PENNSYLVANIA PUBLIC UTILITY COMMISSION Harrisburg, Pennsylvania 17105-3265

Law Bureau Prosecutory Staff v. Columbia Gas of Pennsylvania, Inc. Public Meeting held July 29, 2010 1505396-OSA Docket No. M-2009-1505396

Dissenting Statement of Commissioner Wayne E. Gardner

This matter involves a Settlement Agreement between the Commission's Law Bureau Prosecutory Staff (LBPS) and Columbia Gas of Pennsylvania, Inc. (Columbia) related to an incident that occurred in German Township, on August 7, 2007, when a Borough of Masontown contractor who was installing a new water main struck an unmarked two-inch plastic gas service line. Prior to the Borough contractor striking the line, a Columbia contractor had been dispatched to mark where Columbia's gas lines were located in the area where the new water main was to be installed. The service line, although pressurized and fully operational, was not recorded in Columbia's service records. Although this incident had the potential to be disastrous, no one was injured and no property was destroyed.

The incident allegedly was caused by a failure by Columbia to keep maps and records of its distribution system, a violation of 52 Pa. Code § 59.37. The Settlement Agreement reached by the Parties requires Columbia to pay a civil penalty of \$10,000 and acknowledges Columbia's efforts to increase the rate at which it abandons inactive service lines.

I do not believe that the Settlement Agreement is in the public interest.

First, the Settlement Agreement does not address the primary cause of the incident, unmapped gas lines. Second, the Parties acknowledgement of Columbia's efforts to accelerate abandoned service lines is not germane to the incident at hand because that process involves known lines while this incident was due to an unmapped service line. Third, the process by which Columbia abandons inactive lines is an informal one which allows inactive lines to remain in the ground for up to four years after they have been discovered. The four-year duration was not substantiated by the Company. Additionally, if the abandonment process is going to be approved by the Commission via this Settlement, it should be a formal and not informal process. And, finally, it appears that the civil penalty amount may have been conditioned upon the cost and effort expended by Columbia to accelerate its abandonment process. The cost of the abandonment process will be recovered in rates and as such should not reduce the civil penalty. In my opinion, the civil penalty here, given the public safety implications of the existence of unmapped pressurized gas lines, is low.

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July 29, 2010						
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Based on the foregoing, I respectfully register my dissent.