

STATE OF NEW YORK DEPARTMENT OF PUBLIC SERVICE
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July 22, 2014

Ms. Katherine Boden
Vice President – Gas Operations
Consolidated Edison of New York, Inc.
4 Irving Place – Room 1624
New York, NY 10003

Dear Ms. Boden:

Enclosed for your review are the final 2013 field audit reports prepared by Staff of the New York State Department of Public Service, Office of Electric, Gas & Water. The reports, which encompass the Central, and Westchester operating areas, are specific in outlining instances of non-compliance where Con Edison failed to adhere to the requirements of 16 NYCRR Part 255 – Transmission and Distribution of Gas. There are no documented findings to report for operating areas Bronx, Manhattan and Queens.

Please note that Staff's audits were based on a sample review of pertinent operation and maintenance activities, and findings were discussed in detail with Con Edison management during a compliance meeting held on November 13, 2013. Also note that all violations occurring after March 29, 2013 may be subject to administrative enforcement actions under the Commission's PSL 25-a authority or, for violations beginning after January 1, 2014, the negative revenue adjustment clause in your current rate plan.

Provide a response within 30 days detailing what actions have and/or will be taken by Con Edison to remediate noted violations and ensure future compliance. If you have any questions regarding these or any other gas safety concerns, please do not hesitate to call me at [REDACTED]

Sincerely,

[REDACTED]
Christopher Stolicky
Utility Supervisor (Safety)
Office of Electric, Gas & Water

cc: K. Speicher
S. Thomas

Consolidated Edison of New York (CECONY)
Central Gas Operations
Violation Specifics

16 NYCRR 255.723– Distribution systems: Leakage surveys and procedures
1 Violation - 6 Occurrences

16 NYCRR 255.723(b) states, "The type and scope of the leakage control program must be determined by the nature of the operations and the local conditions, but it must meet the following minimum requirements... (2) Leakage surveys of the distribution system outside of business districts, **including the service line area up to the building wall**, must be made as frequently as necessary, but at least once every 5 calendar years at intervals not exceeding 63 months." The following details where this requirement was not met

Staff has discovered during field inspections that CECONY does not perform leakage surveys of its above ground service lines associated with outside meter sets up to the building wall. CECONY stated that its Leakage Survey department is responsible for performing leak surveys of buried portion of service lines only up to the point where it transitions to aboveground piping. CECONY could not provide any documentation to demonstrate that surveys of the above ground portion of the service line up to the building wall that are not covered by leakage survey group is being performed by any other departments of the company.

On 7/11/13, Staff accompanied a Leak Survey Mechanic performing a walking survey of a non-business district area in White Plains, Westchester. The mechanic failed to perform leak survey of the aboveground piping and attached meter assemblies up to the building wall to complete the required leakage survey of the entire service line. Listed below are the specific locations where Staff witnessed incomplete leak survey of the service lines involving above ground piping and outside meter sets.

- 6 Washington Avenue, White Plains
- 21 Washington Avenue, White Plains
- 17 Harmon Street, White Plains
- 19 Harmon Street, White Plains
- 21 Harmon Street, White Plains
- 23 Harmon Street, White Plains

Although Staff witnessed only six locations during field inspections, CECONY must conduct leak surveys of its services lines within the entire operating areas up to the building wall including any above ground piping and meter assemblies to ensure compliance with the regulations.

16 NYCRR 255.603(d) – General Provisions - 1 Violation - 1 Occurrence

CECONY procedure G-11806, section 7.2 states, *“Using the maps and other visible references (i.e. curb valves), technicians will walk the path of the service from the curb (or edge of the road) to the building with the DP-IR alarm level set between 3 and 5 PPM”*

On 7/11/13, Staff accompanied a Leak Survey Mechanic performing a walking survey of a non-business district area in White Plains, Westchester. The mechanic failed to perform leak survey of the aboveground piping and attached meter assemblies up to the building wall to complete the required leakage survey of the entire service line. Listed below are the specific locations where Staff witnessed incomplete leak survey of the service lines involving above ground piping and outside meter sets.

6 Washington Avenue, White Plains
21 Washington Avenue, White Plains
17 Harmon Street, White Plains
19 Harmon Street, White Plains
21 Harmon Street, White Plains
23 Harmon Street, White Plains

16 NYCRR 255.603(c) – General provisions – 1 Violation – 1 Occurrence

(c) Each operator shall establish and maintain the maps of its transmission lines and distribution mains and maps or records of its service lines as necessary to administer its operating and maintenance plan.

