



## ***National Fuel***

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Lee E. Hartz  
Assistant General Counsel

April 6, 2010

***VIA Electronic Filing &  
NEXT DAY UPS***

Secretary James J. McNulty  
Pennsylvania Public Utility Commission  
Commonwealth Keystone Bldg.  
400 North Street  
Harrisburg, PA 17120

**Re: Utility Service Outage Public Notification Guidelines - Proposed  
Statement of Policy; Pa. P.U.C. Docket No. M-2008-2065532**

Dear Secretary McNulty:

Pursuant to the Pennsylvania Public Utility Commission's Order entered on March 6, 2010 at the above Docket, enclosed for filing are an original and 15 copies of the Comments of National Fuel Gas Distribution Corporation ("Comments"). This document is also being electronically filed.

An electronic copy of these Comments is being served as indicated below as requested in the Order.

If you should have any questions regarding this filing, please contact me anytime at (814) 871-8060. Many thanks for your assistance in this matter.

Very truly yours,



Lee E. Hartz

Enclosures

cc: *VIA E-Mail:*  
Elizabeth Barnes, Assistant Counsel ([ebarnes@state.pa.us](mailto:ebarnes@state.pa.us))

**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

**Utility Service Outage Public  
Notification Guidelines –  
Proposed Statement of Policy**

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: **COMMENTS**

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: **Docket Number: M-2008-2065532**  
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**COMMENTS OF  
NATIONAL FUEL GAS DISTRIBUTION CORPORATION  
TO THE PROPOSED POLICY STATEMENT**

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**TO THE PENNSYLVANIA PUBLIC UTILITY COMMISSION:**

**I. Introduction.**

Recently, the Pennsylvania Public Utility Commission (the "Commission") entered a Proposed Statement of Policy (the "Proposed Policy Statement") at this docket. The Proposed Policy Statement addresses, generally, is intended to provide guidance to the electric utility industry regarding the types of public notice necessary to meet the reasonableness standard set forth in the Public Utility Code. The Proposed Policy Statement, which was published in the Pennsylvania Bulletin on March 6, 2010, provided that interested parties could file comments within 30 days of the publication date. The Commission subsequently extended that deadline until April 7, 2010.

National Fuel Gas Distribution Corporation ("NFGDC"), a certificated natural gas distribution company providing service to approximately 213,000 customers in Northwestern and north-central Pennsylvania, appreciates this opportunity to submit comments on the Proposed Policy Statement. As a natural gas distribution utility, the Proposed Policy Statement does not directly apply to NFGDC as Proposed § 69.1901 clearly states that the scope of the

Proposed Policy Statement is to “provide guidelines to the electric distribution market[.]” That said, NFGDC is filing these comments to address the issue raised by the Commission in the Order accompanying the Proposed Policy Statement as to whether the Proposed Policy Statement should apply to natural gas distribution companies (“NGDCs”) as well as electric distribution companies (“EDCs”). As explained in further detail below, NFGDC is of the opinion that, given the inherent differences between electric and gas distribution systems and the nature of natural gas service outages, this Proposed Policy Statement should not apply to natural gas distribution companies because. The foremost reason for this belief is that the potential costs of implementation of the Proposed Policy Statement would far outweigh any benefit to natural gas distribution customers.

In addition to these comments, the Energy Association of Pennsylvania (the “EAPA”), of which NFGDC is a member, is contemporaneously filing Comments at this Docket. NFGDC incorporates herein and supports the Comments filed by the EAPA.

**II. The Proposed Policy Statement should not apply to natural gas distribution companies.**

**1. Differences between electric and natural gas distribution systems result in different types of service outages.**

Natural gas distribution systems are, obviously, very different from electric distribution systems. An examination of these differences begins to illustrate the reasons that it is not necessary for this Proposed Policy Statement to apply to NGDCs.

The most fundamental difference between the two types of distribution systems is that electric distribution systems are largely above ground and natural gas distribution systems, along with the larger-scale transmission systems, are located almost entirely below ground. Thus, natural gas systems are far less likely to suffer the types of wide-spread damage that electrical distribution systems face from weather events. In fact, most components of a natural gas distribution system are all but immune from storm damage. By virtue of being located largely below ground, when damage does occur to a natural gas distribution system, it is

much more likely to be acute and area specific. For instance, a single underground line may be damaged during an excavation or a singular regulator or compressor station may suffer damage.

Thus, due to the differences inherent in the two systems, outages on an NGDC's system can often be addressed more quickly. Where it may be common for an EDC to face making numerous facility repairs after a severe storm, NGDCs rarely have to address more than single instances of facility damage. Thus, NGDCs can easily focus repair efforts and quickly restore service. Further, the nature of natural gas distribution systems will often allow NGDCs to make temporary repairs or find other alternative ways to restore service while permanent repairs are made to the impacted facilities.

In all, the nature of NGDC systems are such that NGDCs rarely face large-scale and long-term service outages. Service outages on a NGDC system, when they do occur, are much more likely to impact a small number of customers in a defined area. Thus, in an outage situation, it is much easier for an NGDC to make direct contact with the impacted customers. In fact, for many NGDCs direct contact is necessary before service can be restored. In this way, to the extent the Proposed Policy Statement deals with providing mass-media updates and uniform information to large numbers of customers, it is not applicable to NGDCs.

Likewise, due to the nature of outages on an NGDCs system, NGDCs are often able to effectuate repairs quickly and restore service without long delays. It is rare for outages on an NGDC system to extend more than a single day and most repairs are made sooner. Here again, the concern expressed in the Proposed Policy Statement stems, in large part, from long term service outages and providing updates to impacted customers. As it is rare for NGDCs to experience long-term service outages, this concern is not applicable to NGDCs. This is illustrated by the fact that, after a storm event, one will often hear news reports of electric outages effecting large numbers of customers over widespread areas for days at a time. Similar reports are seldom, if ever, heard concerning natural gas service.

**2. The nature of natural gas service outages does not warrant application of this policy statement.**

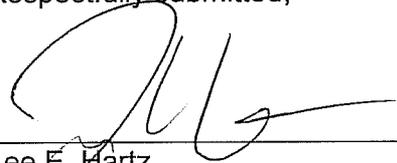
Due to the above-described nature of outages on NGDC systems, NGDC's have developed means of addressing outages that are very different from those described in the Proposed Policy Statement. Because NGDC outages are usually specific and acute, NGDC's will often make personal, individual, contact with the relevant customers. NFGDC, for instance will attempt to make personal contact through house visits, telephone calls or door hangers. In this way, many of the recommendations of the Proposed Policy Statement would not be applicable.

Since, NGDCs handle outage situations in such a way, it would be costly to implement many of the items contained in the Proposed Policy Statement. Because these items do not mesh well with the nature of an NGDC outage, NFGDC believes that incurring these expenses would not provide any additional benefits to its customers. For this reason, the Proposed Policy Statement should not apply to NGDCs.

**III. Conclusion.**

National Fuel Gas Distribution Corporation appreciates the opportunity to provide comments regarding the Proposed Policy Statement and thanks the Commission for its time and attention to this matter.

Respectfully submitted,



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