

STATE OF NEW YORK
PUBLIC SERVICE COMMISSION

At a session of the Public Service
Commission held in the City of
Albany on April 16, 2015

COMMISSIONERS PRESENT:

Audrey Zibelman, Chair
Patricia L. Acampora
Gregg C. Sayre
Diane X. Burman

CASE 11-G-0565 - In the Matter of a Natural Gas Incident at 198
Joseph Street, Horseheads, on January 26, 2011
in the Service Territory of New York State
Electric and Gas Corporation.

ORDER DIRECTING IMPLEMENTATION OF BEST PRACTICES
OF NEW YORK GAS FACILITIES

(Issued and Effective April 17, 2015)

BY THE COMMISSION:

INTRODUCTION

On February 20, 2014, the Commission issued an Order Requiring Risk Assessment and Remediation of New York Gas Facilities (February 2014 Gas Order), which required all local distribution companies (LDCs) to assess the risks associated with their underground facilities where excavation occurred subsequent to the installation of the gas facilities.¹ The February 2014 Gas Order also directed LDCs to conduct a collaborative to develop best practices for improved public

¹ Case 11-G-0565 - In the Matter of a Natural Gas Incident at 198 Joseph Street, Horseheads, on January 26, 2011, in the Service Territory of New York State Electric and Gas Corporation. Order Requiring Risk Assessments and Remediation of New York Gas Facilities (issued February 20, 2014). The results of the assessments will be reported to the Commission separately.

education with respect to the importance of reporting natural gas odors and to find new ways to reach local governments to educate them on the potential hazards associated with excavating near gas facilities (the Collaborative).² The February 2014 Gas Order required a report from the Collaborative on these issues by May 21, 2014 (May 2014 Report).

A State Administrative Procedure Act (SAPA) Notice was published on July 2, 2014 seeking comments on the extent to which the Commission should require improvements to the public education programs. Comments were due on August 18, 2014; no comments were received.

BACKGROUND

Following the issuance of the February 2014 Gas Order, Department of Public Service Staff (Staff) enlisted the Northeast Gas Association (NGA) to coordinate and facilitate the Collaborative's discussions.³ Staff participated in a conference call in March 2014 with the Collaborative to discuss the February 2014 Gas Order and the Commission's expectations. During this call, Staff indicated that, in addition to best practices, the Collaborative should address the use of either 911 or the development of a gas emergency number dedicated to

² The LDCs participating in the Collaborative are: New York State Gas & Electric Corporation, Niagara Mohawk Power Corporation, d/b/a National Grid, Central Hudson Gas and Electric Corporation, Consolidated Edison Company of New York, Inc., Corning Natural Gas Corporation, Keyspan East Corp., d/b/a Brooklyn Union L.I., National Fuel Gas Distribution Corporation, Orange and Rockland Utilities, Inc., Rochester Gas and Electric Corporation, St. Lawrence Gas Company, Inc., Brooklyn Union Gas Company, Valley Energy, Inc., Bath Electric, Gas Water Systems, Fillmore Gas Company, Reserve Gas Company, and Woodhull Municipal Gas Company.

³ NGA is a regional trade association that represents natural gas companies in eight Northeastern states, including New York State.

reporting gas odors similar to the 811 "Call Before You Dig" line.

Initial Collaborative Report

The May 2014 Report of the Collaborative addressed public awareness regarding recognizing and responding to gas odors and educating public officials on the issue of third party damages.⁴ The May 2014 Report identified:

- education programs currently undertaken by individual LDCs and NGA to raise public awareness of the importance of reporting gas odors, such as the use of safety brochures and "Scratch and Sniff" odorant pamphlets that simulate gas odor;
- new best practices that the LDCs would consider adopting, such as the development of regional safety videos for the LDCs to use in their public education programs;
- potential barriers to reporting odors and the use of an emergency gas telephone line, similar to 911; and
- new activities to educate public officials about the hazards related to excavations near gas facilities, including working with NY One-call centers to increase education opportunities.⁵

The May 2014 Report also provided a brief summary describing the best practices each LDC currently uses or plans

⁴ NGA submitted the May 2014 report on behalf of Collaborative members, with the exception of Central Hudson, which filed its own response to the February 2014 Gas Order.

