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BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

In the Matter of the Request of the Division of Public Utilities for Enforcement Action Under the Natural Gas Pipeline Safety Act Against Dominion Energy Utah))))))	Docket No. 21-057-24 MOTION TO APPROVE JOINT STIPULATION AND REQUEST FOR SCHEDULING CONFERENCE
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Pursuant to Utah Code Ann. § 54-7-1, the Utah Division of Public Utilities (Division) and Questar Gas Company dba Dominion Energy Utah (Dominion Energy or Company) (collectively the Parties) request that the Public Service Commission of Utah (Commission) approve the Settlement Stipulation (Stipulation), Attachment A hereto. The Stipulation is filed to resolve issues pertaining to an incident on February 16, 2019, when an explosion occurred at a condominium complex located at 9740 Bypass Road in Alta, Utah (the Incident). Gas piping associated with the meter at the back of the exterior of one of the condominium units broke as a result of static and/or dynamic forces generated by accumulated and/or falling snow and ice.

JURISDICTION

The Commission's jurisdiction over this matter is pursuant to Utah Code Ann. § 54-4-1 *et seq.* pertaining to public utilities and § 54-13-1 *et seq.* pertaining to natural gas pipeline safety.

Dominion Energy is a gas corporation defined as a public utility by Utah Code Ann.

§ 52-2-1(21). Also, among other things, Dominion Energy is involved in the intrastate transportation of gas. Specifically, Utah Code Ann. § 54-13-2 states, "The commission is responsible for establishing safety standards and practices for intrastate pipeline transportation and shall make and enforce rules required by the federal Natural Gas Pipeline Safety Act to maintain state control over the regulation of intrastate pipeline transportation." Rules are adopted and enforced by the Commission pursuant to Utah Code Ann. § 54-13-3.

Pursuant to certification from the U.S. Office of Pipeline Safety, Department of Transportation, the State of Utah regulates, inspects, and enforces intrastate gas pipeline safety requirement.¹ It is pursuant to this delegated authority that the Division conducted its investigation of the Incident and pursued the enforcement action that resulted in the Stipulation. The Pipeline Safety Section of the Division conducts these activities on behalf of the state.

BACKGROUND

On February 16, 2019, Dominion Energy notified the Division's Pipeline Safety Section of the Incident. Shortly thereafter, the Division proceeded to the site and commenced its investigation. On May 12, 2020, the Division sent a Draft Notice of Probable Violations, Proposed Civil Penalties, and Proposed Compliance Order (Notice) to Dominion Energy.

¹ See https://primis.phmsa.dot.gov/comm/FactSheets/States/UT_State_PL_Safety_Regulatory_Fact_Sheet.htm?nocache=1502. Retrieved September 23, 2021.

Subsequently and in conjunction with further exchange of information and analysis, and after arm's length negotiations, the Parties entered into the Stipulation to resolve the issues set forth therein. Additional information concerning the Incident is contained in the Stipulation.

STIPULATION

The Parties agree that the Stipulation provides an appropriate resolution regarding the Incident, is just and reasonable in result when taken as a whole, and is in the public interest. The Parties therefore respectfully request that the Commission approve the Stipulation as filed.

MOTION AND RELIEF REQUESTED

The Parties request that the Commission issue a Notice of Scheduling Conference in this docket to allow for a date to be set for the filing of comments on the Stipulation by non-parties and a date to be set for a hearing. The Parties request that they each be given the opportunity to file responsive comments or pleadings if any comments are filed. Pursuant to the Stipulation, the Parties will each provide one or more witnesses in support in support of the Stipulation at the hearing.

The Parties request that the Commission approve the Stipulation as filed as just and reasonable in result and in the public interest and enter an order thereon. The Parties also request that the Commission grant other and further relief as the Commission may determine is just, reasonable, and in the public interest.

Respectfully submitted this 1st day of October 2021.



Jenniffer Nelson Clark
Attorney for Dominion Energy Utah



Patricia E. Schmid
Attorney for Utah Division of Public Utilities

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the **Motion to Approve Joint Stipulation and Request for Scheduling Conference** was served upon the following persons by e-mail on October 1, 2021:

Patricia E. Schmid Justin C. Jetter Assistant Attorneys General 160 East 300 South P.O. Box 140857 Salt Lake City, UT 84114-0857 pschmid@agutah.gov jjetter@agutah.gov	Chris Parker William Powell Utah Division of Public Utilities 160 East 300 South P.O. Box 146751 Salt Lake City, Utah 84114-6751 chrisparker@utah.gov wpowell@utah.gov
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/s/ Rena Porter

back of the exterior of one of the condominium units broke as a result of static and/or dynamic forces generated by accumulated and/or falling snow and ice.

