

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

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PUBLIC SERVICE
COMMISSION

In the Matter of:

B.T.U. GAS COMPANY, INC.

CASE NO. 2007-00403

Alleged violations of administrative regulation
807 KAR 5:006, 807 KAR 5:022,
807KAR 5:027 and 49 CFR 191-192

WRITTEN RESPONSE TO UTILITY INSPECTION REPORTS

B.T.U. Gas Company, Inc. has received an order dated May 1, 2008 from the Commission requiring a written response to Utility Inspection Reports of May 14, 2007 and May 29, 2007. B.T.U. responds as follows:

1. BTU does not have an excess flow valve customer notification program, violation of 49 C.F.R. 192.383. Attached is the notification letter adopted by BTU gas to comply with 192.383.

2. BTU has not developed and implemented a written continuing public education program, in violation of 49 C.F.R. 192.616. Attached is the notice BTU mails to the local contractors in addition to running an ad in the local newspaper once a year.

3. BTU has not evaluated individuals performing covered tasks (i.e., those specified in 49 C.F.R. 192.801) to ensure that these individuals are qualified in violation of 49 C.F.R. 192.805(b). See the attached BTU Pipeline System Operator Qualification Program used by BTU. The individuals contracted to do this work for BTU are Jack Jordon and Louie Patrick and they have met all the requirements under this program. These individuals are employees of P and J

Resources. P and J Resources is under contract to do the maintenance work for BTU Gas.

4. BTU does not have a map of its distribution system, in violation of 807 KAR 5:006, Section 22(1) which requires each utility to have on file a map or maps of suitable scale of the general territory it serves. BTU does have a map of the general territory it serves, but if a different map is required BTU has requested a informal conference so that Commission staff can provide the technical assistance needed to assure the mapping is done correctly.

5. BTU does not have adequate pipeline markers, in violation of 49 C.F.R. 192.707. Since the inspection dates BTU has replaced all old pipeline markers and added markers to the system. BTU believes the current pipeline markers are in compliance with 49 C.F.R. 192.707.

6. BTU has not installed plastic pipe below ground level, as required by 49 C.F.R. 192.321. Instead BTU has exposed plastic pipe throughout its system. BTU does not have any exposed plastic pipe in its system. If there is plastic pipe observed it does not belong to BTU. There are numerous gas operations in the Magoffin County area. BTU has requested an informal conference to address this issue.

7. BTU's operation and maintenance manual does not contain the required written procedures for conducting operations and maintenance activities and for emergency response in violation of 49 C.F.R. 192.605. Attached are the operations and maintenance activities and Emergency Plans from the manual for BTU.

8. BTU has not conducted periodic sampling for odorant of its combustible gases at required intervals using an instrument capable of determining the percentage of gas in air at which the odor becomes readily detectable, in violation of 49 C.F.R. 192.625(f). BTU has conducted sampling relying on the sniff test, however BTU has purchased a combustible gas indicator and will be using this instrument.

9. BTU has not patrolled its mains at the intervals required by 49 C.F.R. 192.721. BTU has patrolled its mains as is required by this section, however at the time of the inspection BTU did not have written proof of the patrolling. Attached is the form BTU is now keeping in its records as a written record of all patrolling done according to this section of 49 C.F.R.

10. BTU has not conducted leak surveys with the required equipment and at intervals required by 49 C.F.R. 192.723. BTU conducted leak surveys as required by 49 C.F.R. however BTU relied upon the sniff test and has now purchased equipment also.

11. BTU has not inspected and serviced its valves at the intervals required by 49 C.F.R. 192.747. BTU has inspected and serviced its valves and that information is included in the report in response to item number 9. Attached is the written document BTU uses for this purpose.


12. BTU has not inspected and tested each pressure limiting station, relief device, and pressure regulating station with required equipment at the intervals mandated by 49 C.F.R. 192.739. BTU does not use this type equipment. The regulation excepts rupture discs. BTU uses the excepted rupture discs.

13. BTU has not kept the records required by 49 C.F.R. 192.603(b). BTU has done all patrolling, surveying, inspecting, testing and maintenance as required at the required intervals. The documents are attached.

