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**VERIFIED DIRECT TESTIMONY OF STEVEN W. SYLVESTER**

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1   **Q1.   Please state your name, business address and title.**

2   A1.   My name is Steven W. Sylvester. My business address is 801 E. 86<sup>th</sup> Avenue,  
3       Merrillville, Indiana 46410. I am currently the Vice President and General  
4       Manager of Northern Indiana Public Service Company LLC ("NIPSCO").

5   **Q2.   Please describe your employment background and relevant training.**

6   A2.   Prior to joining NIPSCO in January of 2019 as Vice President and General  
7       Manager, I served as Vice President of Safety for NiSource, and in that role  
8       was responsible for coordination of safety and safety education across the  
9       NiSource footprint. My tenure in that position was interrupted in  
10      September of 2018 when I was asked to coordinate local operations in  
11      Lawrence, Massachusetts in response to the events of September 13, 2018.  
12      In that role, I had overall responsibility for all the reight resources for the  
13      restoration efforts as well as team of about 60 doing boiler, hot water and  
14      forced air heating unit replacement work. Prior to 2018, I served as Vice  
15      President and General Manager Field Operations for Columbia Gas of Ohio  
16      where I was responsible for all field operations activities and for the safe,

1       reliable and efficient operation and maintenance of distribution pipelines  
2       and other facilities providing natural gas service to approximately 1.4  
3       million residential, commercial, and industrial customers. In 2013 I  
4       accepted the position of Vice President of Distribution Operations for the  
5       NiSource Gas Distribution companies where I was responsible for leading  
6       the central dispatching business application and support, planning and  
7       business improvement functions supporting, natural gas utilities in Ohio,  
8       Kentucky, Pennsylvania, Maryland, Virginia and Massachusetts. Prior to  
9       that, I was Vice President and General Manager of Field Operations for  
10      Columbia Gas of Ohio and Columbia Gas of Kentucky. I have worked for  
11      the NiSource and Columbia family of companies in a range of operations  
12      and leadership roles since 1986.

13   **Q3. What are your responsibilities as Vice President and General Manager?**

14   A3. As Vice President and General Manager, I am responsible for the day to day  
15      operation of NIPSCO's physical gas transmission, distribution, and storage  
16      systems including operations, maintenance and damage prevention. In  
17      that capacity, I manage a workforce of nearly 600 employees providing safe  
18      and reliable delivery of natural gas service to approximately 835,000

1 industrial, commercial and residential customers. This includes NIPSCO's  
2 gas construction segment with a labor force of 125 that is responsible for  
3 distribution line extensions, main replacements and relocations, along with  
4 a variety of betterment projects.

5 **Q4. Have you previously testified before the Indiana Utility Regulatory**  
6 **Commission?**

7 A4. No.

8 **Q5. Are you sponsoring any attachments to your testimony in this Cause?**

9 A5. <Placeholder>

10 **Q6. What is the purpose of your testimony?**

11 A6. The purpose of my testimony is to explain the work involved in  
12 remediating a typical master meter system to incorporate it into the  
13 distribution system of a regulated local distribution system ("LDC") such  
14 as NIPSCO. I also describe the technical and operational capabilities of  
15 NIPSCO that are relevant to the remediation of master meter operations.

1 **Remediation of Master Meter Systems**

2 **Q7. What experience have you had in the remediation of master meter**  
3 **systems during the course of your career?**

4 A7. I am familiar with all aspects of the remediation of master meter systems  
5 from my field experience on behalf of Columbia Gas of Ohio, and I have  
6 been personally involved in several master meter remediation projects  
7 during my operational experience.

8 **Q8. What risks can exist with master meter systems?**

9 A8. There are many safety risks that can be associated with master meter  
10 systems because of the way those systems have been installed, operated,  
11 and maintained. While these systems are subject to the same pipeline safety  
12 requirements as those installed for a regulated LDC, many were installed  
13 prior to the advent of contemporary pipeline construction standards. In  
14 addition, master meter systems are typically owned, operated, and  
15 maintained by operators for whom gas systems are not their primary or  
16 even secondary expertise. While they may have the best of intentions, they  
17 do not have the required expertise, experience, or resources to make it

1 work. Master meter systems tend to experience more leaks than typical  
2 utility systems, and as a result require more rather than less attention.