2. On May 12, 2020, the Division sent a Draft Notice of Probable Violations, Proposed Civil Penalties, and Proposed Compliance Order (Notice) to Craig Wagstaff, Senior Vice President and General Manager, Western Distribution of Dominion Energy pertaining to the Incident.
3. The Notice referenced six (6) alleged violations of regulations relating to the location, installation, and placement of meters and other Company-owned equipment. The identified probable violations were:
 - a. 49 C.F.R. § 192.353: Customer Meters and Regulators: Location
 - (a) Each meter and service regulator, whether inside or outside a building, must be installed in a readily accessible location and be protected from corrosion and other damage, including, if installed outside a building, vehicular damage that may be anticipated. However, the upstream regulator in a series may be buried.¹
 - b. 49 C.F.R. § 192.357: Customer Meters and Regulators: Installation
 - (a) Each meter and each regulator must be installed so as to minimize anticipated stresses upon the connecting piping and the meter.
 - c. DEU's Standard Practice SP 1-40-01: Designing Distribution Meter Sets Section
Section 8: Location Requirements for Meter Sets
8.1: "...Avoid roof valley and other locations where excessive amounts of water, snow or ice would fall on the meter set or have customer or premise owner provide appropriate protection" (see SP 2-76-03, 'Responding to Damaged Meter Set Calls Due to Snow and Ice').

Section 14.1: Each meter and regulator shall be installed so as to minimize anticipated stresses upon the connecting piping, the meter and equipment.

Section 14.2: Adequate anchorage and support shall be provided to minimize undue strain on piping, the meter and equipment. Supports shall be constructed of non-combustible material.

¹ Certain non-substantive proofreading type corrections are contained herein that are not found in the NOPV.

d. DEU's Standard Practice SP 2-76-01: Meter and Regulator Installation and Removal Procedures

9.1. All gas meter, regulator and riser locations shall be approved by Company.

9.2. Meters, when set outside, are not to be set under roof valleys, or other places where excessive amounts of water, snow or ice would drip from the roof onto the meter set. Ice and snow protection is required to protect the gas meter and surrounding piping from physical damage when these conditions exist.

e. DEU's Standard Practice SP 3-10-05: Selecting and Inspecting Service Line and Service Line Riser Locations, Installations or Modifications

6.6. Select the location for the service line riser in a readily accessible location while avoiding rooftops and other hazardous locations.

6.8. For outside meter sets, selected location for service line riser shall meet the following requirements:

6.8.1. Service line riser location shall be 8 to 12 inches out from the building and protected from anticipated traffic, possible flooding, damage resulting from snow or ice sliding off a roof onto the meter set and other sources of danger. See Standard Practice 2-76-01, "Meter and Regulator Installation and Removal Procedures," for designing riser location, meter set, and meter protection.

6.8.2. Meters and regulators are not to be set under roof valleys or other places where excessive amounts of water would drip from the roof onto the meter set and freeze.

f. DEU's Standard Practice SP 2-76-03: Responding to Damaged Meter Set Calls Due to Snow and Ice

9.2. Meter set shall not be set unless snow and ice meter protection is installed per IFGC 2009 edition as amended statewide by applicable state codes (see Utah State Construction Code Adoption Act and State Construction Code).

9.3. At the time of riser installation, construction personnel shall have authority to change riser location if the meter set will be in a hazardous location due to ice and snow and accessibility. See Standard Practice 3-10-05, "Selecting and Inspecting Service Line and Service Line Riser Locations, Installations or Modifications.

4. The Notice proposed a civil penalty. The Division proposed to plead up to the maximum civil penalty allowed by law. Penalties are addressed at Utah Code Ann. § 54-13-8 and R746-409-1 et seq.

5. The Notice contained a Proposed Compliance Order which stated:

The Division proposes that the Commission issue DEU a Compliance Order pursuant to applicable statutes, including Utah Code Ann. § 54-13-1 et seq., R746-409-1 et seq., United States Code § 60118, and applicable rules pertaining to Proposed Violation Item Nos. 1-6 as set forth above. Please refer to the enclosed Proposed Compliance Order, which is made a part of this Notice. The Proposed Compliance Order sets forth specific actions including DEU conducting additional training of its personnel, both field and supervisory; compiling standards for snow hazard areas, to be maintained in GIS or similar files; auditing previously installed meters in snow hazard areas with known and reasonably predictable heavy snow precipitation; auditing certain meters after they have been installed; and filing specific reports with the Division and the Commission.

6. The Company denies the allegations in the Notice.

7. Since that time, the Parties have met repeatedly to discuss settlement of this matter and have exchanged substantial information. Based upon these discussions and the information exchanged, the Parties have determined that settlement of this matter on the terms and conditions set forth below is just and reasonable in result and in the public interest.

