



**THE COMMONWEALTH OF MASSACHUSETTS
DEPARTMENT OF PUBLIC UTILITIES**

CHARLES D. BAKER
GOVERNOR

KARYN E. POLITO
LIEUTENANT GOVERNOR

KATHLEEN A. THEOHARIDES
SECRETARY OF ENERGY
AND ENVIRONMENTAL AFFAIRS

ONE SOUTH STATION
BOSTON, MA 02110
(617) 305-3500

MATTHEW H. NELSON
CHAIR

ROBERT E. HAYDEN
COMMISSIONER

CECILE M. FRASER
COMMISSIONER

October 1, 2019

President Mark Kempic
Bay State Gas Company d/b/a Columbia Gas of Massachusetts
4 Technology Drive, Suite 250
Westborough, MA 01581

RE: Chairman's Twelfth Set of Orders under G.L. c. 25, § 4B

Dear President Kempic,

As you know, I issued my Eleventh Set of Orders issued on September 11, 2019 to address concerns with "abandoned services" that Bay State Gas d/b/a Columbia Gas of Massachusetts ("Columbia Gas") took out of service during the restoration efforts following the September 13, 2018 gas line event in Merrimack Valley. Those restoration efforts involved, among other things, abandoning 4,900 existing service lines and replacing them with new services that currently provide gas to customers. Recent inspections have confirmed that much of the work performed on these abandoned services failed to comply with applicable Massachusetts and federal law. While the abandoned services are not active and may not immediately affect customers' gas service, Columbia Gas has indicated that the existence of gas leaks in or near the replaced lines could pose safety concerns, and that a Grade 1 gas leak would significantly increase those concerns.

The Department of Public Utilities ("Department") was informed on Friday, September 27, 2019, that a Grade 1 gas leak was discovered in Lawrence, Massachusetts, one of the communities affected in the September 13, 2018 gas line event in Merrimack Valley. Under M.G.L. c. 164, § 144, a Grade 1 leak is a leak that represents an existing or probable hazard to persons or property, and requires immediate and continuous action until the conditions are no longer hazardous. I am aware that Columbia Gas, under the Department's supervision, took immediate action to identify and eliminate the source of the

Grade 1 leak. The Department continues to work with Columbia Gas to take additional actions needed to ensure that similar incidents near abandoned gas valves will not occur.

In light of the increased safety concerns that have come to light through last week's developments, and the renewed sense of urgency they have created for remediating issues with abandoned services and any other safety concerns that may be posed by the Merrimack Valley restoration work, I am ordering the actions outlined below to ensure timely action to restore full public confidence in the safety of the gas system in Merrimack Valley.

Under the powers granted to me by Governor Baker under section 4B of chapter 25 of the General Laws, I hereby issue the following orders to Columbia Gas, which I deem necessary to assure public safety and welfare through the priority restoration or continuing availability of gas service:

- By October 7, 2019, Columbia Gas shall submit a detailed work plan to the Department describing how it intends to address the estimated 2,200 locations, at which an inside meter set was moved outside the property as part of the abandoned service work completed during the Merrimack Valley restoration. This work plan shall set forth a date certain by which Columbia Gas shall complete the work. The Department expects that all required inspections and remediation efforts will be completed at these locations in an expeditious manner.
- By October 18, 2019, Columbia Gas shall complete quality control work on abandoned services where the insertion technique was used (covering approximately 713 homes) to assure that the work it performed on these abandoned services as part of the Merrimack Valley restoration is in compliance with Massachusetts and federal law. The Department expects that this work will be completed at a rate of about 50 homes inspected and remediated per day.
- Columbia Gas shall pay for a third-party independent audit, to be contracted through the Department, of all gas pipeline work completed as part of the Merrimack Valley restoration effort. Such audit will evaluate compliance with Massachusetts and federal law, as well as any other operational or safety risks that may be posed by the pipeline work. The audit will investigate Columbia Gas's operations in the Lawrence Division and other service territories as appropriate, either independently or as part of the statewide gas safety assessment already underway.
- Columbia Gas shall promptly and fully respond to any requests for information from the third-party auditor.

If Columbia Gas fails to carry out any of these orders, it will face fines of up to \$1,000,000 per violation.

If you have any questions, please contact Pipeline Safety Division Director Rick Enright at 617-305-3703 or Richard.Enright@mass.gov.

Sincerely,

/s/ Matthew Nelson

Matthew Nelson
Chairman