

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. 21-322-GA-GPS

FINDING AND ORDER

Entered in the Journal on September 8, 2021

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 or the Company) 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 4901:1-16, which set forth the safety standards and requirements for intrastate gas pipeline facilities subject to the Commission's jurisdiction. Pursuant to Ohio Adm.Code 4901:1-16-03(A), the Commission has also adopted the GPS regulations of the United States Department of Transportation contained in 49 C.F.R. Parts 40, 191, 192, and 199.

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

{¶ 4} Ohio Adm.Code 4901:1-16-12 provides that the Commission may initiate a GPS proceeding after, among other things, an incident has occurred.

{¶ 5} On April 1, 2021, Staff filed its report of investigation (Staff Report) in which it detailed its investigation of an incident that occurred on November 23, 2020. In its report, Staff found Columbia in violation of three Pipeline Safety Regulations and recommended a fine of \$250,000, pursuant to R.C. 4905.95(B)(1)(b).

{¶ 6} On May 17, 2021, Staff and Columbia filed a joint stipulation and recommendation, which proposes to resolve all issues in this case.

A. Staff Report

{¶ 7} On April 1, 2021, Staff filed its report detailing the results of its investigation into Columbia's compliance with the GPS rules following an incident that occurred on November 23, 2020, when Columbia received a report of damage to a gas main that runs along County Road 15 in South Point, Ohio, caused by excavation damage from a third party using a backhoe (Staff Report at 6).

{¶ 8} Staff states that Columbia responded to the report and had the segment of damaged line isolated by 1:15 p.m. on November 23, 2020. Columbia completed a Tie-In Plan to return the line to service and sent the Tie-In Plan to field personnel by 3:01 p.m. The Tie-In Plan called for air to be purged from the line in two different locations, one of which was a residential meter at 3764 County Road 15. After the gas main was repaired, a Columbia employee began purging the line of air at the service riser near the meter at 3764 County Road 15 and, very soon after beginning, the gas ignited. The ignition of gas caused the employee purging the line to suffer first and second degree burns and a house fire resulting in a loss of both the house and three vehicles. (Staff Report at 6.)

{¶ 9} Staff states that its investigation showed that the excavator who damaged the gas main used the OH811 system to request the line be located. Columbia had marked the location of the gas main, but the marks were in error and about 4 feet away from the actual location of the gas main. Staff concluded that, although the marker was inaccurate, the

inaccurate marking did not directly cause or contribute to the problems with the purging of air from the line that led to gas ignition and a fire. (Staff Report at 7.)

{¶ 10} Staff's investigation revealed that Columbia has one procedure for line purges that covers everything from transmission lines to service lines. The procedure is identified as Columbia Gas Standard (GS) 1690.010. Staff states that Columbia has two Operator Qualifications for line purging: a "CDOPL2" qualification for general purging, which includes gas mains, and a "CDOPL2A" qualification which is more basic and is intended for service line purging. The purging of service lines involves a relatively small amount of gas at low pressures and, therefore, does not require the same level of precautions as a gas main in order to prevent ignition. (Staff Report at 7.)

{¶ 11} According to the Staff Report, the Columbia employees assigned to purge the two selected points on the gas main did not have the CDOPL2 qualification, which covers purging gas mains, but did hold the CDOPL2A qualification, which does not cover purging gas mains. Staff interviewed both employees, who stated they were not aware that there were two distinct qualifications and thought that the qualification they had was adequate for the job they were assigned. (Staff Report at 7.)

{¶ 12} Columbia's Tie-In Plan contains the following requirement: "Review the Operator Qualification(s). All persons performing Tie-in operations shall have valid Operator Qualifications (OQ) for the actions they shall perform. OQ shall be valid through the entire Tie-in process and documented in the Company's system of record for the Project." The Staff Report states that this step was marked as being completed on the Tie-In Plan. Staff states that, because the individuals assigned to purge did not have valid Operator Qualifications, it shows that either this step was not performed, or the person performing this step did not recognize the difference between the two qualifications Columbia's operators can obtain. (Staff Report at 7-8.)