⁵ One-call centers act as clearinghouses to allow excavators to make one phone call to provide notice of excavation to all underground facilities operators within a proposed area of excavation. New York State has two one-call centers; one covers New York City and Long Island; the other covers the remainder of the State.

to incorporate into their public education programs, as well as which practices they opted not to use or need to further investigate.⁶

Staff Review of the Collaborative Report

In August 2014 Staff held a technical conference to discuss the requirements of the February 2014 Gas Order, including how those requirements were met in the May 2014 Report. Staff determined the May 2014 Report did not meet the Commission's requirement of identifying concrete and innovative improvements to the LDCs' public education programs on the need to report gas odors. While the Collaborative did identify best practices, the Collaborative did not make commitments to the changes, only stating that the LDCs "will consider" or "may adopt" the improvements identified in the report. Further, while the May 2014 Report identified practices the LDCs "plan to adopt" or "investigate," it included no clear indication of when or how the LDCs would incorporate these practices nor how these changes would provide improvements to the companies' public education programs.

With respect to new initiatives to educate public officials about third party damage, Staff determined that the May 2014 Report was unacceptably non-committal, listing, for instance "initiatives [the Collaborative members would] consider" rather than specifying how and when the initiatives would be implemented. The May 2014 Report was also unclear whether the initiatives involving the One-call centers would be undertaken by the Collaborative or by the individual LDCs.

⁶ Each LDC identified at least one new best practice it would incorporate into its gas education program. Many of the LDCs indicated that they would expand an existing practice to include ideas developed during collaborative discussions.

To address this lack of commitment and specific information about the LDCs' efforts, Staff requested each LDC provide its own separate education plan to the Department by October 30, 2014. Each plan would contain detailed information about the LDC's use of best practices in their overall education programs, including explanations pertaining to each best practice that the LDC chose not to adopt. The individual plans would also specify how the LDCs will educate local governments in each service territory about excavation near gas facilities. Staff provided detailed guidance on what should be included in an education plan regarding the items identified in the February Order and subsequent discussions.

Staff encouraged the Collaborative to continue to work together to develop an education program that would benefit all LDCs. In particular, Staff noted that the May 2014 Report focused on delivery methods rather than identifying new messaging. Since a critical component of developing effective messaging is understanding customer motivation (so an education strategy can be tailored to change behavior towards a desired goal, e.g. reporting gas odors), an education strategy should identify barriers to reporting odors. New/updated messaging about the importance of reporting odors could then be incorporated into individual LDC public education plans as well as in the Collaborative's proposed initiative to develop regional gas safety videos.

In addition, Staff noted the Collaborative's public awareness discussions did not explore innovative ways to include social media, a powerful communication tool. Further, the May 2014 Report offered little discussion of social media in each LDC's list of best practices. Staff encouraged the Collaborative to incorporate more social media elements in their education programs.

Revised Collaborative Report

On October 10, 2014, NGA submitted an updated report on the Collaborative's discussion regarding improving public awareness on reporting gas odors and educating public officials on potential hazards of excavation near gas facilities (October 2014 Report). The October 2014 Collaborative Report clarified best practices that should be incorporated into LDC education programs and provided additional details on new education initiatives, such as the development of regional videos, a social media campaign and a partnership with One-call centers. The October 2014 Report included a brief summary of recent Con Edison research that identified barriers that deter customers from taking action when they smell gas. NGA stated that it would perform its own customer behavior research and incorporate the results into messaging for education materials such as the Scratch and Sniff pamphlets and the video and social media initiatives.⁷ The NGA also committed to using customer input to determine the optimal schedule for its gas safety campaign in all major media markets in New York State.

