

**BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO**

In the Matter of the Application of The East)
Ohio Gas Company d/b/a Dominion Energy) Case No. 15-1712-GA-AAM
Ohio for Approval to Change Accounting)
Methods

**ANNUAL REPORT OF
THE EAST OHIO GAS COMPANY D/B/A DOMINION ENERGY OHIO**

The East Ohio Gas Company d/b/a Dominion Energy Ohio (DEO or the Company), pursuant to the Commission’s November 3, 2016 Opinion and Order adopting the Pipeline Safety Management Program (PSMP), respectfully submits its annual report detailing DEO’s PSMP-related expenses deferred in calendar year 2019 and a description of activity in 2019 on PSMP initiatives. In support of its annual report, DEO states as follows:

1. DEO is an Ohio corporation engaged in the business of providing natural gas service to customers in Ohio and, as such, is a “natural gas company” and “public utility” as defined by R.C. 4905.03(E) and 4905.02(A), respectively.
2. On November 3, 2016, in accordance with R.C. 4905.13, the Commission approved DEO’s application to establish a regulatory asset to defer up to \$15 million annually through the PSMP to reduce key risks, continue to ensure the safe and reliable operation of its system, and ensure compliance with pipeline safety laws. The Commission initially required DEO to file an annual report for its PSMP by June 1 each year, beginning in 2017 for calendar year 2016 expenditures, detailing the deferred expenses, baseline performance levels for each safety initiative, safety performance improvements compared to the baselines, results of ongoing and future investigations, any mid-term adjustments, and efforts towards identifying efficiencies and implementing cost-savings measures. The Commission further required DEO’s annual report to include an audit report prepared by DEO’s external auditor summarizing its

findings with respect to the accuracy of DEO's accounting for PSMP-related expenditures.

3. The Commission also established that, with the filing of the annual report, Staff should conduct an annual review of reported program expenditures and file a Staff Report no later than 90 days subsequent to the annual report. Once the Staff Report is filed, DEO is granted 30 days to accept Staff's recommendations or to object thereto.

4. The Commission modified and clarified these procedures in its Supplemental Finding and Order issued in this case on March 11, 2020. The Commission modified the filing schedule, requiring DEO to file its annual report on or before September 1 of each year. The Commission also clarified the process for including new PSMP initiatives. New initiatives must be proposed in the appropriate annual report, and if Staff objects to a new initiative in its Staff Report, DEO may not begin deferring expenses associated with a new initiative until the Commission issues an order approving the inclusion of the new initiative.

5. In support of this annual report, DEO includes the following appendices:

- **Attachment A:** Schedule of Deferred Costs for the Twelve Months Ended December 31, 2019
- **Attachment B:** Report Prepared by DEO's Independent Auditor
- **Attachment C:** Programmatic Review of PSMP Initiatives for 2019

6. The programmatic review contains various metrics, statistics, and other measures to assist in gauging and improving the effectiveness of these programs. (*See* Application ¶¶ 9–10 (Oct. 1, 2015).) The PSMP metrics, statistics, and other measures continue in various states of development, but are expected to be more fully established as implementation of the PSMP progresses. Efforts to identify appropriate baselines continue as the PSMP initiatives are developed and implemented. In accordance with the stipulation and application, the measures are subject to change based on further internal review and discussions

with Staff. As the Company gains additional experience implementing and analyzing the programs, including newly available data, it may be determined that new or refined metrics provide better measures of program effectiveness.

7. DEO will continue to identify savings and efficiency opportunities as the initiatives are fully implemented.

8. DEO would also note that it does propose new two initiatives for consideration by the Staff and Commission: the Mega Rule initiative, and High Pressure (HP) Distribution Farm Taps initiative. Further detail regarding these proposals is included in the attached Programmatic Review. If these initiatives are not objected to by Staff or are approved by the Commission, DEO intends to begin deferring costs associated with these initiatives in 2021.

WHEREFORE, DEO respectfully submits this annual report for Commission Staff's review, and requests a recommendation that all 2019 PSMP-related expenses be deferred.

Dated: September 1, 2020

Respectfully submitted,

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ATTORNEYS FOR THE EAST OHIO GAS
COMPANY D/B/A DOMINION ENERGY OHIO

CERTIFICATE OF SERVICE

I hereby certify that a copy of this Annual Report was served by electronic mail this 1st day of September 2020 to the following:

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/s/ Lucas A. Fykes
One of the Attorneys for The East Ohio Gas
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Attachment A

Attachment B



INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Board of Directors
The East Ohio Gas Company
Cleveland, Ohio