On 6/20/13, staff was notified of a contractor damage to a natural gas service line at 10 Rolling Hills Lane, Harrison. The damage was due to CECONY's failure to mark-out the service line to 10 Rolling Hills Lane. The CECONY damage report also noted that the gas system maps were inaccurate. As part of this incident investigation and review of records, it was noted that as of 6/20/13, CECONY's gas mapping system inaccurately indicated the service line to 12 Rolling Hills Lane, Harrison coming straight from the main to the building. The service line actually enters diagonally from a tee near 10 Rolling Hills Lane to the east to building number 12 Rolling Hills Lane. CECONY corrected this mapping error in its records on 6/24/13.

16 NYCRR 255.604 – Operator Qualification - 1 Violation - 1 Occurrence

On 10/3/13 Staff accompanied a CECONY crew for a high pressure (HP) service regulator inspection of a new natural gas service at 253-01 Northern Boulevard, Queens. Upon arrival at the location, Staff noted that the plumber working for the building owner had installed a new meter bar in the basement of the building (BoPA, this was a nursery school) but there was no regulator attached. The CECONY mechanic stated to the plumber and the building owner that CECONY is only responsible up to the head of service. The mechanic was instructed by a CECONY supervisor to leave the plumber

with an appropriately sized regulator. CECONY stated that the installation of the regulator and vent line was the plumber's responsibility. A regulator was offered to the plumber, who refused, stating that he believed it was CECONY's responsibility to supply and install the regulator.

The task of installing a gas service regulator as identified as covered task # 72 in CECONY's Operator Qualification Program must be the responsibility of a properly qualified person under CECONY's procedures. In contradiction, CECONY specification G-413 states: "when meter sets are installed inside the building, the regulator shall be furnished by the Company for installation by the customer."

Staff's discussion of this issue with CECONY's management has confirmed that it is the practice of the company that it provides service regulators to the plumbers for installation as referenced in its specification G- 413. CECONY must address this issue immediately to make necessary changes to its specification and be in compliance with applicable regulations.

Part of CECONY's *Operator Qualification Compliance Program: Written Plan* for the covered task of "Installation of Customer Meters and Regulators" is shown below.

COVERED TASK #72: Installation of Customer Meters and Regulators

A. Task Description:

This task includes location of and hanging/setting the meter set.

B. Application of the three part test for covered tasks:

This task is performed on a pipeline facility;

This task is performed as a requirement under 49 CFR 192.353, 192.355, and 192.357; and

This task can affect the operation or integrity of the pipeline.

C. Discussion:

Attaching a meter bracket is not part of this task. This task covers a typical residential and commercial regulator installation; distribution regulators (e.g. pilot, worker monitor) are covered under task 62.

G. Domains and Elements

3. Regulators

- a. Knowledge of a regulators components and function
- b. Knowledge of how a regulator operates
- c. Know how to install a regulator
- d. Know how to size a regulator
- e. Know how to adjust pressure

Consolidated Edison of New York (CECONY)
Westchester Gas Operations
Violation Specifics

16 NYCRR 255.807(a) – Leaks: Records – 1 Violation – 1 Occurrence

(a) A gas leak record, identified by number, shall be used to depict the entire history of a leak from the time of discovery through the follow-up inspection.

CECONY discovered a Type 1 leak located at 430 East 4th Street, Mount Vernon (Leak Ticket Number: WL12005039) on 5/27/12 within the vicinity of a transmission main. During the initial investigation, CECONY recorded 4.2% gas-in-air reading in a CECONY manhole at Test Point # 3 and 71% gas- in- air reading at test point # 1 in street. The daily surveillance documentation of this leak on 5/29/12, prior to any repairs being performed, indicates an “X” for test point #3 instead of a gas-in-air reading. CECONY Procedure G-11834 “Procedure for Recording and Monitoring an Outside Gas Leak and Repair History,” states an “X” signifies “No Test” and is “used when a previous test point is not investigated because it is determined that the test is not necessary for the documentation of the leak classification.” Since CECONY had readings at test point # 3 in prior surveillances, this test point should not have been avoided at all. CECONY should ensure that all necessary test points are checked during leak surveillances and the documentation accurately reflects such checks.