



The Commonwealth of Massachusetts

DEPARTMENT OF PUBLIC UTILITIES

CONSENT ORDER

August 14, 2020

D.P.U. 19-140

In the matter of Bay State Gas Company d/b/a Columbia Gas of Massachusetts

I. JURISDICTION

1. This document, with the violations outlined in the attached Exhibit A, is a Consent Order entered into between the Pipeline Safety Division (“Division”) of the Department of Public Utilities (“Department”) and Bay State Gas Company d/b/a Columbia Gas of Massachusetts (“Respondent”), and is executed in accordance with 220 CMR 69.08.
2. The Division has authority to enter into this Consent Order on behalf of the Department pursuant to Delegation Order, D.P.U. 18-44-A (2017).
3. Failure to comply with the terms of this Order may result in the assessment of civil penalties and referral of this matter to the Attorney General for appropriate action.
4. The terms and conditions of this Order become effective upon signing by the authorized representatives of the Respondent and the Department.
5. Respondent has stipulated and consented to the issuance of this Consent Order.

II. VIOLATIONS AND CIVIL PENALTY

1. Pursuant to G.L. c. 164, §§ 76 and 105A, and 220 CMR 69.02, the Division conducted pipeline safety inspections of the Respondent’s facilities and records regarding various investigations. The formal matters encompassed by this Consent Order and the violations pertaining to each matter are referenced in Exhibit A, attached hereto.
2. Based on the information obtained, the Division finds that the Respondent violated pipeline safety regulations contained in 49 C.F.R. Part 192 (“Part 192”), 49 C.F.R. Part 193 (“Part 193”), the Massachusetts General Laws, and the Department’s Pipeline Safety regulations, as set forth in Exhibit A.
3. In Joint Petition of Eversource Energy, NiSource Inc., Eversource Gas Company of Massachusetts, and Bay State Gas Company d/b/a/ Columbia Gas of Massachusetts, D.P.U. 20-59 (pending), NiSource Inc., the Respondent’s ultimate parent company, has agreed to a payment in lieu of penalties of \$56 million as part of a Settlement Agreement to resolve, among other things, all matters specified in Sections 2.25.2, 2.25.3 and 2.26

of the Settlement Agreement.¹ Of this amount, \$12 million resolves all compliance actions associated with D.P.U. 19-140, or otherwise pending at the Division against NiSource, the Respondent and its affiliates, and all of the respective directors, officers, employees, agents and representatives of NiSource, the Respondent and its affiliates, as of July 2, 2020, including the violations noted in Exhibit A.

4. The Compliance Agreement between the Division and Bay State Gas Company is included herewith and is part of this Consent Order.
5. The terms of the payment in lieu of penalties are set forth in the Settlement Agreement (Section 2.27) and the Settlement Agreement resolves all issues associated with this payment made in lieu of penalties.

III. RESPONDENT REQUIREMENTS

1. **Respondent shall sign the Stipulation below and return this complete document to the Division by August 14, 2020.**
2. All submissions by Respondent in accordance with this Consent Order shall be addressed to:

Director
Pipeline Safety Division
Department of Public Utilities
One South Station
Boston, MA 02110

IV. STIPULATED TERMS

Pursuant to 220 CMR 69.08(1), the Respondent through the signature below, by the person to whom this Consent Order is issued or a duly authorized representative, acknowledges agreement to the terms contained herein without admitting or denying that a violation of any Department or federal pipeline safety law or regulation occurred in relation to the above-noted matters. Further, Respondent agrees to issuance of this Consent Order and stipulates to the following:

1. Respondent, by signing the Stipulation, hereby waives:
 - (a) All rights to informal review pursuant to 220 CMR 69.05;

¹ The Settlement Agreement is entered into by and among Bay State Gas Company d/b/a Columbia Gas of Massachusetts (“Bay State Gas”), and its holding company parent, NiSource Inc. (“NiSource”), Eversource Gas Company of Massachusetts and its holding company parent, Eversource Energy (“Eversource”), the Massachusetts Attorney General’s Office, the Massachusetts Department of Energy Resources, and the Low-Income Weatherization and Fuel Assistance Program Network with regard to the proposed sale by NiSource and Bay State Gas, and acquisition by Eversource, of the business of Bay State Gas.

