scene in order to comply with the Commission's previous order in Case No. 15-1351-GA-GPS, regarding the Upper Arlington home explosion, to ensure Columbia employees consider the possibility that maps and other records may be inaccurate, when considering taking actions to protect public safety.
- (b) Columbia should review its procedures for abandoning service meters and assess whether a review of the tap card(s) at the property prior to taking any action to abandon a meter should be required.
- (c) Columbia should review its operator qualification training materials for personnel involved in meter connection and disconnection, line locating, and other covered tasks such as leak surveys and class location surveys that involve inspecting pipeline systems in the field.
- (d) Columbia should review its emergency response procedures to ensure expected response times and actions to stop the flow of gas are sufficient.
- (e) Within 90 days, Columbia should perform a review of excavation damages with a reported cause of "Locating Practices Not Sufficient."

- (f) Within 90 days, Columbia should review and update its current procedures for identifying high-risk, one-call tickets.
- (g) Columbia should continue developing and implementing a holistic approach to ensure similar instances do not reoccur and consider remedies beyond those considered through the resolution of the Upper Arlington matter in Case No. 15-1351-GA-GPS.
- (h) Finally, given the severity of the violations, a forfeiture of \$400,000 should be assessed pursuant to R.C. 4905.95(B)(1)(b) against Columbia for failure to comply with the GPS requirements that led to this incident.

(Report at 12-14).

**B. Stipulation**

{¶ 11} On February 22, 2019, Staff and Columbia (jointly, Signatory Parties) filed a joint stipulation and recommendation (Stipulation), which proposes to resolve all issues in this case. The following is a summary of the provisions agreed to by the Signatory Parties and is not intended to replace or supersede the Stipulation:

- (1) Columbia's pipeline system meets the definition of a distribution system found in 49 C.F.R. 192.3 and, as such, must be designed, constructed, operated, and maintained in accordance with GPS rules contained in Title 49 of the United States Code Chapter 601, 49 C.F.R. Part 192, R.C. 4905.90 et seq., and Ohio Adm.Code Chapter 4901:1-16.
- (2) On August 2, 2017, an incident, defined as an event that involves a release of gas from a pipeline resulting in estimated property damage of \$50,000 or more under 49 C.F.R. Part 191, occurred at 4149 Case Road, Avon, Ohio, caused by a release of natural gas from pipelines operated by Columbia.

- (3) Staff conducted an investigation on August 2, 2017, and issued a letter and a Notice of Probable Noncompliance (PNC) on August 16, 2018. The PNC, among other things, noted that Columbia failed to locate a natural gas service line while responding to a locate request ticket made through OUPS. In the PNC, Staff identified the following probable non-compliances with portions of the federal pipeline safety regulations: 49 C.F.R. 192.13(c), 192.613(a), 192.614(c), 192.703(c), and 192.727(b).
- (4) Staff issued a Compliance Order on August 16, 2018, instructing Columbia to complete four tasks within 30 days and two tasks within 90 days.
- (5) On September 24, 2018, Columbia responded to Staff's Compliance Order and indicated that it was in compliance with all of the directives that were to be performed within 30 days.
- (6) On November 14, 2018, Columbia submitted a letter to Staff stating that it had complied with Staff's 90-day directives.
- (7) After receiving Columbia's responses, Staff determined that Columbia satisfied the directives in the Compliance Order.
- (8) Staff and Columbia agree that Columbia will pay a forfeiture of \$400,000, which will be paid within 30 days of the order approving the Stipulation.
- (9) The Signatory Parties state that the 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 the Stipulation.

(Stipulation at 3-5).

**C. *Commission Conclusion***

{¶ 12} Ohio Adm.Code 4901:1-16-11 permits Columbia and Staff to enter into a stipulation in order to resolve any alleged violations of the GPS requirements. Although the Signatory Parties refer to Ohio Adm.Code 4901-1-30 as their underlying authority for the Stipulation, the Commission will consider the Stipulation pursuant to our enforcement powers under R.C. 4905.91 and Ohio Adm.Code Chapter 4901:1-16.

{¶ 13} The immediate issue to be decided by the Commission is whether the Stipulation, which embodies considerable time and effort by the Signatory Parties, is reasonable and should be adopted. However, as gas pipelines are concerned, the Commission's ultimate goal is to safeguard consumer safety by ensuring that sufficient plans and procedures are in place to prevent future incidents.