The October 2014 Report also included information regarding the use of a gas emergency number and indicated that each LDC would address its gas emergency call policy and 911 in their individual plans. The Collaborative noted that Con Edison and National Grid have met with New York City officials to develop a coordinated process by which 911 can be the primary number to report gas leaks in New York City. The Collaborative

⁷ NGA held focus groups across the state, drawing from urban, suburban and rural populations. At the end of January 2015, NGA reported on the results of the focus groups and indicated that the Collaborative anticipates using the results of the NGA focus groups to identify new gas odor messaging for use in Collaborative initiatives and in individual LDC education programs.

agreed to follow the progress of this effort and assess whether to adopt this initiative statewide where appropriate.

DISCUSSION

Recent gas-related events, in which people reported smelling gas yet did not alert the utility, reinforce the need for more effective public awareness regarding natural gas safety, particularly with respect to the importance of reporting gas odors. The February 2014 Gas Order required the LDCs to develop best practices to improve public awareness of the importance of reporting gas odors and educate local governments about the impacts excavation practices can have on existing gas facilities. The Commission expected this collaborative to develop concrete, innovative improvements to each LDC's public awareness programs and efforts to educate local governments.

The Collaborative's May 2014 Report identified activities currently used in the various LDC territories and included a few "best practices" each LDC would consider incorporating in its education program. The initial Collaborative process, which resulted in the May 2014 Report was, failed to achieve the objective of identifying effective and innovative ways to raise public awareness on the importance of reporting gas odors and educating officials on the hazards of excavation near gas facilities.

Staff provided specific feedback to the Collaborative, urging the LDCs to identify new education delivery methods, provide additional details about each LDC's specific programs and improve the messaging needed to raise public awareness of the need to report gas odors. While the Collaborative's October 2014 Report offered improvements, some of the individual LDC plans submitted after October 2014 continued to lack creativity and innovation for effective messaging.

Determining the barriers to reporting odors and developing effective messaging to address those barriers are key steps to making concrete improvements in LDC gas odor education programs. To this end the NGA, on behalf of the Collaborative, initiated a customer behavior study and identified, in its October 2014 Report, new initiatives that it will undertake in the coming months, applying the results of that research. We laud the plan identified in the October 2014 Report to: apply lessons learned from focus groups to include more effective and relevant messaging on "Scratch and Sniff" odorant pamphlets as well as an NGA media campaign; use the results of this research to try alternative schedules for purchasing mass media time to better reach customers with the new messaging; and to hire a marketing consultant to develop regional videos that will include messages based on the results of the focus groups.⁸

The October 2014 Report adequately addressed Staff's concerns about the need to use social media by committing to engage a digital media consultant to assist in the development of a statewide social media plan. The statewide video and digital media campaigns are expected to be completed by September 2015. The Collaborative shall provide updates every 90 days on the status of these initiatives, identifying activities that have been taken to develop and implement these programs. The final report shall be submitted on December 31, 2015 detailing where and when the regional videos and social media campaigns have been launched and how they have been integrated into each LDC's programs.

The October 2014 Report also identified best practices regarding educating public officials on excavation practices and

⁸ It is appropriate that the costs associated with development of regional videos be spread among the Collaborative because providing a consistent message on the importance of public reporting of gas odors should be distributed statewide.

clarified which initiatives were being pursued by the Collaborative. As with the Collaborative initiatives regarding gas odor, the public awareness program for municipal officials lacked detail with regard to, for instance, proposed partnerships with One-call centers. In its 90-day updates on Collaborative initiatives and its December 30, 2015 final report, the Collaborative shall report to the Commission on specific dates and meetings held with local governments and the status of the One-call on excavation awareness initiatives.

The LDC Education Plans submitted between October 2014 and January 2015 varied in depth and content; some LDCs did not file individual plans. Some plans included sample materials, schedules and budgets, while others provided limited information. Some LDC education plans lacked specific information about schedules, budgets, frequency of delivery methods, or how each would incorporate the results of the Collaborative's initiatives into its overall education program. For instance, education for non-English speaking populations varied: some LDCs provided demographic information about populations of non-English speaking customers in their service territories while others offered limited information to explain the extent to which educating these population segments requires the LDC to produce gas safety materials in languages other than English. Similarly, the October 2014 Report indicated that each LDC not currently using 911 would determine if 911 was a viable option in its territory; however, some LDC Plans did not discuss this issue. Finally, the LDC Plans lacked information on how the utility would evaluate the effectiveness of an enhanced education program.