3 **Q9. What expertise is required for the remediation of master meter systems?**

4 A9. To remediate master meter systems it is generally necessary to replace all  
5 or part of the underground piping behind the master meter with modern  
6 facilities installed in accordance with federal and state pipeline safety  
7 standards. The master meter is removed and individual meters are  
8 installed to provide gas service to all units within a development using the  
9 same material and construction techniques employed for the construction  
10 of other distribution facilities. Crews performing the work must therefore  
11 be familiar and experienced with the installation of underground pipelines,  
12 meters, regulators, excess flow protection, emergency valves and any other  
13 facilities required to provide gas service.

14 **Q10. Does NIPSCO have the required expertise to perform that work?**

15 A10. Yes, with one exception. NIPSCO crews do not have the expertise necessary  
16 to address master meter distribution systems as they exist above ground,  
17 such as inside piping in a multi-story apartment building. With that  
18 exception, NIPSCO is in a position to take the steps to convert an

1           underground master meter system to a modern, functional addition to its  
2           distribution system.

3   **Q11. Please provide an overview of NIPSCO's gas operations and**  
4   **maintenance organization.**

5   A11. NIPSCO's gas operations is organized into thirteen Local Operating Areas  
6       ("LOAs"). Crews assigned to each LOA are responsible for conducting day  
7       to day maintenance activities within a specific geographic area. Within  
8       each LOA, crews are designated as either Construction & Maintenance  
9       (known as "Street" crews) or as Construction (known as "52G" crews).  
10      Street crews are responsible for performing repair and maintenance  
11      assignments on NIPSCO's gas transmission and distribution assets while  
12      52G crews are responsible for the construction of distribution line  
13      extensions, facility replacement or relocation, and system improvement  
14      projects. It is the 52G crews that will be tasked with master meter system  
15      remediation, and it is those crews that have performed the work on the  
16      master meter remediation projects previously performed by NIPSCO.

17   **Q12. Please provide an overview of NIPSCO's damage prevention**  
18   **organization.**

1   A12. NIPSCO's damage prevention organization is responsible for helping to  
2       manage and mitigate the risk of damage through a variety of activities  
3       including underground facility locating, excavator engagement and  
4       outreach and damage investigation. Increasingly, the damage prevention  
5       function also entails the capture and evaluation of data related to  
6       excavation activities and damage events. NIPSCO has a dedicated staff of  
7       13 employees charged with working with NIPSCO's locate contractors and  
8       with the excavator community to reduce the risk of damage to NIPSCO's  
9       underground gas facilities. NIPSCO's damage prevention organization  
10      also audits its underground locating contractors to detect any locator  
11      training deficiencies by performing field audits of random locates.  
12      Members of this organization also work with NIPSCO's communications  
13      group to help with public awareness efforts. The damage prevention  
14      organization holds meetings with employees and excavators to raise  
15      awareness of damage prevention and promote public safety. They gather,  
16      organize and retain data to look for trends that could help improve the  
17      program. This staff is supported by NiSource resources that assist in  
18      coordinating damage prevention activities across the NiSource footprint.

1    **Q13. Will NIPSCO's damage prevention resources be engaged as part of the**  
2       **remediation of master meter systems?**

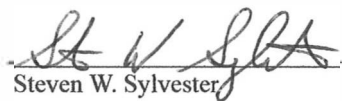
3    A13. Yes. Anytime underground facilities are to be installed, appropriate steps  
4       need to be taken in advance of the work to ensure that it is performed safely  
5       and in accordance with the law. In addition to the performance of timely  
6       locates, it is anticipated that NIPSCO damage prevention personnel will  
7       also assist with the projects because master meter systems are often located  
8       in areas with numerous underground facilities, and the master meter gas  
9       systems themselves may not have been constructed with appropriate tracer  
10      wires or other equipment to permit accurate locating.

11   **Q14. Does this conclude your prefiled direct testimony?**

12   A14. Yes.

### VERIFICATION

I, Steven W. Sylvester, Vice President and General Manager for Northern Indiana Public Service Company LLC, affirm under penalties of perjury that the foregoing representations are true and correct to the best of my knowledge, information and belief.

  
Steven W. Sylvester

Dated: April 22, 2019