- (b) All rights to a hearing pursuant to 220 CMR 69.06;
 - (c) Any and all procedural rights available in connection with the issuance of the Consent Order;
 - (d) All rights to seek any type of administrative or judicial review of the Consent Order; and
 - (e) Any and all rights to challenge or contest the validity of the Consent Order.
2. Respondent expressly acknowledges that neither Respondent nor the Division has any intention to enter into a contract.
 3. The terms and provisions of this Consent Order, Compliance Agreement and Stipulation shall be binding upon, and inure to the benefit of, Respondent and the Division and their successors in interest.
 4. Nothing in these Stipulated Terms shall preclude any proceedings brought by the Department to enforce the terms of the Consent Order or Compliance Agreement, and nothing in these Stipulated Terms constitute, nor shall Respondent contend that they constitute, a waiver of any right, power, or authority of any other representative of the Commonwealth or an agency thereof to bring other actions deemed appropriate.

V. FINAL ORDER

1. This Consent Order, Compliance Agreement and Stipulation are intended to be, and shall be construed to be, a final order of the Department issued pursuant to G.L. c. 25, § 5, having the force and effect of a remedial order, pursuant to 220 CMR 69.07(2), and expressly does not form, and may not be considered to form, a contract binding on the Division, the Department, or the Commonwealth of Massachusetts.

2. The terms of this Consent Order, Compliance Agreement and Stipulation, including this paragraph, are not subject to amendment or modification by any extraneous expression, prior agreement, or prior arrangements between the Division and the Respondent, whether oral or written.

By Order of the Division

Richard Enright (mcc per JV)

Richard Enright, Director
Pipeline Safety Division
Department of Public Utilities

Date: 8/14/20

The undersigned, duly authorized, stipulates to and acknowledges agreement to the terms herein.

BAY STATE GAS COMPANY d/b/a Columbia Gas of Massachusetts

James B. Howe

James B. Howe
Chief Operating Officer

Date: 8/14/20

COMPLIANCE AGREEMENT
BETWEEN THE DEPARTMENT OF PUBLIC UTILITIES
AND BAY STATE COMPANY D/B/A
COLUMBIA GAS OF MASSACHUSETTS

D.P.U. 19-140

Bay State Gas Company d/b/a Columbia Gas of Massachusetts (“Respondent” or “CMA”) agrees to take the following actions within the specified time periods:

1. Revise the engineering plan and constructability review process across all CMA’s Massachusetts’ territories. This will ensure that all applicable departments review construction documents for accuracy and completeness. It will further confirm that the documents or plans be sealed by a professional engineer prior to commencing work.
2. Review and ensure that all records and documentation of CMA’s natural gas systems are traceable, reliable, and complete.
3. Apply management of change process to all changes to adequately identify system threats that could result in a common mode failure.
4. Develop and implement control procedures during modifications to gas mains to mitigate the risks identified during management of change operations. Gas main pressures should be continually monitored during these modifications and assets should be placed at critical locations to immediately shut down the system if abnormal operations are detected.
5. Review protocols and training for responding to large-scale emergency events, including providing timely information to emergency responders, appropriately assigning CMA emergency response duties, performing multi-jurisdictional training exercises, and participating cooperatively with municipal emergency management agencies.
6. Review and verify that all plastic to steel transition fittings used in the reconstruction of Merrimack Valley comply with GS 1680.020 Plastic to Steel Transition Connections.
7. Review and verify that all services and mains installed during the reconstruction of Merrimack Valley have been pressure tested and documented per Federal and State requirements.
8. All Merrimack Valley reconstruction services or mains identified as not having pressure test documentation will be required to have a pressure test performed in accordance with 49 C.F.R. Part 192, §§ 192.511 and 192.513.
9. By September 30, 2020, CMA shall provide documentation to the Department to show it has complied with Items 1-8.
10. Within 210 days of the effective date of this Order, CMA shall create, for each regulator station, site-specific procedures for the maintenance of each pressure regulator required to be maintained.