RE: Public Utility Commission of Ohio Case No. 15-1712-GA-AAM

We have performed the procedures enumerated below which were agreed to by The East Ohio Gas Company d/b/a Dominion Energy Ohio (a wholly-owned subsidiary of Dominion Energy, Inc.) (“DEO”, the “Company”, or “you” or “your”), Dominion Energy Inc. (collectively, the “Companies”) and the Public Utilities Commission of Ohio (the “PUCO”), solely to assist the Company and the PUCO (collectively, “the specified parties”) with respect to the PUCO’s evaluation of the Company’s compliance with PUCO Case No. 15-1712-GA-AAM in conjunction with the balance of accumulated cost deferrals for the Pipeline Safety Management Program (“PSMP”) for the period January 1, 2019 through December 31, 2019. The Company’s management is responsible for the Company’s compliance with these requirements. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of those parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

The procedures that were performed and our findings are as follows:

1. Obtained from Company management the detail of the PSMP cost deferrals by month for the period from January 1, 2019 to December 31, 2019 and agreed the total deferrals to the Company’s summary schedule to be filed with the PUCO as part of the annual report, and performed the following procedures:
 - a. Removed all prior year (2017 – 2018) PSMP activity from current year totals. Agreed the remaining activity to the change in the 2019 PSMP cost deferrals by agreeing the detail obtained in Step 1 above to account 1242153 (PSMP Deferral) in the Company’s general ledger and by adding the difference between the December PSMP deferral estimate and December PSMP deferral actual costs within account 1242153.
 - b. Agreed the beginning balance of the PSMP deferral summary schedule of deferrals by month, to the beginning balance of the 2019 PSMP deferral account 1242153, and the difference between the December 2018 PSMP deferral estimate and PSMP actual deferrals.
 - c. Haphazardly selected 3 months included in the detail obtained in Step 1 above. For each month selected, haphazardly selected 5 individual cost line items from the activity detail (15 total selections) and agreed the cost included in the detail to supporting documentation for each selection.

- i. Selected 13 labor charges and recalculated the total charges selected by multiplying the total hours charged by the employee to a PSMP-related WBS code by the employee's activity rate without exception. We agreed the total hours charged to the WBS and the employee's activity rate to the Company's payroll system and found them to be in agreement. We inspected the Company's records and determined that the selected employees were assigned to a PSMP-eligible position.
 - ii. Selected 2 contractor service charges and agreed the selections to a third-party invoice by multiplying the hours charged by the service rate and found them to be in agreement.
2. We obtained from Company management the monthly detail of the carrying charges included in the PSMP cost deferrals for the period from January 1, 2019 to December 31, 2019 and performed the following procedures:
 - a. Agreed the monthly detail of the carrying charges to the total carrying charges included in the detail obtained in Step 1 above and found them to be in agreement.
 - b. Haphazardly selected 3 months and recalculated the monthly carrying charges for the selected months without exception by multiplying the Company's average of the monthly beginning and ending balance from the PSMP Deferral Monthly Summary (obtained in Step 1) by the Commission approved three percent per annum rate without compounding.

We were not engaged to, and did not, conduct an examination, the objective of which would be the expression of an opinion on the Company's compliance with PUCO Case No. 15-1712-GA-AAM in conjunction with the balance of accumulated cost deferrals for the PSMP for the period January 1, 2019 through December 31, 2019. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the specified parties listed above and is not intended to be and should not be used by anyone other than these specified parties.

DeBaitte & Towale LLP

August 20, 2020

Attachment C

Dominion Energy Ohio
2019 Pipeline Safety Management Program (PSMP)
Annual Report

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Introduction

Dominion Energy Ohio (DEO) continued to make progress on initiatives under its Pipeline Safety Management Programs (PSMP) during 2019. DEO implemented several key actions, including: the Damage Prevention database, finalizing and deploying five new curricula, and completing the MAOP validation review for TVC on all transmission pipelines. These actions among others are discussed more fully below.

DAMAGE PREVENTION INITIATIVES

As set forth below, there was an increase in the “Damages per one thousand tickets” metric in 2019. Based on its review, DEO believes that this increase may be attributed to several factors:

- The Damage Investigation Program was in place for a full year. Through implementation of this program, resources are now devoted to investigating all excavation damages. DEO believes that this is resulting in a more accurate assessment of total damages occurring on its system.
- In addition, DEO has improved several processes to better recognize and incorporate into the metric 2nd party damages (damages caused by DEO contractors).
- In 2019, DEO reevaluated its OHIO811 grids within the GIS. As a result, over 1,000 grids were eliminated, which reduced unnecessary ticket volume. This change enabled locate resources to focus on tickets that actually required locating in the field but had the effect of altering the damages per one thousand tickets metric.

Given that 2019 was the first year reflecting the impact of the Damage Investigation Program on this metric, the continued focus on recognizing second party damages, and the OHIO811 grid evaluation, DEO intends to use 2019 as the baseline for the “Damages per one thousand tickets” metric going forward.

