

**BEFORE THE GEORGIA PUBLIC SERVICE COMMISSION
STATE OF GEORGIA**

IN RE: ATLANTA GAS LIGHT COMPANY

)
) **DOCKET NO. 42166**
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)

SETTLEMENT AGREEMENT

The Georgia Public Service Commission ("Commission") and Atlanta Gas Light Company ("AGL," "Company" or "Respondent") hereby agree to presentation of the following proposed disposition of the above-styled matter:

Whereas, AGL and the Commission desire to resolve the issues raised in these proceedings in the manner set forth herein;

Whereas, AGL enters into this Settlement Agreement without admitting any of the facts or findings contained in said Incident Report and Notice of Probable Violations, without admitting any impropriety and without admitting any violation of any applicable rules, regulations or laws and, in particular, without admitting liability for any of the probable violations set forth herein;

Whereas, this Settlement Agreement shall not constitute an admission against interest in this or any other proceeding, and if this Settlement Agreement is not approved, it shall not prejudice the ability of AGL or Staff to present evidence or the ability of the Commission to adjudicate these matters. The Commission through adoption of this Settlement Agreement shall in no way be construed as condoning AGL's or its contractor's alleged conduct, if such allegations were true. Nothing in this Settlement Agreement may be construed in this or any other proceeding as an admission by or an allocation of fault against AGL.

Whereas, the Commission agrees that settlement consistent with the agreements made in this Settlement Agreement promotes administrative efficiency and is preferable to proceeding to a hearing on disputed issues;

It is hereby agreed as follows:

FINDINGS AND CONCLUSIONS

1.

This Settlement Agreement is being offered under: 49 U.S.C.S. § 60122; 49 C.F.R. § 192.605(a); 49 C.F.R. § 192.614(a); 49 C.F.R. § 192.615(a); 49 C.F.R. § 192.617; 49 C.F.R. § 199.105(c)(2); 49 C.F.R. § 199.225(a)(1); O.C.G.A. §§ 46-2-20, 46-2-21(b)(5), 46-2-30, 46-2-91, 46-4-31, 46-4-34, and 46-4-35; and Georgia Public Service Commission Rules 515-9-1-.06,

515-9-3, and 515-9-6-.01; all regarding the safe installation and operation of gas distribution systems within the State of Georgia.

2.

In accordance with the aforementioned legal citations in Paragraph 1 above, the Facilities Protection Unit Staff of the Commission has the authority to inspect the facilities of Georgia's natural gas providers pursuant to the laws cited herein and to seek the imposition of penalties for probable violations.

3.

The Company is a natural gas operator in the State of Georgia with gas transmission and distribution systems in and around the State; all of which are subject to the Commission's jurisdiction.

4.

As a natural gas transmission and distribution system operator, Respondent is subject to the requirements of 49 U.S.C.S. § 60122, 49 C.F.R. Parts 191, 192, and 199.

5.

On Aug 17, 2018, AGL notified the Commission of a natural gas explosion that occurred inside a commercial business at 23 E. Dame Avenue (the Coffee Corner) in Homerville, GA. There were three people inside the business at the time of the explosion who were transported to a hospital in Gainesville, Florida with burns and other injuries.

6.

On or about March 27, 2019, in accordance with Commission Rule 515-9-3-.08, AGL was notified in writing of Notice of Probable Violations ("NOPV") incorporated within the context of Staff's Incident Report, DL19-004 (filed in this Docket No. 42166 on March 29, 2019), which alleged actions/inactions on part of Respondent in connection with the August 17, 2018 incident.

AGREEMENTS

By signing below, the Parties agree that all matters alleged in the NOPV outlined in Staff's written Investigation Report DL19-004 should be settled as follows:

1.

This Settlement Agreement, if approved by the Commission, will constitute a final resolution of this proceeding and any other proceeding that could have been brought against AGL in connection with the August 17, 2018 incident.

2.

AGL will make a voluntary contribution of \$275,000 to the Georgia Pipeline Emergency Responder Initiative (GPERI) within forty-five (45) days of a Commission order adopting this Settlement Agreement that will be paid in certified funds and will be made payable as determined

by the Commission. This contribution will be utilized by GPERI to train and equip emergency responders to operate more efficiently and effectively on pipeline emergency scenes. GPERI will make efforts to provide training to assist emergency responders on recognizing the need for air monitoring and conducting air monitoring during response.

3.

AGL will make a voluntary contribution of \$72,000 to the Georgia Rural Water Association (GRWA) within forty-five (45) days of a Commission order adopting this Settlement Agreement that will be paid in certified funds and will be made payable as determined by the Commission. This contribution will be utilized by GRWA to conduct utility line locating workshops for the water and sewer system owners and operators in the State of Georgia to maximize safety and to minimize disruptions to the delivery of utility services. The GRWA will make efforts to reach the more rural systems across Georgia that are understaffed and lack sufficient resources to effectively perform locating activities. AGL, GRWA, and Staff shall meet to determine the logistics and reporting requirements regarding the expenditure prior to their use.

4.

The total amount of AGL's voluntary contributions is \$347,000. These monetary contributions will be utilized by both the GPERI and GRWA in a manner that is consistent with the Commission's goal of providing guidance and resources to prevent the future reoccurrence of the August 17, 2018 incident in Homerville, Georgia.

5.

All costs incurred related to compliance with this Settlement Agreement will be timely booked in accordance with the Uniform System of Accounts prescribed for Natural Gas Companies subject to the Provisions of the Natural Gas Act. AGL acknowledges that the expenditures set forth in ¶¶ 2, 3, and 4 herein are not recoverable through regulated rates.

6.

If complications arise as to compliance with and/or implementation of this Settlement Agreement, AGL and Commission Staff agree to work in good faith to resolve any such complications.

7.

The Parties agree that this Settlement Agreement is a just and reasonable disposition of any fine or penalty that the Commission could have assessed against AGL in connection with the incident on August 17, 2018 in Homerville, Georgia, including without limitation the NOPVs.

8.

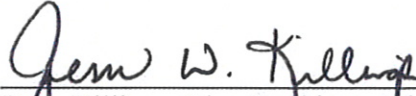
This Settlement Agreement shall not become effective until and unless it is approved by the Commission, at which time the Parties anticipate that the Commission will enter an Order adopting and incorporating the terms and conditions of this Settlement Agreement.

9.

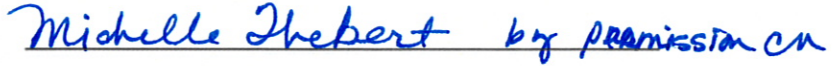
The undersigned authorized representative of AGL acknowledges by his signature below that he has read this Settlement Agreement and understands its contents. The undersigned further acknowledges his Settlement Authority on behalf of AGL and agrees on behalf of AGL to the resolution of this proceeding as provided for herein.

This 10th day of February 2020.

Agreed to:



Jesse Killings, Vice President, Atlanta Gas Light
Company
On Behalf of Respondent

 by permission of

Michelle Thebert, Director, Office of Pipeline
Safety/Facilities Protection
Georgia Public Service Commission