COMMISSIONERS:

JASON SHAW, Chairman
LAUREN "BUBBA" McDONALD, Vice-Chairman
PETER HUBBARD
DR. ALICIA M. JOHNSON
TRICIA PRIDEMORE

REECE McALISTER
EXECUTIVE DIRECTOR

SALLIE TANNER
EXECUTIVE SECRETARY

Georgia Public Service Commission

(404) 656-4501
(800) 282-5813

244 WASHINGTON STREET, SW
ATLANTA, GEORGIA 30334-5701

FAX: (404) 656-2341
psc.ga.gov

FILED
APR 2 1 2026
EXECUTIVE SECRETARY
GPSC

DOCKET# 37067
DOCUMENT# 226225

IN THE MATTER OF:)

) **DOCKET NO. 37067**

City of Madison Gas System, Respondent) **(Inspection Report JS18-006)**

ORDER ADOPTING CONSENT AGREEMENT

This matter comes before the Georgia Public Service Commission ("Commission") to consider the Consent Agreement (Attachment A) between the City of Madison Gas System ("Respondent") and Commission Staff ("Staff") on or about September 29, 2022, applicable to Inspection Report JS18-006.

FINDINGS OF FACT AND CONCLUSIONS OF LAW

THE COMMISSION FINDS that it has the power and authority to informally dispose of any contested case by stipulation, agreed settlement, consent order or default (O.C.G.A. § 50-13-13(a)(4)).

THE COMMISSION FURTHER FINDS that the terms of the Consent Agreement are reasonable.

THE COMMISSION FURTHER FINDS that it is appropriate and in the public interest to accept the Consent Agreement as the disposition of the issues delineated in Inspection Report JS18-006 subject to ongoing audit and compliance review by Staff.

THE COMMISSION FURTHER FINDS that all Findings and Conclusions and Agreement between the Parties delineated in the Consent Agreement entered into between Respondent and Staff (Attachment A), are hereby incorporated by reference into this Order as if specifically written herein.

ORDERING PARAGRAPHS

WHEREFORE IT IS ORDERED that the findings of fact, conclusions of law, statements and directives contained within the preceding sections of this Order are hereby adopted as the findings and conclusions of this Commission.

ORDERED FURTHER, that that the Commission hereby accepts and adopts the Consent Agreement executed between the parties on or about September 29, 2022. Nothing in this Order shall resolve or prejudge any complaint or complaints against any other person involved in the matters from which this action arises.

ORDERED FURTHER, that Respondent shall abide by all of the terms of the Consent Agreement and that failure to comply with the terms of this Order or this Consent Agreement attached hereto may subject Respondent to further penalties pursuant to O.C.G.A. §46-2-91.

ORDERED FURTHER, that a motion for reconsideration, rehearing, or oral argument or any other motion shall not stay the effective date of this Order unless otherwise ordered by the Commission.

ORDERED FURTHER, that jurisdiction over these matters is expressly retained for the purpose of entering such further Order or Orders as the Commission may deem just and proper.

The above by action of the Commission in the Administrative Session on the 17th day of March 2026.

Sallie Tanner
Executive Secretary

4-21-26
Date

Jason Shaw
Chairman

4-21-26
Date

Attachment A

FILED

OCT 04 2022

EXECUTIVE SECRETARY
G.P.S.C.

DOCKET# 37067
DOCUMENT# 191679

IN THE MATTER OF:

City of Madison Gas System, Respondent

) **DOCKET NO. 37067**
) **(Inspection Report No. JS18-006)**

BEFORE THE GEORGIA PUBLIC SERVICE COMMISSION
STATE OF GEORGIA

CONSENT AGREEMENT

WHEREAS, the Georgia Public Service Commission ("Commission") Pipeline Safety Staff ("Staff") and the City of Madison Gas System ("Madison" or "Operator" or City") hereby jointly enter into this Consent Agreement to recommend a resolution of the issues as discussed in Inspection Report JS18-006;

WHEREAS, Commission Staff and Madison believe that the terms and conditions of this Consent Agreement constitutes a reasonable resolution of the issues as discussed in JS18-006;

WHEREAS, adoption of this Consent Agreement is in the public interest represents an efficient, effective and responsible discharge of the Commission's responsibilities in this matter;

NOW THEREFORE, the Commission Staff and Madison mutually agree and propose the following Consent Agreement:

Findings and Conclusions

1.

The Georgia Public Service Commission ("Commission") has jurisdiction over this matter pursuant to inter alia: 49 C.F.R. Parts 191 and 192; O.C.G.A. §§ 46-2-20, 46-2-30, 46-2-53, 46-2-90, 46-2-91, 46-4-1, 46-4-31, 46-4-34, 50-13-1 *et. seq.*; and Commission Rules 515-9-1-.01 *et. seq.*, 515-9-3.01 *et. seq.*, and 515-9-7-.01 *et. seq.*; all regarding the safe installation and operation of gas distribution systems within the State of Georgia.

2.

Pursuant to Commission Rules 515-9-1-.01 and 515-9-3-.03; the Rules and Regulations prescribed by the United States Department of Transportation applicable to the "Transportation of Natural and Other Gas by Pipeline: Minimum Safety Standards" (49 C.F.R. Parts 40, 191 192, 193 and 199) have been made the Rules and Regulations of the Commission for the safe installation and operation of all natural gas transmission and distribution facilities by companies subject to the jurisdiction of the Commission.

3.

The Facilities Protection Unit Staff ("Staff") of the Commission has the authority to inspect the facilities of municipal natural gas providers pursuant to the legal citations contained *supra*.

4.

The Commission may propose a Compliance Order in conjunction with this Notice of Probable Violation ("NOPV") pursuant to the legal citations contained *supra*.

