

**BEFORE THE TENNESSEE PUBLIC UTILITY COMMISSION**

**NASHVILLE, TENNESSEE**

**November 26, 2018**

**IN RE:**

**SHOW CAUSE PROCEEDING AGAINST  
CHATTANOOGA GAS COMPANY FOR  
VIOLATIONS OF THE TPUC GAS PIPELINE  
SAFETY RULES, APPLICABLE FEDERAL  
SAFETY REGULATIONS AND LAW**

**DOCKET NO.  
18-00032**

---

**JOINT PETITION TO APPROVE SETTLEMENT AGREEMENT**

---

The Director of the Gas Pipeline Safety Division (“GPSD”, “Party Staff”) of the Tennessee Public Utility Commission (“Commission” or “TPUC”) and Chattanooga Gas Company (“Chattanooga Gas”, “Company”) have agreed to certain terms and conditions to resolve this matter and request the approval of the Tennessee Public Utility Commission (“Commission”) of the *Settlement Agreement* of the parties filed on November 20, 2018. The Party Staff and the Company jointly request Commission approval of the *Settlement Agreement* at the Commission Conference scheduled for December 17, 2018.

**BACKGROUND**

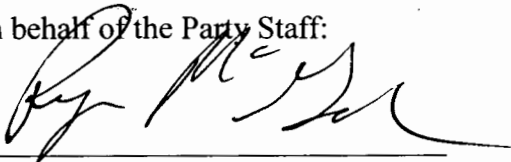
GPSD is responsible for enforcement of state and federal pipeline safety requirements pursuant to the Commission’s jurisdiction under Tenn. Code Ann. § 65-28-106. Chattanooga Gas is an operator within the Commission’s pipeline safety jurisdiction. Following an inspection by GPSD personnel on September 18-22, 2017, GPSD issued Safety Inspection Evaluation # 17-130 on November 2, 2017, citing the Company for violations of state and federal pipeline safety standards, including a failure to comply with 49 CFR 192.285 concerning the qualification and

requalification of personnel conducting fusion of couplings and tap tees on natural gas pipelines through destructive testing.<sup>1</sup> GPSD assessed a civil penalty against the Company for the violations. The Company contested both the violations and the amount of the civil penalty imposed.

Pursuant to Tenn. Rules & Regs 1220-4-5-.47(6)(a) and (b), the Company was provided an opportunity to respond to Safety Inspection Evaluation #17-130 and to meet with the Director of GPSD to resolve the violations in an informal meeting. No resolution was reached. The Party Staff requested the opening of a show-cause docket. A docket was opened by the Commission and a Hearing Officer was appointed to determine whether a Show Cause proceeding should be initiated against the Company.<sup>2</sup> Subsequent discussions between the Director of GPSD and Chattanooga Gas Company have resulted in an agreement to resolve all issues stemming from Safety Inspection Evaluation # 17-130.

The formalized *Settlement Agreement* was filed with the Commission on November 20, 2018. The parties jointly seek Commission approval at the Commission Conference on December 17, 2018, to resolve this matter.

On behalf of the Party Staff:



Date: 11-26-2018

Ryan McGehee B.P.R. # 025559  
Party Staff Attorney  
Tennessee Public Service Commission  
502 Andrew Jackson Building  
4<sup>th</sup> Floor  
Nashville, TN 37243

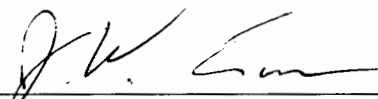
---

<sup>1</sup> A copy of Safety Inspection Evaluation # 17-130 is attached to the Party Staff's *Memorandum*, (March 27, 2018).

<sup>2</sup> *Order Appointing Hearing Officer* (April 13, 2018).

*w/ permission RLM*

On behalf of Chattanooga Gas Company:



Date: 11-26-18

J.W. Luna, Esq. B.P.R. # 5780

Luna Law Group

333 Union Street

Suite 300

Nashville, TN 37201

**CERTIFICATE OF SERVICE**

I hereby certify that a true and exact copy of the foregoing document has been served by electronic mail, postage pre-paid U.S. first-class mail, and/or delivering a copy by hand, upon the following person(s):

J.W. Luna, Esq.  
Luna Law Group  
333 Union Street  
Suite 300  
Nashville, TN 37201

Wendell Dallas  
Chattanooga Gas Company  
Vice President of Operations  
Ten Peachtree Place  
Atlanta, GA 30309

Richard Lonn  
Chattanooga Gas Company  
Director of Compliance & Pipeline Risk Management  
Ten Peachtree Place  
Atlanta, GA 30309

On this the 26<sup>th</sup> day of November, 2018



Ryan L. McGehee