11. Within 230 days of the effective date of this Order, CMA shall provide training to appropriate management and field personnel on the use of the newly developed site-specific maintenance procedures for each regulator station.
12. Within 250 days of the effective date of this Order, CMA shall provide documentation to the Department to show that it has complied with Items 10 and 11.
13. Within 45 days of the effective date of this Order, CMA shall requalify all Measurement & Regulation technicians on the following covered tasks:
 - a. CT38A – Starting Up or Shutting Down Any Part of a Pipeline that Could Cause the MAOP to be Exceeded;
 - b. CT59 & CT60 – Controlling and Monitoring Gas Pressures and Flows;
 - c. CT61 – Inspecting a Pressure Recording Gauge;
 - c. CT62A, CT63A, & CT65A – Inspect and Test Pressure Regulation Station, Including Heating Equipment;
 - d. CT64 – Inspecting Telemetry Equipment at a Pressure Limiting or Regulating Station;
 - e. CT66A – Field Interpretation of Pressure Recording Charts and Electronic Devices;
 - f. CT67 – Inspecting a Pressure Regulating Vault; and
 - h. CT72A – Installing and Turning Off Residential, Small Commercial, Large Commercial and Industrial Meters and Regulators.
14. Within 45 days of the effective date of this Order, CMA shall provide documentation to the Department to show that it has complied with Item 13.
15. Within 30 days of the effective date of this Order, CMA shall provide an incident report highlighting and addressing key failures with the April 16, 2019 Palmer Over-Pressurization and the March 31, 2020 Chicopee Outage.
16. Within 45 days of the effective date of this Order, CMA shall provide documentation to the Department to show that it has completed all action items developed, based on key failures addressed in the incident report with Item 15.
17. Within 180 days of the effective date of this Order, CMA shall perform a review of all inserted mains within its distribution system in Massachusetts and verify all valve boxes on inserted abandon main have been abandoned in accordance with Company procedure GS 1740.010 Section 3.2.4.
18. Within 190 days of the effective date of this Order, CMA shall provide documentation to the Department to show that it has complied with Item 17.

19. Within 365 days of the effective date of this Order, CMA shall complete field abandonment of all inserted valve boxes identified in Item 17 in accordance with Company procedure GS 1740.010 Section 3.2.4.
20. Within 180 days of the effective date of this Order, CMA shall self-audit all LNG facilities and document areas where maintenance and training records are missing in accordance with the records retention requirements of 49 C.F.R. Part 193, § 193.2639 and §193.2719, and include such documentation in the records for future review.
21. Within 365 days of the effective date of this Order, CMA shall provide documentation to the Department showing that it has satisfied the requirements of Item 20.
22. Within 30 days of the effective date of this Order, CMA shall provide the Department with evidence that the support systems, protective enclosure washout, plant perimeter lighting, and emergency shut down violations in all LNG facilities have all been remedied as stated in the Company's February 27, 2020 response.
23. Within 30 days of the effective date of this order, CMA shall address the following violations and concerns regarding Gables Condominiums:
 - 404 Regency Lane: The meter at this location does not have enough support and is less than the minimum 6" above surface grade. In addition, the regulator vent terminal is less than the minimum 12" above grade and is within 10' of the building air intake.
 - 402 Regency Lane: The meter at this location does not have enough support, is less than the minimum 6" above surface grade, is missing the DPU decal, and has a 2011 sticker. In addition, the regulator vent terminal is less than the minimum 12" above grade and is within unsatisfactory proximity of a first floor opening and 10' of the building air intake.
 - 410 Regency Lane: The meter at this location does not have enough support, is less than the minimum 6" above surface grade and has a 2011 sticker. In addition, the regulator vent terminal is within 10' of the building air intake and within unsatisfactory proximity of a first floor opening and rotating electrical equipment.
 - 412 Regency Lane: The meter at this location does not have enough support, is less than the minimum 6" above surface grade and has a 2011 sticker. In addition, the regulator vent terminal is within unsatisfactory proximity of a first floor opening and rotating electrical equipment.
 - 414 Regency Lane: The meter at this location does not have enough support, is less than the minimum 6" above surface grade and has a 2011 sticker. In addition, the regulator vent terminal is less than the minimum 12" above grade and is within unsatisfactory proximity of a first-floor opening, within unsatisfactory proximity of a first floor opening and rotating electrical equipment, and within 10' of the building air intake.
 - 416 Regency Lane: The meter at this location does not have enough support, is less than the minimum 6" above surface grade and has a 2011 sticker. In addition, the

regulator vent terminal is within unsatisfactory proximity of rotating electrical equipment.