{¶ 13} The Staff Report states that Columbia's GS 1690.010 Section 6.1.2 requires a vent stand to be used when purging a customer service line and that gas should be purged

to a location to prevent migration into the residence. According to Staff's investigation, a vent stand was not used during the purging operation. Further, Staff states that conditions for accidental ignition were not considered when the purge began. Additionally, Staff states that GS 1690.010 requires a fire extinguisher be on the scene when purging, and one was not present during this incident. (Staff Report at 8.)

{¶ 14} Following its investigation, Staff found that Columbia violated 49 C.F.R. 192.605 (procedural manual for operations, maintenance, and emergencies), 49 C.F.R. 192.751 (prevention of accidental ignition), and 49 C.F.R. 192.805 (qualification program). Staff notes that the incident at hand bears similarity to an incident occurring at the Kitts Hill Road Compressor Station on October 1, 2020, during which an over-pressurization occurred as a result of Columbia neither developing nor following a Tie-In Plan for the line abandonment, which would have prevented the over-pressurization event. (Staff Report at 8-11.)

{¶ 15} Staff concluded that Columbia did not follow its written Tie-In Plan for the work performed at County Road 15 in South Point, Ohio. Based on the results of its investigation, Staff made several recommendations:

- a. Columbia must conduct an internal investigation to examine how qualifications for employees assigned to perform tasks covered by Pipeline Safety Regulations, Subpart N "Qualification of Pipeline Personnel" are checked and verified prior to performing work and specifically work described in a written Tie-In Plan. Columbia must report these findings to the Commission within 60 days from the date of the Staff Report.
- b. Columbia must review its Operator Qualification training program to ensure it is clear to the individual receiving a qualification what they are and are not qualified to perform.

- c. Columbia must review operations and practices at its Ironton operating center to ensure employees at this center understand the process Columbia has established for generating and following a written Tie-In Plan.

(Staff Report at 11-12.)

{¶ 16} Finally, Staff recommends that Columbia be assessed a forfeiture of \$250,000, pursuant to R.C. 4905.95(B)(1)(b), for failure to follow its own procedures and for placing its employees in a hazardous situation by assigning them work they were not qualified to perform (Staff Report at 12).

B. Stipulation

{¶ 17} On May 17, 2021, Staff and Columbia (jointly, Signatory Parties) filed a joint stipulation and recommendation (Joint 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 Joint Stipulation:

1. Staff filed a Staff Report on April 1, 2021, in the above-captioned proceeding in response to an incident that occurred on November 23, 2020, on a Columbia main that runs along County Road 15 in South Point, Ohio in Lawrence County. In the Staff Report, Staff detailed its investigation into the root causes of the incident and found Columbia in violation of 49 C.F.R. 192.605(a), 49 C.F.R. 192.751, and 49 C.F.R. 192.805. Based on Staff's investigation, Staff recommended that Columbia perform three corrective actions:
 - a. Columbia must conduct an internal investigation to examine how qualifications for employees assigned to perform tasks covered by the Pipeline Safety Regulations, Subpart N "Qualification of Pipeline Personnel" are checked and verified prior to performing work and specifically work described in a written Tie-In Plan.

Columbia must report these findings to the Commission within 60 days from the date of the Staff Report.

- b. Columbia must perform a review of its Operator Qualification training program to ensure it is clear to the individual receiving a qualification the work activities for which an individual is or is not qualified. Columbia's division of qualifications for line purging into a CDOPL2 qualification and a CDOPL2A qualification strictly for service lines with no course content devoted to the potential hazards of purging larger volumes of gas may have led to confusion among Columbia employees and the employees' belief that they were qualified to do the work they were not qualified to do.
 - c. Columbia must review operations and practices at its Ironton operating center to ensure employees at this center understand the process Columbia has established for generating and following a written Tie-In Plan and to ensure that employees understand which work tasks are covered by the Pipeline Safety Regulations, Subpart N and the Columbia Operator Qualification Plan.
2. Staff further recommends a forfeiture of \$250,000 be assessed against Columbia pursuant to R.C. 4905.95(B)(1)(b).
3. Columbia agrees that it will complete Staff's recommendations, respectively contained within paragraphs 1(a) and 1(c) of the Joint Stipulation, within 60 days of the Commission issuing a Finding and Order in this case. Further, Columbia will complete Staff's recommendation within paragraph 1(b) of the Joint Stipulation within 180 days of the Commission issuing a Finding and Order in this case. While Columbia is completing Staff's recommendation within paragraph 1(b), Columbia has implemented a program requiring all

technicians to scan their employee identifications daily to identify the employee's Operator Qualifications.