TERMS AND CONDITIONS

8. Settlement in the Public Interest: Following extensive analysis, review, and arms-length negotiations, and without waiver or acceptance of the claims, testimony, or objections of any party, the Parties have agreed to compromise and settle their differences with respect to the Notice and to enter into this Stipulation. The Parties agree that the approval of this Stipulation is just and reasonable in result and in the public interest.

9. The Parties agree that 49 C.F.R. § 192.353 and 49 C.F.R. § 192.357 apply to Dominion Energy.
10. Dominion Energy agrees that, for meters installed in the future, it will require a snow shelter to be placed over meters when required by the Company's Updated Standard Practices described in paragraph 13 of this Stipulation, 49 C.F.R. § 192.353, or 49 C.F.R. § 192.357. Within 60 days of receiving an order approving this Stipulation, Dominion Energy will file a request to change its Utah Natural Gas Tariff No. 500 (Tariff) in accordance with this paragraph.
11. Updated Pre-Construction Policies. Dominion Energy has updated its pre-construction policies relating to the placement of meters and snow shelters. The Division has reviewed these policies.
12. Updated Operator Qualification Program. Dominion Energy has implemented changes to its Operator Qualification Program to include new and revised Operator Qualification tasks related to the placement of meters and recognizing abnormal operating conditions. The Company has implemented changes to its Operator Qualifications Program to include additional information related to the placement of meters and snow shelters. Specifically, this includes the following Operator Qualification tasks:
 - a. H01.1161: Installation of Customer Meters and Regulators: Residential and Small Commercial;
 - b. H01.1171: Installing Customer Meters: Large Commercial and Industrial;
 - c. H07.5781: Check for Irregularities in the Condition of Meter Installations; and
 - d. M19.1181: Installing and Maintaining Customer Pressure-Regulating, Pressure-Limiting, and Relief Devices: Large Commercial and Industrial.

The Division has reviewed these.

13. Updated Standard Practices. Dominion Energy has implemented changes to its Standard Practices to include additional information related to the placement of meters and snow shelters. Specifically, the Company has implemented changes to its following Standard Practices:

- a. Standard Practice 1-40-01: Designing Distribution Meter Sets;
- b. Standard Practice 2-76-01: Meter and Regulator Installation and Removal Procedures; and
- c. Standard Practice 3-10-05: Selecting and Inspecting Service Line and Service Line Riser Locations, Installations or Modifications.

The Division has reviewed these changes.

14. Inspection and Placement of Snow Shelters in High Snowfall, Accelerated Assessment Areas. Dominion Energy has identified areas in its service territory with high snowfall. These are defined in Standard Practice 1-40-01. Within the high snowfall areas the Company has identified the following areas for accelerated assessment: Park City (Old Town, Deer Valley, White Pine Canyon, Pine Brook, Summit Park); Ogden Valley (North Fork, Nordic Valley, Wolf Creek); and Brian Head and Cedar Highlands in Southern Utah (Accelerated Assessment Areas). The Company has conducted inspections of high-occupancy structures and services placed from 2010-present in the Accelerated Assessment Areas to identify meters that require snow protection pursuant to the Company's Updated Standard Practices, 49 C.F.R. § 192.353, or 49 C.F.R. § 192.357 from the additional protection a snow shelter would offer. For those meters identified, the Company has placed, or will place, a snow shelter, of a form and design reasonably acceptable to the Company (Snow Shelter), by the end of November 2021.

15. Inspection and Placement of Snow Shelters on Remaining Services in Accelerated

Assessment Areas. The Company is conducting inspection of the remaining services in the Accelerated Assessment Areas to identify meters that require snow protection pursuant to the Company's Updated Standard Practices, 49 C.F.R. § 192.353, or 49 C.F.R. § 192.357. For those meters identified, the Company has placed, or will place, a Snow Shelter by the end of November 2022.

16. Quarterly Reporting on Inspection and Placement of Snow Shelters in Accelerated

Assessment Areas. The Parties agree for purposes of settlement that Dominion Energy will provide the Division with reports detailing the progress of the inspections and Snow Shelter placements in Accelerated Assessment Areas on a quarterly basis, until the inspection and Snow Shelter placements in Accelerated Assessment Areas are complete. The Company will inform the Division and the Commission when the inspections and Snow Shelter placements in Accelerated Assessment Areas are complete.

17. The reports mentioned in paragraph 16 will contain the following information:

- a. A list of the Snow Shelters to be installed (to be updated when additional services/meters are identified that require snow protection pursuant to the Company's Updated Standard Practices, 49 C.F.R. § 192.353, or 49 C.F.R. § 192.357); and
- b. A list of the meters which have been protected by Snow Shelters and those where Snow Shelters will be installed including the service line number and/or meter ID, date of service line installation, the address, and a list of actual or projected completion dates.