- 418 Regency Lane: The meter at this location does not have enough support and has a 2011 sticker. In addition, the regulator vent terminal is within 10' of the building air intake.
- 422 Regency Lane: The meter at this location does not have enough support and has a 2011 sticker.
- 303 Regency Lane: The meter at this location does not have enough support, is less than the minimum 6" above surface grade and has a 2011 sticker. In addition, the regulator vent terminal is less than the minimum 12" above grade.
- 301 Regency Lane: The meter at this location does not have enough support and has a 2011 sticker. In addition, the regulator vent terminal is within 10' of the building air intake.
- 309 Regency Lane: The meter at this location does not have enough support, is less than the minimum 6" above surface grade and has a 2011 sticker.
- 311 Regency Lane: The meter at this location does not have enough support, is less than the minimum 6" above surface grade and has a 2011 sticker.
- 313 Regency Lane: The meter at this location does not have enough support, is less than the minimum 6" above surface grade and has a 2011 sticker. In addition, the regulator vent terminal is within unsatisfactory proximity to rotating electrical equipment.
- 315 Regency Lane: The meter at this location does not have enough support, is less than the minimum 6" above surface grade and has a 2011 sticker.
- 323 Regency Lane: The meter at this location does not have enough support, is less than the minimum 6" above surface grade and has a 2011 sticker. In addition, the regulator vent terminal is less than the minimum 12" above grade and within unsatisfactory proximity of a first floor opening into the building.
- 321 Regency Lane: The meter at this location does not have enough support, is missing the DPU decal, and has a 2011 sticker.
- Across from 402 & 404 Tamarack: The meter at this location does not have enough support and has a 2011 sticker. In addition, the regulator vent terminal is within unsatisfactory proximity of a first floor opening into the building and rotating electrical equipment.
- Across from 602 Hampton: The meter at this location does not have enough support. In addition, the regulator vent terminal is within unsatisfactory proximity of a first floor opening into the building and the building air intake.

24. Within 30 days of the effective date of this order, CMA shall perform a review of the following gas standards: Meter Set Assembly Location and Installation Requirements (GS 3020.035) and Meter Set Assembly Protection Residential and Small Commercial (GS 3020.040).
25. Within 45 days of the effective date of this Order, CMA shall provide documentation to the Department to show that it has complied with Items 23 and 24.
26. Within 45 days of the effective date of this Order, CMA shall provide training to appropriate management and field personnel regarding gas standards GS 3020.035 and GS 3020.040, and shall perform an evaluation of Constructions Maintenance personnel qualifications to ensure that all field crews are properly qualified to perform covered tasks.
27. Within 45 days of the effective date of this Order, CMA shall provide documentation to the Department to show that it has complied with Item 26.
28. Within 90 days of the effective date of this Order, CMA shall complete a constructability review across all suspended projects to ensure that all applicable departments review construction documents for accuracy, completeness, and correctness, and that the documents or plans be sealed by a professional engineer prior to commencing work.
29. Within 45 days of the effective date of this Order, CMA shall revise construction inspector and QA/QC roles to not only correct findings real time, but also create accurate and complete documentation of tasks inspected, findings and resolutions.

D.P.U. 19-140: EXHIBIT A

1. D.P.U. 18-PL-39
 - a. Part 192, § 192.13(c) – What general requirements apply to pipelines regulated under this part?
 - b. Part 192, § 192.273(b) – General.
 - c. Part 192, § 192.273(c) – General.
 - d. Part 192, § 192.287 – Plastic pipe: Inspection of joints.

