

**PENNSYLVANIA PUBLIC UTILITY COMMISSION  
HARRISBURG, PENNSYLVANIA 17105-3265**

**Law Bureau Prosecutory Staff v.  
National Fuel Gas Distribution Corp.**

**Public Meeting held May 1, 2008  
MAY-2008-OSA-0119**

**Docket No. M-2008-2013013**

**MOTION OF CHAIRMAN WENDELL F. HOLLAND**

Before the Commission for consideration and disposition is the Joint Settlement Agreement filed on November 29, 2007, by National Fuel Gas Distribution (NFG) and the Commission's Law Bureau Prosecutory staff.

The Joint Settlement Agreement, among other things, provides for a civil penalty of \$50,000 and an additional \$30,000 to be applied toward safety activities. Because the violation at issue involves public safety and taking into consideration that two lives were lost and property damage totaled approximately \$840,000 I believe a modification of the Joint Settlement Agreement is appropriate.

While I am mindful of NFG's cooperation with the Commission's investigation and its commitment to spend approximately \$1.8 million in upgrading its system, I believe the \$50,000 should be increased to \$100,000 and rather than be in the form of a civil penalty the \$100,000 should be applied to NFG's Neighbor for Neighbor Heat Fund. There is no requirement that this be matched dollar for dollar by NFG's stockholders.

In addition, a further modification to the Joint Settlement Agreement is appropriate. I believe the \$30,000 to be applied toward safety activities should be increased to \$50,000.

**THEREFORE I MOVE:**

That the Office of Special Assistants prepare a Tentative Opinion and Order consistent with this Motion.

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**DATE**

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**WENDELL F. HOLLAND, CHAIRMAN**