Metrics:

Metric	2016	2017	2018	2019
Damages per one thousand tickets	3.28	2.99	3.04	3.50

Unconventional Locate Expert Program

In 2019, DEO continued its efforts with the Unconventional Locate Expert Program. DEO continued working with USIC to manage the metrics and track improvements in the accuracy of locating service lines and reduction in excavation damages resulting from this program. In 2020, DEO will look to

improve processes in the Unconventional Locate program by utilizing marker balls on successfully located services and incorporating procedures for long-side medium pressure service lines.

Metrics:

Metric	2017	2018	2019
Tickets sent to unconventional crews	707	2,330	2,320
Service lines assessed through unconventional program	503	1,837	1,962
Service lines successfully located	405	1,569	1,561
Percentage of successfully located services	80.5%	85.4%	79.6%
High profile services located	242	1,262	1,050
Number of Service Line Data Sheet (SLD) opportunities	319	1,315	1,227
Number of SLDs completed	255	1,178	1,034
SLD completion rate	79.9%	89.6%	84.3%
Damages on assessed service lines	0	6	4

Enhanced Excavation Monitoring Program

In 2019, DEO continued the Ticket Risk Assessment (TRA) program with TRA technicians from USIC/RECON fully dedicated to the program. DEO continues to refine the program, including by evaluating the damage data and geographically realigning the resources to areas that experienced higher damage rates.

Metrics:

Metric	2017	2018	2019
Tickets assessed through risk algorithm	165,607	249,861	293,271
Percentage of tickets with risk probability score ≥ 5.0	10.8%	10.0%	10.0%
Tickets monitored by TRA technician	5,892	14,069	16,969
Percentage of tickets with risk probability score ≥ 5.0 monitored by TRA technician	29.7%	49.6%	57.6%
Total damages on tickets with risk score ≥ 5.0	171	337	355
Total number of damages w/ TRA technician on site	51	149	144
Damage ratio on tickets with a risk score ≥ 5.0	9.60	11.95	12.04
Damage ratio w/out utilizing a TRA technician	10.07	13.23	12.23
Damage ratio w/ utilization of TRA technician	8.66	10.64	8.49

Damage Investigation Program

In 2019, DEO continued its efforts under the Damage Investigation Program. DEO fully implemented its Damage Prevention database, which provides nearly real-time data of damaged facilities and can assist with root cause analysis and any potential secondary root cause.

Metrics¹:

Metric	2018	2019
Number of damages	530	1,171
Investigations completed	530	1,171
Investigations completed w/in 30 days	530	1,171
Percentage of investigations completed w/in 30 days	100%	100%
Number of field investigations conducted	75	277

Enhanced Leak Survey Program

In 2019, DEO continued with its Enhanced Leak Survey Program by leak surveying high-pressure distribution lines located outside of business districts. Results of the leak surveys will be analyzed in 2020 to determine the effectiveness of the program moving forward.

Metrics:

Metric	2017	2018	2019
Total miles of HP distribution pipelines leak surveyed	377	412	428
Number of Grade 1 leaks discovered	0	0	0
Number of leaks confirmed on HP distribution	31	17	9

Enhanced Excavator Communication and Training

In 2019, DEO continued the programs associated with the Enhanced Excavator Communication and Training initiative. These programs are detailed below:

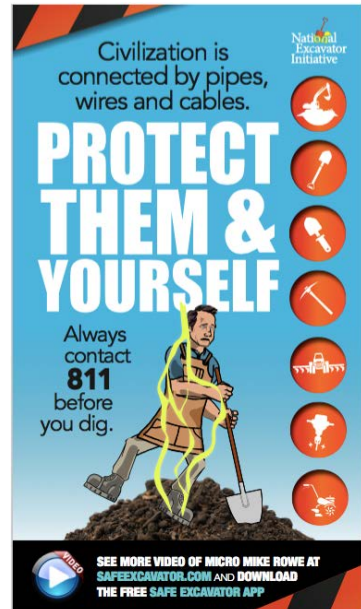
- Cleveland Indians – 8-1-1 “Call Before You Dig” Campaign
 - Indians’ Radio Network
 - 162 live network read spots
 - 20,000 listeners during any 15-minute increment of in game broadcast
 - Aired on WTAM 1100 and WMMS 100.7 simulcast and across the entire Indians’ Radio Network (18 AM stations and 9 FM stations)
 - In-Park Digital
 - Upper LED signage at Progressive Field
 - Full season, every home game

¹ Damage Investigation Program began in August 2018; metrics represent data from August 1, 2018 to December 31, 2018.