2. D.P.U. 19-PL-05
 - a. Part 192, § 192.13(c) – What general requirements apply to pipelines regulated under this part?
 - b. Part 192, § 192.195(a) – Protection against accidental over-pressuring.
 - c. Part 192, § 192.195(b)(1) – Protection against accidental over-pressuring.
 - d. Part 192, § 192.195(b)(2) – Protection against accidental over-pressuring.
 - e. Part 192, § 192.201(a)(2)(i) – Required capacity of pressure relieving and limiting stations.
 - f. Part 192, § 192.201(b) – Required capacity of pressure relieving and limiting stations.
 - g. Part 192, § 192.603(a) – General provisions.
 - h. Part 192, § 192.605(a) – Procedural manual for operations, maintenance, and emergencies.
 - i. Part 192, § 192.621(a) – Maximum allowable operating pressure: High-pressure distribution systems.
 - j. Part 192, § 192.805(h) – Qualification program.

3. D.P.U. 19-PL-07
 - a. Part 192, § 192.605(b)(5) – Procedural manual for operations, maintenance, and emergencies.
 - b. Part 192, § 192.747(b) – Valve maintenance: Distribution systems.
 - c. Part 192, § 192.195(a) - Protection against accidental overpressuring.
 - d. Part 192, § 192.195(b)(1)(2) - Protection against accidental overpressuring.
 - e. Part 192, § 192.615(a)(2) – Emergency plans.
 - f. Part 192, § 192.805(h)- Qualification program.
 - g. Part 192, § 192.1007(a)(3) – What are the required elements of an integrity management plan?

4. D.P.U. 19-PL-08
 - a. Part 192, § 192.13(c)- What general requirements apply to pipelines regulated under this part?
 - b. Part 192, § 192.353(a) – Customer meters and regulators: Location.
 - c. Part 192, § 192.355 (b) – Customer meters and regulators: Protection from damage.
 - d. Part 192, § 192.357(a) – Customer meters and regulators: Installation.
 - e. Part 192, § 192.605(a) - Procedural manual for operations, maintenance, and emergencies.

5. D.P.U. 19-PL-18
 - a. Part 192, § 192.605(a) - Procedural manual for operations, maintenance, and emergencies.
 - b. Part 192, § 192.605(b)(3) - Procedural manual for operations, maintenance, and emergencies.
 - c. Part 192, § 192.805(h) – Qualification program.

6. D.P.U. 19-PL-19
 - a. Part 192, § 192.13(c) – What general requirements apply to pipelines regulated under this part?
 - b. Part 192, § 192.457(b)- External corrosion control: Buried or submerged pipelines installed before August 1, 1971.
 - c. Part 192, § 192.459 – External corrosion control: Examination of buried pipeline when exposed.
 - d. Part 192, § 192.605(a) - Procedural manual for operations, maintenance, and emergencies.
 - e. Part 192, § 192.605(b)(3) - Procedural manual for operations, maintenance, and emergencies.
 - f. Part 192, § 192.614(c)(5) – Damage prevention program.
 - g. 220 CMR 99.06(3) – Marking Procedures.

7. D.P.U. 19-PL-23
 - a. Part 192, § 192.605(a) - Procedural manual for operations, maintenance, and emergencies.
 - b. Part 192, § 192.727(a) – Abandonment or deactivation of facilities.
 - c. Part 192, § 192.727(b) – Abandonment or deactivation of facilities.
 - d. Part 192, § 192.727(d) – Abandonment or deactivation of facilities.
 - e. 220 C.M.R. 107.04 – Procedure for Abandonment of Service Lines.