Therefore each LDC shall file revised public education plans. The revised plans shall incorporate the best practices included in the October 2014 Report. The LDCs shall also

incorporate additional best practices identified by Staff to improve gas odor education tools including the Scratch and Sniff pamphlets, company websites, and on-hold telephone messaging. The combined list of best practices is included as Appendix A of this Order. Best practices regarding educating municipal officials on safe excavation near gas facilities are listed in Appendix B. If an LDC can show why it is not possible or practical to include a specific best practice in its plan, the LDC shall provide an adequate explanation as to why it cannot include a given measure.

Each LDC Plan shall describe how the LDC will implement an improved education program and include specific descriptions of the education activities, messaging, delivery methods, schedules, budget, and evaluation methods. In addition, each LDC Plan shall include a status report on the feasibility of developing a 911 gas odor call program, particularly in rural or suburban areas where fire departments are staffed by volunteers who may not be able to respond as quickly as utility personnel or municipal fire departments. Each LDC Plan shall be designed to increase public awareness on gas safety and the need to report gas odors and educate public officials regarding excavating near gas facilities and each LDC shall follow the Plan it submits in accordance with this order. The LDCs will measure the effectiveness of their Plan and report back to the Commission on the results.

CONCLUSION

The Collaborative shall finalize development of a public awareness video and social media campaign and shall report back to the Commission on these endeavors. The Collaborative shall also initiate discussions with local municipal officials to determine methods or programs for

educating local governments on safe excavating activities near existing gas facilities.

Each LDCs shall submit a revised LDC Education Plan that includes the best practices in Appendix A and B. The LDCs shall develop a method to evaluate the effectiveness of their enhanced education programs and shall report to the Commission on those results.

The Commission orders:

1. New York State Gas & Electric Corporation, Niagara Mohawk Power Corporation, d/b/a National Grid, Central Hudson Gas and Electric Corporation, Consolidated Edison Company of New York, Inc., Corning Natural Gas Corporation, Keyspan East Corp., d/b/a Brooklyn Union L.I., National Fuel Gas Distribution Corporation, Orange and Rockland Utilities, Inc., Rochester Gas and Electric Corporation, St. Lawrence Gas Company, Inc., Brooklyn Union Gas Company, Valley Energy, Inc., Bath Electric, Gas Water Systems, Fillmore Gas Company, Reserve Gas Company, and Woodhull Municipal Gas Company shall continue to work as a Collaborative to complete initiatives identified in the October 2014 Report. Beginning 30 days from the date of this order, the Collaborative shall submit updates to the Commission every 90 days describing the progress in developing and implementing the Collaborative's gas safety video and social media campaign. The Collaborative shall report in detail efforts with respect to educating local governmental entities on the potential hazards associated with excavating near existing gas facilities. A final evaluation report shall be submitted to the Commission by December 31, 2015 on efforts to educate local governments on the potential hazards associated with excavating near existing gas facilities.

2. New York State Gas & Electric Corporation, Niagara Mohawk Power Corporation, d/b/a National Grid, Central Hudson Gas and Electric Corporation, Consolidated Edison Company of New York, Inc., Corning Natural Gas Corporation, Keyspan East Corp., d/b/a Brooklyn Union L.I., National Fuel Gas Distribution Corporation, Orange and Rockland Utilities, Inc., Rochester Gas and Electric Corporation, St. Lawrence Gas Company, Inc., Brooklyn Union Gas Company, Valley Energy, Inc., Bath Electric, Gas Water Systems, Fillmore Gas Company, Reserve Gas Company, and Woodhull Municipal Gas Company shall each submit a revised education plan that includes the best practices in Appendices A and B of the Order and details how each LDC will implement and evaluate each new initiative. The revised education plans will also explain how each will incorporate the Collaborative's updated messaging and mass media initiatives when they are available. The revised education plans are due within 30 days of the issuance of this order.