- Outfield Wall Signage
 - Entire 2019 season
 - 1,802 exposures (national and local television, including MLB All-Star Game)
 - QI Media Value - \$201,870
 - Prominent in park presence
 - 2019 Cleveland Indians regular season attendance: 1,738,642

- National Excavator Initiative (NEI) – DEO continued its support of the National Excavator Initiative. In 2019, NEI delivered the following:

- Developed and produced a “Protect Them & Yourself” state-specific API RP 1162 compliant booklet distributed and mailed to over 400,000 excavators in 19 states in English and Spanish.
- Safe Excavator App for iPhone and Android systems
 - Identifies state-specific requirements for excavation in an easy-to-understand format
 - Connects electronically to make a one call request
 - Lists how to contact state one call centers
 - Provides supporting operators emergency and general contact information
 - API RP 1162 required messages on: leak recognition, release response, and reporting damage.



- Safe Excavator Website (www.safeexcavator.com)
 - Contains state laws by topic
 - Education videos
 - Safe digging checklist
- The National Excavator Initiative Electronic & Print Media Featuring Mike Rowe
 - Webpage Displays – 3,562,748 impressions
 - Geo-Fencing Displays – 5,517,161 impressions
 - Web Banner Displays – 2,082,536 impressions



- Newspaper Ads – 220 million impressions
- Press Releases – 79.8 million impressions
- Paradigm Collaborative Program
 - Increased pipeline safety public awareness to targeted stakeholder groups with a stakeholder-specific brochure, an operator profile, and a business reply survey.

Metrics:

Paradigm Collaborative Program Effectiveness Measures

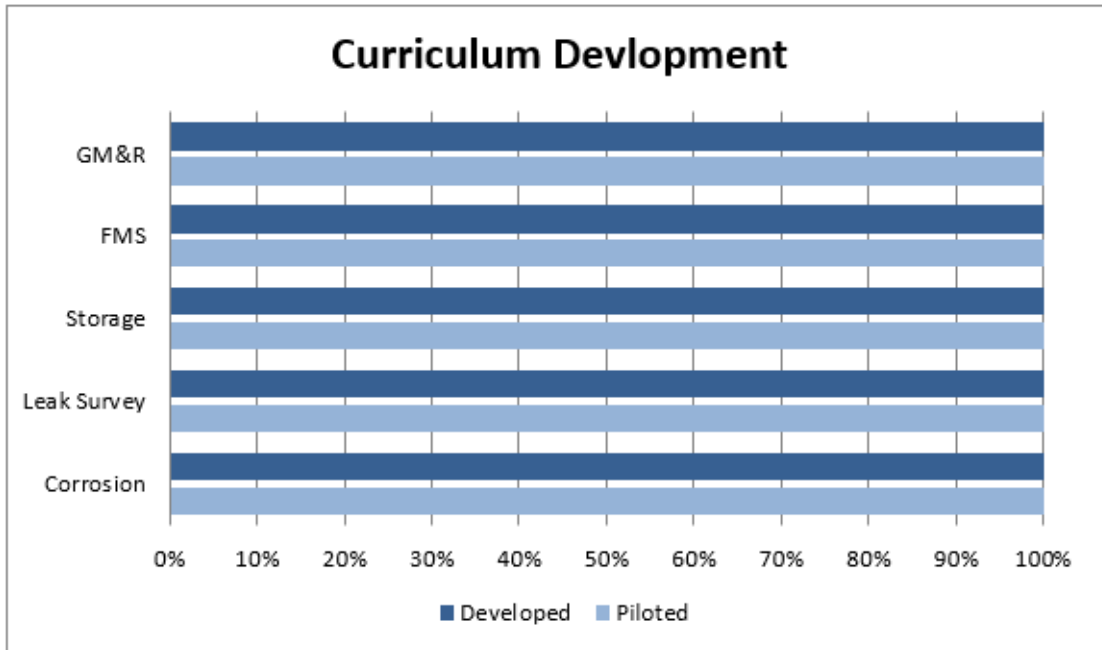
Target Audience Question	Affected Public			Emergency Officials			Excavators			Public Officials			Farmers			Schools		
	2017	2018	2019	2017	2018	2019	2017	2018	2019	2017	2018	2019	2017	2018	2019	2017	2018	2019
Within the past 2 years, do you recall receiving information from a pipeline company?	30%	46%	56%	82%	85%	100%	80%	88%	85%	72%	76%	84%	79%	85%	90%	35%	53%	71%
Do you know how to recognize a pipeline right-of-way?	73%	75%	75%	90%	88%	100%	94%	93%	96%	77%	82%	94%	92%	97%	93%	77%	81%	100%
Do you know how to recognize a pipeline leak?	68%	71%	70%	91%	89%	100%	92%	92%	92%	85%	84%	92%	90%	88%	90%	73%	72%	86%
Have you ever heard of 811?	52%	63%	64%				95%	94%	98%	92%	90%	98%	74%	85%	90%	81%	84%	100%
If you were planning on digging, which of the following actions would you be likely to take? (Call 811)	70%	72%	79%				86%	85%	95%	88%	84%	100%	74%	64%	97%	73%	83%	100%
What will you do if you see suspicious activity on or near a pipeline right-of-way? (Call 911, Pipeline Company)	96%	95%	91%				98%	99%	99%	99%	97%	94%	95%	98%	87%	95%	100%	100%
What would you do in the event of a pipeline emergency? (Call 911, Pipeline Company)	99%	99%	97%				100%	99%	100%				100%	99%	100%	98%	100%	100%

