

The Commonwealth of Massachusetts

DEPARTMENT OF PUBLIC UTILITIES

D.P.U. 19-141 October 25, 2019

Investigation by the Department of Public Utilities on its own Motion into the Preparation and Response of Bay State Gas Company d/b/a Columbia Gas of Massachusetts with respect to the September 13, 2018 Merrimack Valley Gas Event pursuant to G.L. c. 164, §§ 1J, 76, and 85B, and 220 CMR 19.00.

VOTE AND ORDER OPENING INVESTIGATION

I. INTRODUCTION

On September 13, 2018, at approximately 4:00 p.m. a series of explosions and fires occurred in the Merrimack Valley ("September 13 Event") due to an overpressurization in the natural gas system owned and operated by Bay State Gas Company d/b/a Columbia Gas of Massachusetts ("Bay State" or "Company"). National Transportation Safety Board Pipeline Accident Report, NTSB/PAR-19/02 (NTIS No. PB2019-101365), adopted September 24, 2019 ("NTSB Report") at 1. The September 13 Event damaged 131 structures in the City of Lawrence and the Towns of Andover and North Andover, resulted in one death and at least 22 hospitalizations. NTSB Report at 1.1 Local emergency response organization called for the evacuation of 50,000 residents in the impacted area. NTSB Report at 11. Governor Charlie Baker declared a state of emergency on September 14, 2018.2 Governor

On September 24, 2018 a group of over 20 South Lawrence residents filed a petition ("Lawrence Resident Petition") with the Department pursuant to G.L. c. 164, § 105A. The Lawrence Resident Petition requests that the Department hold a public hearing in Lawrence at which all residents impacted by the September 13 event be granted the opportunity to speak with respect to the manner in which gas was stored, transported or distributed by Bay State. The Lawrence Resident Petition states that South Lawrence residents were evacuated and displaced from their homes, gas service was suspended for long periods, residents sustained injuries and a person died. For administrative efficiency and because the petition references several aspects related to emergency response (such as injuries, evacuation and safety), we will address this petition in concert with this investigation. The Department will hold a public hearing at which all impacted residents may speak. The date and location of that public hearing will be published at a later date.

Governor's Declaration of Emergency, dated September 14, 2018 at 3:00 p.m., available at: https://www.mass.gov/files/documents/2018/09/14/StateOfEmergency-09142018.pdf.

Baker executed a Governor's Declaration of Continuing Emergency on October 4, 2018, extending the state of emergency.³ Evacuated residents were allowed to return to their homes on September 16, 2018, and CMA restored gas service to most impacted customers by December 16, 2018, three months after the event occurred. NTSB Report at 13.

II. <u>INVESTIGATION</u>

By this Order, the Department opens an investigation into efforts by Bay State to prepare for and restore service following the September 13 Event. ⁴ The Department conducts this investigation pursuant to (1) our authority to open an investigation upon our own initiative to determine whether an electric or gas distribution company has violated the Department's standards regarding acceptable performance for emergency preparedness and restoration of service, G.L. c. 164, § 1J and 220 CMR 19.00; (2) our authority to review the performance of an electric or gas distribution company in restoring service during an emergency event, G.L. c. 164, § 85B; and (3) our general supervisory authority over gas companies, G.L. c. 164, § 76. The Department has docketed this proceeding as D.P.U. 19-141.

Governor's Declaration of Continuing Emergency, dated October 4, 2018 at 7:30 a.m., available at:

https://www.mass.gov/files/documents/2018/10/09/Signed%20Declaration%20of%20Continuing%20Emergency.pdf.

As a party to the National Transportation Safety Board's investigation, the Department was prohibited from making public statements on these matters until the NTSB Report was released.

The Department will review Bay State's preparation for the September 13 Event and implementation of its emergency response plan ("ERP"). The Department's inquiry into these matters will focus on Bay State's compliance with the Department's performance standards for emergency preparedness and restoration of service, 220 CMR 19.00, including the following: (1) preparation for and management of the restoration efforts, including safe and reasonably prompt restoration; (2) public safety; (3) allocation of resources to affected municipalities; (4) timely and accurate communication with state, municipal, and public safety officials and with the Department; (5) dissemination of timely information to the public; and (6) identification of restoration practices that require improvement, if any.⁵

The Department will, at a later date, issue and publish notice of a procedural schedule for this proceeding.⁶ That schedule will include opportunity for public comment, and establish (1) the time, date, and location of a public hearing in the impacted area of Bay State's service territory; (2) a deadline to submit written comments, and (3) a deadline to file petitions to intervene or participate in the proceeding.

On October 3, 2019, Bay State provided a report on the September 13 Event pursuant to a Department hearing officer memorandum ("Event Report"). The Event Report contains the Company's description of the September 13 Event, including outage and restoration details, equipment damage, personal injuries, lessons learned, and additional event related data. The Department will incorporate the Event Report into the record in this proceeding. 220 CMR 1.10(3).

The Department may also determine that it is appropriate to proceed with this investigation in multiple phases given the specific circumstances of the final event report and the findings of the National Transportation Safety Board.

III. ORDER

Accordingly, the Department

<u>VOTES</u>: To open an investigation into efforts by Bay State Gas Company d/b/a Columbia Gas of Massachusetts to prepare for and restore service following the September 13, 2019 event; and it is

ORDERED: That the Secretary of the Department shall serve this Order on Bay State Gas Company d/b/a Columbia Gas of Massachusetts, the Massachusetts Attorney General, the Mayor and City Council of the City of Lawrence, the Board of Selectmen of the Town of Andover, the Board of Selectmen of the town of North Andover; and the Lawrence Resident Petitioners; and it is

<u>FURTHER ORDERED</u>: That Bay State Gas Company d/b/a Columbia Gas of Massachusetts shall comply with all directives in this Order.

<u>/s/</u>
Matthew H. Nelson, Chair
/s/
Robert E. Hayden, Commissioner
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/s/
Cecile M. Fraser, Commissioner

By Order of the Department,