

STATE OF MAINE
PUBLIC UTILITIES COMMISSION

October 1, 2015

Docket No. 2014-00221

MAINE PUBLIC UTILITIES COMMISSION
Notice of Probable Violation Pertaining to
Summit Natural Gas of Maine, Inc.
Regarding Improper Installation of
Electrofusion Tee

ORDER REQUIRING
COMPLIANCE WITH
MITIGATION PLAN

VANNOY, Chairman; McLEAN and WILLIAMSON, Commissioners

I. SUMMARY

By this Order, the Commission requires Summit Natural Gas of Maine, Inc. (SNGME or the Company) to comply with the "Voluntary Mitigation Plan" (Plan) filed in the above captioned Docket on September 23, 2015.¹

II. BACKGROUND

In early 2014, the Commission's Gas Safety Staff began an informal investigation into the performance of some contractors hired by SNGME to install electrofusion tees on the Company's plastic gas mains.² The informal investigation revealed that some of SNGME's contractors were improperly preparing the plastic gas mains prior to installation of the tees.³ Subsequent to the informal investigation, the Commission's Gas Safety Manager issued a Notice of Probable Violation to SNGME alleging several violations of federal pipeline safety regulations regarding proper installation of pipeline appurtenance installation procedures.

In early 2015, while the Company was in the process of repairing and replacing improperly installed electrofusion tees, the Commission's Gas Safety Manager notified

¹ SNGME filed a confidential version of the Plan on September 23, 2015 and a public redacted version on September 24, 2015. The Commission found that the Plan does not warrant confidential treatment pursuant to 35-A M.R.S. § 1311-A, and has ordered the Company to file a public, non-redacted version of the plan.

² Electrofusion is a plastic pipe fusion technology that utilizes electric current to heat an appurtenance to a pipe (in this case a tee) and fuse the appurtenance to the plastic pipe.

³ Before installing an appurtenance on plastic gas piping using electrofusion technology, a certain amount of plastic is removed or abraded from the plastic gas pipes in preparation for installation. The appurtenance is then installed on the portion of the pipe that has been abraded, and electric current is applied to heat the metal coils in the appurtenance causing the appurtenance to fuse to the pipe.

SNGME's Director of Gas Operations & Construction, about an electrofusion coupling which appeared to have been improperly prepared by the installer.⁴ The notification required SNGME to remove the coupling and send it to the manufacturer for destructive testing.⁵

Given the Company's recent history regarding the improper preparation of electrofusion tees, the Commission's Gas Safety Manager was concerned that the issue of improperly prepared couplings may also be a systemic issue. Accordingly, the Commission's Gas Safety Manager wrote a letter to SNGME requesting detailed additional information regarding the removal and testing of the coupling. Gas Safety Manager's letter also requested information regarding the inspection and, if necessary, replacement of improperly installed couplings.

Over the course of the summer of 2015, the Company and the Gas Safety Staff had several discussions and meetings regarding the best way for the Company to develop a plan to address the improperly installed couplings. The result of those discussions, a "Voluntary Mitigation Plan," was filed by the Company in the above-captioned Docket on September 23, 2015.

III. DISCUSSION AND DECISION

The Commission finds that the "Voluntary Mitigation Plan" submitted by SNGME to be a reasonable approach to addressing the current issue with regard to electrofusion couplings. The Plan takes a comprehensive approach to the removal and replacement of the couplings. The timeframe for the removal and replacement is through the fall 2015 construction season. The Company will immediately undertake additional risk mitigation measures, including leak surveys on the affected portions of SNGME's distribution system at intervals not to exceed thirty days, and the Company will continue to operate the system at pressures significantly below the system's maximum allowable operating pressure. Further, the Company will file a contingency plan with the Commission by October 15, 2015 to address the service of customers with alternative fuel sources should the Company not be able to complete the mitigation plan prior to the onset of winter conditions. In addition, the Commission directs the Company to provide weekly progress updates regarding implementation of the Plan and immediate notice should circumstances warrant any material deviation from the Plan. In sum, the Plan represents a comprehensive approach to the coupling issue, and will bring SNGME's system into compliance with state and federal pipeline safety standards.

⁴ An electrofusion coupling is used to join two pieces of pipe together. The process for installing electrofusion couplings is substantively similar to the process for electrofusion tees.

⁵ The manufacturer of the coupling, Central Plastics, subsequently confirmed that the coupling in question failed testing, in accordance with the ASTM F1055 testing standard, and that the installer of the coupling had not removed or abraded any part of the surface of the pipe prior to installing the coupling.

Significant natural gas infrastructure expansion has occurred throughout several areas of Maine in recent years and is proving to be an important option for heating and other uses. This expansion is continuing as customers continue to take advantage of the option to use natural gas, which, in many instances, represents a clean and cost effective option for consumers. However, it is a paramount priority of the Commission that the safety and integrity of the State's natural gas infrastructure remain completely sound. The safety of the public and the future of this important industry directly depends on the industry's ability to provide safe service. The Commission expects SNGME, and all natural gas operators, even as they continue to expand their businesses, to work openly and in good faith with the Commission to guarantee that the provision of natural gas continues in a safe and reliable manner.

IV. ORDERING PARAGRAPH

In light of the foregoing, the Commission

O R D E R S

That Summit Natural Gas of Maine, Inc. conduct remediation of its natural gas system in accordance with the September 23, 2015 "Voluntary Mitigation Plan" filed by the Company in Docket No. 2014-00221, and in accordance with this Order.

Dated at Hallowell, Maine this 1st Day of October, 2015

BY ORDER OF THE COMMISSION

/s/ Harry Lanphear

Administrative Director

COMMISSIONERS VOTING FOR: Vannoy
McLean
Williamson

NOTICE OF RIGHTS TO REVIEW OR APPEAL

5 M.R.S. § 9061 requires the Public Utilities Commission to give each party to an adjudicatory proceeding written notice of the party's rights to review or appeal of its decision made at the conclusion of the adjudicatory proceeding. The methods of review or appeal of PUC decisions at the conclusion of an adjudicatory proceeding are as follows:

1. Reconsideration of the Commission's Order may be requested under Section 11(D) of the Commission's Rules of Practice and Procedure (65-407 C.M.R.ch. 110) within **20** days of the date of the Order by filing a petition with the Commission stating the grounds upon which reconsideration is sought. Any petition not granted within **20** days from the date of filing is denied.
2. Appeal of a final decision of the Commission may be taken to the Law Court by filing, within **21** days of the date of the Order, a Notice of Appeal with the Administrative Director of the Commission, pursuant to 35-A M.R.S. § 1320(1)-(4) and the Maine Rules of Appellate Procedure.
3. Additional court review of constitutional issues or issues involving the justness or reasonableness of rates may be had by the filing of an appeal with the Law Court, pursuant to 35-A M.R.S. § 1320(5).

Note: The attachment of this Notice to a document does not indicate the Commission's view that the particular document may be subject to review or appeal. Similarly, the failure of the Commission to attach a copy of this Notice to a document does not indicate the Commission's view that the document is not subject to review or appeal.