ADVANCED WORKFORCE TRAINING INITIATIVE

DEO continued implementing the comprehensive workforce training strategy in partnership with Mosaic until June 2019. Below are the milestones reached in 2019 for each of the five work streams:

- Instructor Development
 - Continued implementation of the comprehensive Instructor Development Plan, including:
 - Training from Friesen, Kaye and Associates on facilitation skills, classroom coaching skills and adult learning methodologies.
 - Continuing pilot for training observation form (TL&DS Delivery Observation Form).
- Training Development Production Process
 - Continued to adhere to Style Guide and development processes to document training materials for new curricula.
- Technology
 - Continued implementing Survey Monkey, Xyleme, Questionmark, Performance Support and the Advanced Workforce Training System.
- Curriculum Development
 - Finalized the Gas Measurement and Regulation (GM&R) curriculum.
 - Completed pilots for and finalized the Field Metering Services (FMS) & Emergency Response, Storage, Leak Survey and Corrosion curricula, which includes scenario-based activities allowing for the full utilization of Technical Training facilities areas (*i.e.*, Training Town and Flow Lab).
 - Reviewing areas for the next curriculum development which include C&M (Construction and Maintenance), Inspection and Design.
 - Completed Operator Qualification alignment for GM&R, FMS, Storage, Leak Survey and Corrosion.
- Structured On-the-Job Training (S-OJT)
 - Began using OJT repetitions in the field for GM&R, FMS, Storage, Leak Survey and Corrosion.

Metrics:



Metric	GM&R			FMS		Storage		Leak Survey		Corrosion	
	2017	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019
Total number of training hours developed	179	8	24	174	26	84	18	32	0	30	12
Total number of job aids created	139	5	29	112	10	106	29	52	0	40	15
Number of employees completing training courses		6	14		43		3				
Average score of knowledge assessments		94%	91.3%		91.7%		92%				

Metric		2017	2018	2019
Instructional Effectiveness	Surveys completed in Survey Monkey	314	289	361
	Respondents <i>Agree or Strongly Agree</i> that content supports their learning experience		89%	84%
	Respondents <i>Agree or Strongly Agree</i> that instructor was knowledgeable		98%	89%
Technology Tools	Number of employees utilizing the electronic Help & Support tools	8	38	38
Training Facility Completion	Training Town	50%	80%	90%
	Flow Labs	80%	90%	95%

ASSET DATA COLLECTION

In 2019, DEO focused on three primary components of the Asset Data Collection initiative: Asset Data Strategy, Data Governance and MAOP Validation.

Asset Data Strategy (ADS)

The ADS team focused its 2019 efforts in these areas:

- GIS projects:
 - Performed data mapping of DEO GIS assets from GE Smallworld to the Esri ArcGIS for use with Esri's internal web-based GIS service, Portal and completed the IT infrastructure. Worked with stakeholders to field test software and provide feedback in preparation for deployment in early 2020.
 - Began landbase and conflation project to improve positional accuracy of GIS assets and replace existing GIS landbase with a commercially available landbase. Conflating the GIS system will allow for more efficient usage of GPS coordinates collected in the field. In 2019, the Ashtabula and Lima areas were successfully deployed to GIS users.
 - Initiated Platform Migration project to move DEO Smallworld to Esri/ArcGIS. Completed documenting current state GIS activities and business use cases in 2019. This documentation will be used as a basis to design the future Esri/ArcGIS.
- Construction Mobility:
 - The Construction Mobility project was approved by an internal committee in the 4th quarter of 2019. This project is designed to capture asset data in the field electronically for tracking and traceability as well as GPS-based location information. Deployment of the Construction Mobility project is estimated by year end 2021.
- Inspection Monitoring System (IMS) Migration:
 - Initiated project to migrate legacy maintenance and inspection system (IMS) to enterprise solutions. The current system contains DOT and non-DOT inspections, most notably critical valve inspections. Anticipated full deployment for asset-related inspections is planned for end of 2021.

Metrics: Metrics identified for Asset Data Strategy are shown below. Because the Asset Data Strategy component is still being developed and not yet fully implemented, the baseline will be the first full year preceding implementation. Metric baselines will be reported back in subsequent years and the metrics will continue to be evaluated as this program is deployed.