3. New York State Gas & Electric Corporation, Niagara Mohawk Power Corporation, d/b/a National Grid, Central Hudson Gas and Electric Corporation, Consolidated Edison Company of New York, Inc., Corning Natural Gas Corporation, Keyspan East Corp., d/b/a Brooklyn Union L.I., National Fuel Gas Distribution Corporation, Orange and Rockland Utilities, Inc., Rochester Gas and Electric Corporation, St. Lawrence Gas Company, Inc., Brooklyn Union Gas Company, Valley Energy, Inc., Bath Electric, Gas Water Systems, Fillmore Gas Company, Reserve Gas Company, and Woodhull Municipal Gas Company shall commence their education campaigns immediately. Each shall measure the effectiveness of their campaigns and, within one year of their campaign's commencement, shall report back to the Commission on any measurable effect the campaign has shown on the public's awareness.

4. The Secretary in her sole discretion may extend the deadlines set forth in this order, provided the request for such extension is in writing, includes a justification for the extension, and is filed on a timely basis, which should be on at least one day's notice prior to any affected deadline.

5. This proceeding is continued.

By the Commission,

(SIGNED)

KATHLEEN H. BURGESS
Secretary

Appendix A: Public Awareness Programs Regarding Gas Odors

A. LDC Best Practices

Many companies indicated that they used some or all of the following best practices:

- develop and mail bill inserts/brochures with gas safety messaging
- distribute "scratch and sniff" pamphlets that simulate gas odor
- provide non-English versions of brochures upon request
- use a block of foreign language on some gas brochures to indicate that the information is important and should be translated
- participate in NGA's annual pipeline safety awareness campaign for radio/TV/online media outlets
- deploy email blasts with gas safety messages
- incorporate messages in social media communication
- provide educational education to school children
- annual mailings to contractors and periodic mailings to public officials
- distribute gas safety information during service calls
- add QR (Quick Response) code to publications directing to website
- provide town/community meetings on gas safety
- include gas safety information at community events

B. Commission Best Practices

- Scratch and sniff pamphlets: The pamphlet messaging should reflect the urgency of reporting gas odors. LDCs will mail to existing customers (including e-bill) at least once annually and provide to new customers within 30 days of service initiation.
- Website: The gas safety messages, including the importance of reporting odors, need to be accessible in multiple languages. LDC websites must include a language translation program such as Google Translate to ensure important gas safety information can be understood by all customers visiting the gas safety web page(s). In addition, the gas safety web page(s) should include links for downloading, printing and/or ordering safety brochures.

- Language block: The current pamphlet language "encourages" consumers to have the message translated but does not include a means to obtain the translation. The block should include a telephone number and/or website address where the consumer can go for immediate translation assistance.
- Office locations: LDCs with walk in facilities should have gas safety pamphlets on display at all times for their customers.
- On-hold Messaging: LDCs should explore adding gas safety messages, including the need to report gas odors, to the on-hold messaging at their call centers.

Appendix B: Education to Local Governments Regarding Third Party Excavations Near Natural Gas Facilities

Collaborative initiatives:

- Leverage existing NY One-call safety videos and target them to public officials and government agency personnel
- Leverage regional face-to-face and online education programs to be developed in partnership with One-call centers.

LDC initiatives:

- Conduct face-to-face meetings at least once a year with municipalities with high instances of contractor damage
- Copy the project owner on correspondence and invoices regarding damage to utility facilities by contractors retained by municipality. Follow up with call or meeting
- Participate in municipal construction meetings with contractors on projects where damage has occurred
- Urge municipalities to investigate contractor damage prevention training certification lists with NY One-call centers prior to adding contractors to bid lists
- Perform annual mailings seeking information on public improvement projects from municipalities and counties and conduct follow up meetings
- Participate at meetings that town supervisors, superintendents and commissioners attend to emphasize damage prevention and public safety