5.

The City of Madison is a natural gas distribution operator that is subject to the jurisdiction of the Commission.

6.

Pursuant to O.C.G.A. § 50-13-13(a)(4), the Commission is authorized to resolve matters by Consent Agreement.

7.

During Staff's February 5-8, 2018 comprehensive inspection of Madison's procedures, records, field activities, etc., Staff determined that Madison had committed probable violations of the minimum federal safety standards required by 49 CFR, Part 192. (See Inspection Report JS18-006). Staff informed Madison of the probable violations during the exit interview.

8.

On May 8, 2019, an NOPV was sent by certified mail to Madison. Said NOPV alleged, in part:

> §192.723(b)(2) A leakage survey with leak detector equipment must be conducted outside business districts as frequently as necessary, but at least once every 5 calendar years at intervals not exceeding 63 months.
>
> COMMENTS: Staff examined the Operator's records for Leak Survey (2013-2017) and found that each year of the leak Survey identified multiple services that were not surveyed and the City of Madison Natural Gas System could not provide documentation showing when the services were last leak surveyed.
>
> PROBABLE VIOLATION: The Operator failed to conduct periodic leakage surveys on multiple services lines over a five (5) year period.

9.

On June 28, 2019, pursuant to Commission Rule 515-9-3-.09(i)(c), Madison requested an informal conference to discuss the probable violations noted in Inspection Report JS18-006.

10.

On October 19, 2020, Commission Staff met virtually with Madison to discuss the probable violations noted in Inspection Report JS18-006. During the informal conference, it was decided that a follow-up inspection will be required to clear the §192.723(b) violation. In addition, the parties agreed that partial mitigation of the recommend civil penalty was in the public interest.

11.

Violations found during recent or past inspections other than those mentioned in the previous section (8) or future violations of other Commission Utility Rules or Federal Pipeline

Safety Rules in 49 C.F.R. PARTS 40, 191, 192, 193 and/or 199 are intentionally excluded from this Consent Agreement. Any such previous or future violations shall be dealt with as such violations are found by Commission inspectors or otherwise not resolved in a timely manner and come to the attention of the Commission. Moreover, Operator cannot use this Consent Agreement as a defense against violations besides those expressly covered by this Consent Agreement.

12.

Operator's conduct described *supra*, constitutes sufficient grounds for the imposition of sanctions by the Commission pursuant to *inter alia*: 49 C.F.R. §§ 40, 191, 192 and 199; O.C.G.A. §§ 46-2-20, 46-2-21, 46-2-30, 46-2-53, 46-2-90, 46-2-91, 46-4-1, 46-4-31, 46-4-34, 50-13-1 *et. seq.*; and Commission Rules 515-2-1.04, 515-9-1.01, 515-9-3.03, 515-9-3.04, 515-9-3.06, 515-9-3.07 through 515-7-9-.13.

13.

Operator makes no contest to the allegations set forth in the NOPV attached hereto as "Exhibit A." Operator understands that by doing so, it is not admitting the truth of any of the allegations or acknowledging any impropriety but is agreeing that the Commission may enter an order based upon the alleged probable violations without the necessity of receiving evidence in support thereof. Operator hereby waives any further Findings of Fact and Conclusions of Law with respect to the above-styled matter.

Agreements Between the Parties

1.

This Joint Consent Agreement, if approved by the Commission, shall constitute a final resolution of the alleged probable violations in JS18-006. Operator agrees that it will abide by the terms of this Joint Consent Agreement.

2.

Madison is subject to civil penalties pursuant to O.C.G.A. §46-2-91 for violation of any Commission Order or Statute or Rule administered by the Commission. Staff reviewed the circumstances surrounding Madison's probable violations of 49 C.F.R. §192.13(c) cited in Inspection Number JS18-006 and recommended a civil penalty in the amount of Five Thousand Dollars ($5,000.00).

3.

Based upon Staff's review of the facts and circumstances surrounding this inspection and the progress that Madison has demonstrated concerning its natural gas distribution system and compliance with legal requirements, Staff recommends the following remedial action in mitigation of the recommended civil penalties, based on the Operator's agreement and adherence to:

1. Madison shall submit a certified check for Five Hundred ($500.00) dollars made payable to the Georgia Public Service Commission within thirty (30) days of the Commission's approval of the Consent Agreement. The city's name, Docket Number, and Inspection Report number shall be written in the "memo" line of the certified check.

2. Madison shall mail the certified check to:

Ms. Michelle Thebert, Director
Facilities Protection Unit
Georgia Public Service Commission
244 Washington Street
Atlanta, Georgia 30334

4.

Should complications arise as to compliance with and/or implementation of this Consent Agreement, Operator and Commission Staff agree to work in good faith to resolve any such complications. Any matters not resolved between the parties shall be timely presented to the Commission for consideration and final adjudication.

5.

This Joint Consent Agreement shall not become effective until and unless it is approved by the Commission. Operator enters into this Consent Agreement without admission of fault or liability.

6.

The undersigned authorized representative(s) of Operator acknowledge by their respective signatures below that each has read this Consent Agreement and understands its contents. The undersigned hereby further acknowledge that the City has a right to a hearing in this matter and does freely, knowingly, and voluntarily waive such right by entering into this Consent Agreement. The undersigned hereby consent on the City's behalf to the resolution of this proceeding as provided for herein.

IN WITNESS WHEREOF, the parties hereto have executed this Consent Agreement as of the day and year first below written.

By:_____
John Klimm, City Manager
City of Madison

By: Michelle Thebert
Michelle Thebert, Director
Facilities Protection Unit
Georgia Public Service Commission

Agreed to this 29th day of September 2022.