18. With regard to future inspections of meters not within an Accelerated Assessment Area, the Company further agrees to track and maintain the same information detailed in Paragraph 17.
19. Costs Associated with the Placement of Snow Shelters in Accelerated Assessment Areas. The Parties agree for purposes of settlement that Dominion Energy will contribute \$100,000.00 at shareholder's expense to pay for the installation of Snow Shelters in Accelerated Assessment Areas.
20. Additional Inspection Criteria for Periodic Meter Inspections. Every five years, or as otherwise required by any applicable statute, rule, or regulation, the Company inspects every meter on its system for atmospheric corrosion. Coincident with these inspections, the Company will inspect all meters to determine where it deems additional snow and ice protection appropriate and will place Snow Shelters where appropriate.
21. Timely Incident Investigation. Dominion Energy agrees to perform timely incident investigation pursuant to any applicable statutes, rules, regulations, and the Company's standard operating procedures to determine apparent and secondary/root causes, and any corrective actions.
22. Subsequent Remedial Measures. The Parties agree, for purposes of settlement, that this Stipulation, each of the Terms and Conditions contained herein, and the Company's Updated Standard Procedures are subsequent remedial measures that Dominion Energy undertakes voluntarily.

MISCELLANEOUS PROVISIONS

23. The Parties agree that settlement of those issues identified above is in the public interest and that the results are just and reasonable in result.

24. The Parties have reached a full and final resolution of those issues identified in the Notice.
25. The Parties agree that no part of this Stipulation, or the methods used in developing the same, or a Commission order approving the same, shall in any manner be argued or considered as precedential in any future case. This Stipulation does not resolve, does not provide any inferences regarding, and the Parties are free to take any position with respect to, any issues not specifically identified and settled herein. All negotiations related to this Stipulation are confidential and subject to the applicable rules of evidence, including Utah R. Evid. 408, and no Party shall be bound by any position asserted in negotiations not specifically identified and settled herein. Neither the execution of this Stipulation nor an order adopting it shall be deemed to constitute an admission or acknowledgment by any Party of the validity or invalidity of any principle or practice of ratemaking; nor shall they be construed to constitute the basis of an estoppel or waiver by any Party; nor shall they be introduced or used as evidence for any other purpose in a future proceeding by any Party except in a proceeding to enforce this Stipulation.
26. Both Dominion Energy and the Division each will make one or more witnesses available to explain and support this Stipulation to the Commission. Such witnesses will be available for examination. The Parties shall support the Commission's approval of the Stipulation. As applied to the Division, the explanation and support shall be consistent with its statutory authority and responsibility.
27. The Parties agree that, if any person challenges the approval of this Stipulation or requests rehearing or reconsideration of any order of the Commission approving this

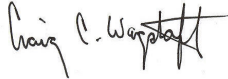
Stipulation, each Party will use its best efforts to support the terms and conditions of the Stipulation. As applied to the Division, the phrase “use its best efforts” means that the Division shall do so in a manner consistent with its statutory authority and responsibility. In the event any person seeks judicial review of a Commission order approving this Stipulation, no Party shall take a position in that judicial review opposed to the entry of the Stipulation.

28. Except with regard to the obligations of the Parties under Paragraphs 25, 26, and 27 of this Stipulation, this Stipulation shall not be final and binding on the Parties until it has been approved without material change or condition by the Commission. This Stipulation is an integrated whole, and either Party may withdraw from it if it is not approved without material change or condition by the Commission or if the Commission’s approval is rejected or materially conditioned by a reviewing court. If the Commission rejects any part of this Stipulation or imposes any material change or condition on approval of this Stipulation, or if the Commission’s approval of this Stipulation is rejected or materially conditioned by a reviewing court, the Parties agree to meet and discuss the applicable Commission or court order within five business days of its issuance and to attempt in good faith to determine if they are willing to modify the Stipulation consistent with the order. No Party shall withdraw from the Stipulation prior to complying with the foregoing sentence. If any Party withdraws from the Stipulation, the remaining Party retains the right to seek additional procedures before the Commission, including presentation of testimony and cross-examination of witnesses and no Party shall be bound or prejudiced by the terms and conditions of the Stipulation.

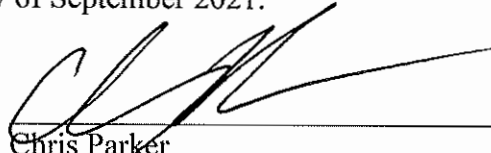
RELIEF REQUESTED

Based on the foregoing, the Parties request that the Commission issue an order approving this Stipulation and adopting its terms and conditions.

RESPECTFULLY SUBMITTED this 23rd day of September 2021.



Craig C. Wagstaff
Senior Vice President, Western Distribution
Dominion Energy Utah



Chris Parker
Director, Utah Division of Public Utilities