Metric		2016	2017	2018	2019
Average days to final update of mapping in GIS after construction is complete *		71	79	62	89
Percentage of new construction facilities mapped to the GIS with complete data		94.9%	99.6%	99.4%	99.2%
DOT Report	Miles of main with unknown decade of installation	94.40	88.93	83.06	79.95
	Number of services with unknown material	462,858	451,137	439,631	427,904
	Number of services with unknown size	676,992	665,729	655,475	644,706
	Number of services with unknown decade of installation	607,700	602,719	595,506	583,790
	Miles of transmission with unknown decade of installation	0.37	0.36	0.32	0.02
	Miles of Gathering Type B with unknown decade of installation	10.18	10.18	9.91	9.92

*In 2019, a concerted effort was made to research and close older, outstanding projects, which had the impact of increasing the average days to final update.

Asset Data Governance

In 2019, DEO completed baseline data collection for the data catalog and is ready for its migration into the software. DEO implemented a periodic forms audit to address regulation changes and to ensure consistent terminology across forms. DEO also completed the evaluation and purchase of a Data Governance Software (Informatica-Data Quality, Axon, EDC). In the 4th quarter of 2019 DEO began installation of the Data Governance Software.

Metrics: The metrics below are specific to the creation of the data catalog. As the program matures and software is implemented, additional metrics will be defined with a focus on metrics surrounding data quality.

Metric		2018	2019
Asset Data Catalog	Number of activities collected	306	2
	Percentage of activities cataloged	99%	100%
	Number of datasets collected	857	19
	Percentage of datasets cataloged	98%	100%
	Total number of fields identified	16,105	640
	Number of fields defined	6,764	8,838
	Percentage complete	58%	100%

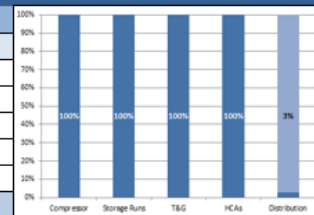
MAOP Validation

Another focus under the Asset Data Collection Initiative is the continued review of MAOP data to ensure it is traceable, verifiable and complete (TVC) for all Transmission, Storage, Gathering and Distribution stations, as well as Transmission and Storage pipeline systems.

In 2019, DEO completed review of MAOP data for all Transmission pipeline systems and began TVC validation of remaining Storage pipelines. MAOP data research and validation of Storage pipelines will continue through 2020.

Metrics²:

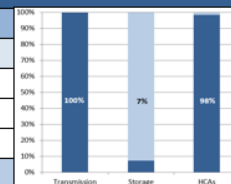
Transmission, Storage & Gathering (TSG) & Distribution Stations							
Station Type	Baseline*		Completed by Year				
	Completed	Remaining	2015**	2016	2017	2018	2019
Compressor Stations	22	0	0	7	11	4	0
Storage Runs	141	0	71	70	0	0	0
T&G Stations	195	0	25	71	73	26	0
HCA (subset)	70	0	52	18	0	0	0
Distribution	63	2219	-	-	-	63	0
Total:	421	2219	96	148	84	93	0



*Baseline is the total number of stations identified for review

**Validation of 2015 stations predated effective date of deferral authority

Transmission & Storage Pipeline Systems					
Pipeline Type	Baseline*		Completed by Year		
	Completed	Remaining	2017	2018	2019
Transmission	791	0	317	54	420
Storage	17	215	0	0	17
HCA (subset)	128	2	36	11	81
Total:	808	215	317	54	437



*Baseline is the total number of pipeline miles identified for review

² In 2019, priority was given to the completion of the transmission pipeline review

QUALITY ASSURANCE

In 2019, DEO continued implementing the Quality Assurance program. The Quality Management team members were aligned and assigned specific operating territories to increase a pipeline safety presence, improve consistent communication of pipeline safety topics, and help ensure commitments to the PUCO were completed or were in progress at the individual operating shop. This alignment of resources allowed the Quality Management team to conduct internal audits on 100% of the operating shops.

Metrics: When assessing documentation, a score of satisfactory was given to documentation that was deemed complete and accurate. Any portion of the documentation or any single document that failed to meet the criteria resulted in a score of unsatisfactory. A score of unsatisfactory does not mean that the underlying activities were improperly performed or necessarily indicate that the documentation is out of compliance but that the documentation is not complete and/or accurate for the purposes of this assessment.

As the program matures metrics will be reviewed, refined, and redefined to align with the growth of the program.