14. BTU does not have line markers and other signage required to be placed and maintained along each section of a main and transmission line that is located above ground in an area accessible to the public, in violation of 49 C.F.R. 192.707(c). BTU does not believe it has any locations requiring such signage.

15. BTU has not designed relief valves to prevent unauthorized operation in violation of 49 C.F.R. 192.199(h). Its valves have not been locked. Due to the small size of BTU Gas, at the request of local 911 personnel the special tools needed to operate the valves are available to the local emergency personnel and the valves are two feet in the ground. Whenever an emergency arises local emergency responders are able to shut off the gas supply because the valves are not locked.

16. BTU has not inspected its system for atmospheric corrosion at intervals required by 49 C.F.R. 192.481. BTU does not have pipeline exposed to the atmosphere.


KAREN CHRISMAN
McBrayer, McGinnis, Leslie & Kirkland
Whitaker Bank Building, Suite 300
P.O. Box 1100
Frankfort, Kentucky 40602-1100
(502) 223-1200
Fax 502 227-7385

CERTIFICATE OF SERVICE

I hereby certify a true and correct copy of the foregoing Written Response to Utility Inspection Reports has been served by U.S. Mail, postage prepaid, this the 20th day of May, 2008 upon the following:

Stephanie Stumbo
Executive Director
P.O. Box 615
Frankfort, KY 40602-0615


KAREN CHRISMAN

BTU GAS COMPANY, INC.
HC 60 LAKEVILLE ROAD
P.O. BOX 707
SALYERSVILLE, KY 41465
606-884-2000

Excess Flow Valve Notification

To comply with the new code of Federal Regulation 49 CFR Part 192.383, all new customers after February 3, 1999 must be notified of the opportunity to install excess flow valve (EFV) on their service line.

An EFV valve is designed to stop or slow the gas flow through a service line in the event the line is broken or cut.

We have EFV's available that meet the federal standards that you can choose to have us install. You will have to reimburse us for the costs of parts and installation, which for new services is \$45. If you choose to have an EFV installed, and it ever goes bad or gets clogged, you will have to reimburse us our costs of replacing it. We estimate that these costs will be \$125 minimum.

You must indicate your choice below, either to have the EFV installed, or not have it installed.

Customer Affidavit:

I wish to have an excess flow valve (EFV) installed in my service line. I understand I must pay the gas company \$45 to install this valve. If the EFV ever goes bad or becomes clogged, I understand I will have to pay the gas company \$125 (minimum) to replace it.

Signed _____
Customer name Date

Or

I do not want to have an excess flow valve (EFV) installed in my service line.

Signed _____
Customer name Date

DAMAGE PREVENTION PLAN

The main lines connecting to this system have noticeable markers indicating natural gas pipelines. They are posted with identifiable stickers with the company name and the phone numbers with who to contact with our 24 hour emergency number 606-884-2000.

Standard procedure is the contractors and other utilities that may be working in areas where our pipelines are located usually contact our office first to let us know they will be working in a certain area so we can have someone there or standing by if necessary.

Contractors who usually work in these areas are:

Magoffin County Water District
State Highway Department
County Department

If anyone accidentally cuts through a pipeline or service line, they call our office at 606-884-2000 (24 hour number).

Other Emergency numbers to call are:

B.T.U. - 606-884-2000
Richard & Pam Williams Home - 606-884-7586
Cell Number - 606-496-5652
Emergency 911
Magoffin County Sheriff's Office 606-349-2914
Magoffin County Rescue Squad 606-349-5500

B. ACCIDENT INVESTIGATION

Procedures for analyzing accidents and failures are:

- Evaluate the situation,
- Protect life and property,
- Keep the area safe,
- Conduct a leak survey, pressure testing of piping,
- Do meter and regulator checks, test odorization levels,
- Notify the proper people.

NOTICE

To all contractors in the Magoffin County, KY area, P & J Resources, Inc. has main natural gas lines and B.T.U. Gas Co. has natural gas service lines running in the outer limits of Magoffin County, Ky.

Before you do any digging work in the outer limits of the area, please notify us first. We can be reached 24 hours a day at 606-884-2000. Cell numbers are 606-496-5652 or 606-496-5651.

