

PENNSYLVANIA PUBLIC UTILITY COMMISSION  
Harrisburg, Pennsylvania 17105-3265

Pennsylvania Public Utility  
Commission Law Bureau  
Prosecutory Staff v. UGI Utilities,  
Inc.


Public Meeting: March 25, 2010  
2037411-OSA  
Docket Nos. M-2010-2037411

STATEMENT OF CHAIRMAN CAWLEY

This Joint Settlement Agreement filed on January 28, 2010, by UGI Utilities, Inc. (UGI) and the Commission's Law Bureau Prosecutory Staff (Prosecutory Staff) is being issued for public comment and involves the resolution of alleged violations of our regulations and the Public Utility Code related to a residential fire which occurred on August 28, 2007, in Campbelltown, PA, that was caused when an unmarked three-quarter inch steel main with fifty-one pounds per square inch gauge (PSIG) was struck by a backhoe operator. According to the timeline provided by UGI, it took UGI approximately one hour and eighteen minutes to control the gas flow. This was not an isolated incident involving UGI.

As part of the Joint Settlement, UGI agreed to pay a \$15,000 civil penalty, evaluate and update their Damage Prevention Program to correct these problems, and to review its mapping system to ensure all UGI-owned master meter operations (up to and including the master meter) are correctly mapped. Hopefully, these actions will avoid future safety problems. The record, however, is devoid of how much natural gas was lost due to the failure to mark these lines properly. I request that the issue of the appropriateness of cost recovery for natural gas losses related to incidences similar to this one (where the contractor or other third party is not culpable for line hits) be addressed as part of UGI's next Section 1307(f) proceeding.

March 25, 2010

  
James H. Cawley  
Chairman