Metric	2018	2019	
Construction Oversight Program*	Number of construction packets audited	54	100
	Number of processes reviewed	22	30
	Percentage of documentation deemed complete and accurate	72.8%	79.7%
Issue Management Assessments	Number of assessments completed	4	2
	Total number of records reviewed	957	167
	Field audits conducted	110	167
	Percentage of documentation deemed complete and accurate	94.1%	99.4%
Internal Audits	Number of internal audits completed	7	16
	Percentage of operating shops audited	50%	100%

**Construction Oversight is a review of the records contained in the construction project folders*

UNDERGROUND STORAGE INTEGRITY PROGRAM

In 2019, DEO completed casing inspection logs on 81 wells, of which 69 were baseline logs bringing our baseline completion to 71%. Fifty-four wellhead valves were replaced, which comprise master gates, side gates, and flow gates. Additional research was completed to identify and confirm locations for an additional 295 Plugged and/or Abandoned wells in and around DEO’s Storage fields. These all had inspections completed during the year. Monthly wellsite inspections on over 800 wells were completed for 2019. A total of 2,547 individual wellhead valve inspections were completed in 2019. A review of risk input variables was conducted, and the 2019 risk ranking was completed.

A records and field inspection in June by PHMSA personnel resulted in no findings, which supports efforts by DEO in this area are effective.

Metrics: Continuing improvements in Dominion Energy’s risk model resulted in additional refinements, which were included for previous years by re-generating the results. The results of the refined model are reflected for both 2017 and 2018 in the tables and graphs below.

DEO Risk Ranking

Performance Measure	2017	2018	2019
Normalized Risk from Design Score	2.43	2.04	1.50
Normalized Risk from Integrity Score	6.72	5.87	5.72
Normalized Risk from O&M Score	0.55	0.28	0.27
Normalized Risk from Well Intervention Score	0.01	0.01	0.03
Normalized Risk from Well: Third Party Score	0.00	0.00	0.00
Normalized Risk from Surface: Third Party Score	1.04	0.79	0.83
Normalized Risk from Weather and Outside Forces Score	0.27	0.27	0.27
Normalized Risk from Reservoir: Third Party Score	0.33	0.32	0.32
Normalized Risk from Geologic Uncertainty Score	0.13	0.10	0.14
Normalized Risk from Reservoir Fluids Score	0.10	0.10	0.10

Metric	2017	2018	2019
Percentage of Baseline Casing Inspection Logs Completed	53%	62%	71%
Casing Inspection Logs Completed		76	81
Wellhead Valve Inspections Completed		2,497	2,547
Wellhead Valves Replaced		45	54
Plugged & Abandoned Well Inspections Completed		229	492

GATHERING RIGHTS OF WAY MAINTENANCE

In 2019, DEO utilized three vendors to complete the scheduled clearing in the Type B Gathering ROW project. The diversity in vendors and other process improvements that were implemented in 2019 reduced the cost per foot by 30% from the pilot year in 2017. 2019 data is being extensively reviewed to see where additional efficiencies can be gained for 2020 and beyond.

In 2019 a sampling of the ROWs cleared in the Type B project were audited using drone technology. The drone allows DEO to audit a greater amount of work in a shorter period of time and provides a dramatic birds-eye view of the progress made with the program.

Also in 2019, the vegetation management plan was implemented with the first herbicide application. The goal of the vegetation management plan is to at minimum greatly reduce the frequency in which the rights-of-way need mowed, encourage growth of low native grasses, and prevent the growth of the woody species. DEO is working closely with a vendor and a parcel owner with the goal of turning a portion of the cleared Type B Gathering ROW into a pollinator habitat.

Metrics:

Metric	2017	2018	2019
Cumulative percentage of Gathering lines cleared and/or assessed	2.2%	16.1%	42.2%
Miles of Gathering lines cleared and/or assessed	13.5	84.5	158.5
Miles of Gathering lines located	21	77	124
Number of new line markers or replacement stickers installed	420	155	607
Number of encroachments identified and reported		29	9
Number of exposures identified and reported		7	17

New Initiatives

As discussed with Staff on December 6, 2019 as part of the biannual meeting and confirmed in the Supplemental Finding and Order dated March 11, 2020, DEO included two new initiatives in the PSMP in 2020:

- Enhanced Monitoring – Low Pressure Regulating Stations, and
- Service-Off-Service.

Details of these initiatives are provided below.

ENHANCED MONITORING – LOW PRESSURE REGULATING STATIONS

In November 2018, the American Gas Association (AGA) published *Leading Practices to Reduce the Possibility of a Natural Gas Over-Pressurization Event*. In this document the AGA recommends that “operators should consider monitoring excavation activity in the immediate vicinity of buried control lines and take necessary actions to protect them from damage.” To align with the AGA recommendations, DEO will expand its Damage Prevention initiative to include a program focusing on the risks related to third party damage at low pressure regulating stations.