8. D.P.U. 19-PL-24
 - a. Part 192, § 192.605 - Procedural manual for operations, maintenance, and emergencies.

9. D.P.U. 19-PL-31
 - a. Part 193, § 193.2017(c)(2) – Plans and procedures.
 - b. Part 193, § 193.2521 – Operating records.
 - c. Part 193, § 193.2635(d) – Monitoring corrosion control.
 - d. Part 193, § 193.2639(a) – Maintenance records.
 - e. Part 193, § 193.2711 – Personnel health.
 - f. Part 193, § 193.2713(b) – Training: operations and maintenance.
 - g. Part 193, § 193.2717 – Training: fire protection.
 - h. Part 193, § 193.2907(b) – Protective enclosure construction.
 - i. NFPA-59A 2001 9.7.4 – Personnel safety, portable flammable gas indicators

10. D.P.U. 19-PL-44

- a. Part 193, § 193.2509(b)(3) – Emergency procedures.
- b. Part 193, § 193.2619(c)(2) – Control systems.
- c. Part 193, § 193.2619(e) – Control systems.
- d. Part 193, § 193.2627 – Atmospheric corrosion control.
- e. Part 193, § 193.2635(d) – Monitoring corrosion control.
- f. Part 193, § 193.2639(a) – Maintenance records.
- g. Part 193, § 193.2711 – Personnel health.
- h. Part 193, § 193.2713(a)(1) – Training: operations and maintenance.
- i. Part 193, § 193.2713(b) – Training: operations and maintenance.
- j. Part 193, § 193.2905(e) – Protective enclosures.
- k. NFPA-59A 2001 9.2.5 - Fire protection field review

11. D.P.U. 19-PL-45

- a. Part 193, § 193.2017(c)(2) – Plans and procedures.
- b. Part 193, § 193.2509b(b)(3) – Emergency procedures.
- c. Part 193, § 193.2609 – Support systems.
- d. Part 193, § 193.2613 – Auxiliary power sources.
- e. Part 193, § 193.2621(a)- Testing transfer hoses.
- f. Part 193, § 193.2627 – Atmospheric corrosion control.
- g. Part 193, § 193.2635(d) – Monitoring corrosion control.
- h. Part 193, § 193.2711 – Personnel health.
- i. Part 193, § 193.2713(a)(1) – Training: operations and maintenance.
- j. Part 193, § 193.2713(b) – Training: operations and maintenance.
- k. Part 193, § 193.2905(e) – Protective enclosures.
- l. Part 193, § 193.2907(b) – Protective enclosure construction.
- m. Part 193, § 193.2911 – Security lighting.
- n. NFPA-59A 2001 9.2.5 – Fire protection field review.

12. D.P.U. 19-PL-47

- a. Part 193, § 193.2017(c)(2) – Plans and procedures.
- b. Part 193, § 193.2503(b) – Operating procedures.
- c. Part 193, § 193.2509(b)(4) – Emergency procedures.
- d. Part 193, § 193.2513 – Transfer procedures.
- e. Part 193, § 193.2621(b) – Testing transfer hoses.
- f. Part 193, § 193.2713(b) – Training: operations and maintenance
- g. Part 193, § 193.2715(b) – Training: security.

13. D.P.U. 20-PL-27

- a. Part 192, § 192.756 -- Joining plastic pipe by heat fusion; equipment maintenance

14. D.P.U. 20-PL-31

- a. Part 192 §§ 192.605(a) – Procedural manual for operations, maintenance, and emergencies.
- b. Part 193, § 192.619(a) – Maximum allowable operating pressure: Steel or plastic pipelines.
- c. Part 193, § 192.623(a) – Maximum and minimum allowable operating pressure; Low-pressure distribution systems.
- d. Part 193, § 192.623(b) – Maximum and minimum allowable operating pressure; Low-pressure distribution systems.

15. Undocketed Matter involving Springfield Bridge Welds

- a. Part 192 § 192.229(b) – Limitations on welders and welding operations.

16. Dig Safe Dockets: 17-DS-513, 18-DS-0300A, 18-DS-0619A, 19-DS-0105A, 19-DS-0242, 19-DS-0663, 19-DS-0668, 19-DS-0671, 19-DS-0672, 19-DS-0675, 19-DS-0745, 19-DS-0878, 19-DS-0911, 19-DS-0922, 19-DS-0964

- a. Part 192, § 192.614 – Damage prevention program
- b. G.L. c. 82, § 40A – Excavations: notice.
- c. G.L. c. 82, § 40B – Designation of location of underground facilities
- d. 220 CMR 99.00- Procedures for the Determination and Enforcement of Violations of Safety Codes Pertaining to Damage Prevention.