{¶ 14} In this case, we find that the Stipulation, including the recommended forfeiture of \$400,000, is reasonable, given that Columbia has timely carried out a number of actions in response to Staff's compliance directives. Columbia's September 24, 2018 and November 14, 2018 response letters indicate that Columbia complied with Staff's recommendations. Those actions include, among other things, an action review of the incident promptly after it occurred and subsequent modification to Columbia's operation qualification modules, a review of its procedures for abandoning service meters and service lines, a review and modification of its operator qualifications to reflect the possibility of inaccurate tap cards and other records of line locations and potential remediation of any inconsistencies, a review of its emergency response procedures and changes incorporated into its gas standards to ensure that its service personnel take prompt action during a hazardous situation, a review of excavation damages, and a detailed explanation of its current procedure for identifying high-risk, one-call tickets. Accordingly, the Commission finds that the Stipulation should be approved and adopted in its entirety.

{¶ 15} In closing, the Commission emphasizes our commitment to ensuring consumer safety and requiring operators of gas pipelines to take all reasonable steps to provide necessary safeguards. The Commission expects that Columbia, in addition to undertaking the actions required by the Stipulation, will review its management and training practices related to GPS requirements and immediately correct any issues of concern. Further, the Commission expects Columbia to notify Staff of any issues that are identified and regularly report to Staff until the issues are resolved. In addition, the Commission directs Staff to continue its diligent efforts to work with Columbia and other operators on compliance with the GPS requirements. If Staff identifies any issues of concern that are not immediately resolved by the operator at issue, the Commission will undertake any action necessary to investigate the situation and reach an appropriate resolution, including the initiation of a formal docket to audit the GPS practices and procedures of any such operator.

### III. ORDER

{¶ 16} It is, therefore,

{¶ 17} ORDERED, That the Stipulation filed in this proceeding be approved and adopted in its entirety. It is, further,

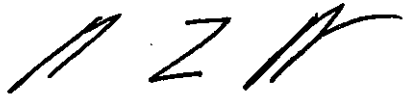
{¶ 18} ORDERED, That Columbia take all necessary steps to carry out the terms of the Stipulation and this Finding and Order. It is, further,

{¶ 19} ORDERED, That nothing in this Finding and Order shall be binding upon the Commission in any future proceeding or investigation. It is, further,

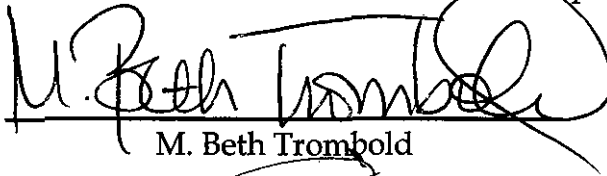


{¶ 20} ORDERED, That a copy of this Finding and Order be served upon each party of record.

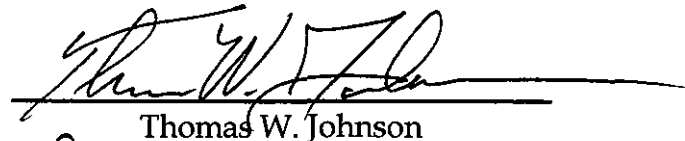
THE PUBLIC UTILITIES COMMISSION OF OHIO



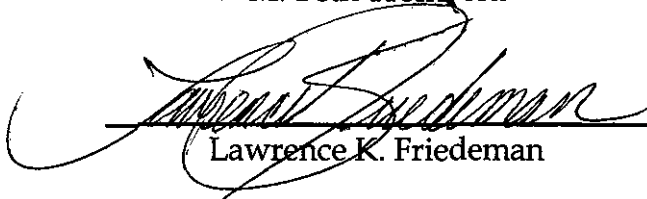
Asim Z. Haque, Chairman



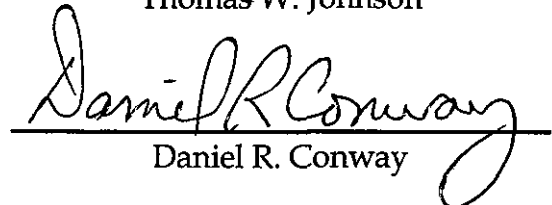
M. Beth Trombold



Thomas W. Johnson



Lawrence K. Friedeman

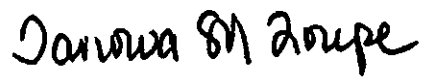


Daniel R. Conway

LLA/hac

Entered in the Journal

FEB 27 2019



Tanowa M. Troupe  
Secretary