In this program, DEO will assess and monitor excavation activity near its low pressure (LP) regulating stations. The assessment of such stations would be to affirm the correct location and documentation of existing control lines through documentation review and field verification. Where documentation and records are insufficient, DEO will expose the control lines, update the records, and install equipment permitting proper facility location (e.g. marking balls). Instances where buried control lines do not terminate inside a regulating station building or inside DEO’s fence will be monitored when excavation activity is in the immediate vicinity. All LP regulating stations will be monitored until DEO has completed its assessment and verified that the control lines are not at risk. The monitoring activities will be performed by contractors.

Metrics: Initial metrics listed below have been identified for this initiative. As the program matures, these metrics will be evaluated and refined or redefined as needed.

- Total number of LP stations assessed
- Percentage of LP stations assessed
- Number of OH811 tickets within a 100’ proximity to LP stations
- Number of excavation damages on control lines at LP stations

SERVICE OFF SERVICE

In 2013, DEO began an effort to identify, assess and remediate situations where a service line transported gas to more than two individual customers not served through a common meter header or manifold. DEO refers to these situations as “Service-Off-Service” or SOS. DEO is including SOS in its PSMP in order to accelerate the identification, assessment and remediation of SOS configurations in its territory.

Like many initiatives, SOS reflects the costs of addressing a “legacy” situation and bringing it into compliance with current pipeline safety requirements such as the fundamental DIMP requirement to “know your system.” Recent incidents on DEO’s system have illustrated a potential safety risk due to this legacy situation, highlighting a lack of identification and mapping of SOS scenarios, which justifies accelerated identification and mapping of SOS scenarios for remediation.

DEO is building a dedicated project team, which is expected to include six incremental full-time positions and contracted resources, to accelerate the identification and assessment of SOS situations. This dedicated project team will also work with Engineering and Operations to review each confirmed SOS site to determine permanent remediation solutions.

Metrics: Initial metrics listed below have been identified for this initiative. As the program matures, these metrics will be evaluated and refined or redefined as needed.

- Number of original customer accounts to be reviewed in accelerated assessment
- Number of customer accounts assessed
- Number of SOS situations confirmed
- Percentage of confirmed SOS situations mapped in GIS

Proposed Initiatives

DEO proposes the inclusion of two new initiatives associated with the implementation and compliance of the Mega Rule, beginning in 2021. Details of these initiatives are detailed below. For both initiatives, only incremental costs will be included, and total PSMP deferrals shall not exceed the \$15 million cap.

Mega Rule

On October 1, 2019, PHMSA published the final rule for the *Safety of Gas Transmission Lines: MAOP Reconfirmation, Expansion of Assessment Requirements, and Other Related Amendments*. This new rule includes numerous changes to regulations including requirements for MAOP reconfirmation, assessments outside of HCAs, and material verification. DEO is developing processes, procedures, and work plans to comply with the new rule.

In order to comply with the rule, DEO will have to perform additional in-line inspection work for “piggable” lines within Moderate Consequence Areas, complete additional pressure testing in some Class 3 and Class 4 locations outside of HCAs where lines are not piggable, and complete destructive and non-destructive material verification where required. Inclusion within the PSMP will facilitate the inclusion of additional safety measures and improvements within its overall integrity management plan.

Metrics: Additional metrics are expected to be added as the program matures and will be reported and monitored accordingly. The initial metrics will be built around the following requirements:

- In-line inspection
- Pressure testing
- Material verification

HP Distribution Farm Taps

In 2019, PHMSA issued *PHMSA-2018-0086, Announcement of Enforcement Discretion* stating that operators may mitigate any future risk associated with farm taps through their existing Distribution Integrity Management Program (DIMP). In accordance with this new instruction, DEO began the process of incorporating farm taps into its DIMP program, and in doing so recognized a gap with legacy data on farm taps that were connected to High Pressure (HP) Distribution pipelines, which present similar issues and risks as traditional farm taps connected to TS&G lines. To address this gap, DEO created a new program. The program involves an accelerated identification, inspection and inventory of all HP Distribution Farm Taps. This program will allow DEO to update the GIS where necessary and identify any remediation necessary to ensure compliance. DEO proposes to include this program in its PSMP to accelerate the identification, inspection and inventory of HP Distribution Farm Taps. PSMP support is appropriate for this initiative: it is an incremental program; it was instituted in response to PHMSA's 2019 announcement; and deferral treatment will support the funding of accelerated mitigation activities.

Metrics: Initial metrics listed below have been identified for this initiative. As the program matures, these metrics will be evaluated and refined or redefined as needed.

- Total number of HP Distribution Farm Taps inspected
- Percentage of HP Distribution Farm Taps inspected

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Summary: Report 2020 PSMP Annual Report electronically filed by Christopher T Kennedy on behalf of The East Ohio Gas Company d/b/a Dominion Energy Ohio