4. Columbia will pay a forfeiture of \$250,000. The payment shall be made within 30 days of the Commission's Finding and Order approving the Joint Stipulation. The payment shall be made payable to "Treasurer State of Ohio," and mailed to the Public Utilities Commission of Ohio, ATTN: Fiscal Division, 180 East Broad Street, 4th Floor, Columbus, Ohio 43215-3793. The Case Number, 21-322-GA-GPS, shall appear on the face of the check.
5. The Signatory Parties agree that the Joint 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 Joint Stipulation.
6. The Joint Stipulation constitutes a compromise resolution by the Signatory Parties of all issues raised by the Signatory Parties in this case. The Signatory Parties agree and acknowledge that the Joint Stipulation is not and shall not be construed as an admission by Columbia regarding any legal or regulatory violation, or regarding any finding or conclusion set forth in the Staff Report in this proceeding. The Signatory Parties agree that if the Commission rejects all or any part of the Joint Stipulation, or otherwise materially modifies its terms, either Signatory Party shall have the right, within 30 days after the date of the Commission's Finding and Order, to file an application for rehearing or to terminate and withdraw from the Joint Stipulation by filing a notice of termination and withdrawal with the Commission in this proceeding. If an application for rehearing is filed and if the Commission does not, on rehearing, accept the Joint Stipulation

without material modification, either Signatory Party may terminate and withdraw from the Joint Stipulation by filing a notice of termination and withdrawal with the Commission in this proceeding within ten business days after the date of the Commission's Entry on Rehearing. Upon filing a notice of termination and withdrawal by either Signatory Party, the Joint Stipulation shall immediately become null and void. In such event, a hearing shall go forward, and the Signatory Parties shall be afforded the opportunity to present evidence through witnesses, to cross-examine all witnesses, to present rebuttal testimony, and to file briefs on all issues, and to have this proceeding be decided, on the record and brief, as if the Joint Stipulation had never been executed.

7. The Signatory Parties will support the Joint Stipulation if it is contested, and no Signatory Party will oppose an application for rehearing designed to defend its terms. If the Joint Stipulation is adopted by the Commission, the Signatory Parties will support it in any appeal of the Commission's decision.

(Joint Stipulation at 2-4.)

C. Commission Conclusion

{¶ 18} 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. The Commission will consider the Joint Stipulation pursuant to our enforcement powers under R.C. 4905.91 and Ohio Adm.Code Chapter 4901:1-16.

{¶ 19} The immediate issue to be decided by the Commission is whether the Joint 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. In this case, we find that the Joint Stipulation, including the recommended terms and conditions, and the forfeiture of \$250,000, is reasonable, given that Columbia will also be required to carry out a number of actions in response to Staff's recommendations. Columbia committed to conducting an investigation into and making necessary changes to its training programs and reporting its findings to Staff, along with paying the forfeiture of \$250,000. Accordingly, the Commission finds that the Joint Stipulation should be approved and adopted in its entirety.

{¶ 20} 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 Joint Stipulation, will continually review its management and operating 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

{¶ 21} It is, therefore,

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

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

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

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

COMMISSIONERS:

Approving:

Jenifer French, Chair

M. Beth Trombold

Lawrence K. Friedeman

Dennis P. Deters

JMD/mef

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Case No(s). 21-0322-GA-GPS

Summary: Finding & Order finding that the joint stipulation and recommendation entered into by Staff and Columbia Gas of Ohio, Inc. is reasonable and should be approved. electronically filed by Ms. Mary E. Fischer on behalf of Public Utilities Commission of Ohio