Respectfully Submitted,

Richard Williams

Pam Williams

BTU GAS COMPANY, INC.

PIPELINE SYSTEM OPERATOR QUALIFICATION PROGRAM

INTRODUCTION:

This Operator Qualification Plan sets forth BTU Gas Company's program for complying with the pipeline safety regulations found in 49 CFR 192, Subpart N.

In order to effectively implement and maintain the Operator Qualification Program, the company has established the following procedures and identified the person (s) listed to ensure the proper administration:

A. Coordinator of Operator Qualification

The designation given to the person responsible for all aspects of the Operator Qualification Program. The duties include:

- (1). Establishing and chairing the Operator Qualification Program;
- (2). Serving as contact point for both internal personnel and outside entities (including regulatory bodies and contractors);
- (3.) maintaining accountability for the Operator Qualification Program;
- (4.) distribution of up-to-date copies of the plan to appropriate personnel;

The person assigned these responsibilities will have significant operation experience. The coordinator of Operator Qualification is Richard Williams.

Method for Identifying Covered Tasks

B. Personnel Responsible

The Covered Tasks list will be developed and maintained by Richard Williams.

C. Actions to be taken

Covered tasks will be identified using a four part test consisting of the following criteria:

- (1). Is it performed on a pipeline facility?
 - (2). Is it an operations or maintenance tasks?
 - (3). Is it performed pursuant to a requirement in 49 CFR 192?
 - (4). Does it affect the operation or integrity of the pipeline?
- The company will compile an initial task list by researching the existing operational and procedural documents, such as the Operational and Maintenance manual, Emergency Plan, Job Descriptions, Contractor Agreements, and other documents. In addition, lists by trade associations or other outside groups may be considered.
 - Using the Task Assessment Form (see Appendix B) Richard Williams evaluates each identified task based on the four criteria listed above.
 - The current list of covered tasks will be maintained in Appendix A-1 of this Operational Plan document.

- For each tasks identified as a “covered task”, a Covered Task Evaluation Form is generated (Appendix B).
- Richard Williams identifies the skill, knowledge and any sub-tasks required to perform each covered tasks.

Qualification of Personnel

A. Personnel Responsible

Richard Williams is responsible for the selection of the appropriate method of elevation for each covered task. The company shall establish the appropriate time period and method (s) for all subsequent re-evaluations.

B. Evaluation Methods

The evaluation method (s) will verify that the employee or contractor performing a covered task has the skills to perform and knowledge to recognize and respond to abnormal operating conditions identified on the Task Assessment Form. The *evaluation methods may include but are not limited to the following:*

- oral examination
- work performance history review (for eligible employees during the initial and transitional period)
- observation during
 - 1) performance on the job;
 - 2) on the job training;
 - 3) other forms of assessment if necessary.

C. Actions to be Taken

The company is responsible for ensuring the qualification of all individuals working on the pipeline system, including contract personnel. The provisions contained in this program will ensure that each individual performing covered tasks for the company is qualified. Personnel identified as evaluators need not be qualified under the rule, but will possess the required knowledge to ascertain an individual’s ability to perform covered tasks and recognize and react to abnormal operating conditions that might surface while performing those tasks.

- Richard Williams reviews the description for each task including abnormal operating conditions and reactions to those conditions. Changes are made as required.
- Richard Williams will review the skills and knowledge required to perform each identified task. Changes are made as required.

- Richard Williams decides on the appropriate method of evaluation and provides explanation as to why that method is most appropriate.

PROCEDURES FOR USE OF NON-QUALIFIED PERSONNEL

- Individuals who are not qualified to perform a covered task may do so as long as a qualified individual directly observes the performance and is able to take immediate corrective action when necessary. The qualified person monitoring the activities of non-qualified persons is ultimately responsible for the performance of the task.
- All information will be considered in issuing work assignments to ensure that at least one qualified individual is directly involved in the performance of the covered task or closely monitoring the non-qualified individual (s) performing the covered task.
- In situations where non-qualified personnel are performing a covered task under the supervision of a qualified individual, he/she are to directly monitor the work and when necessary, to take immediate corrective action.

QUALIFICATION OF CONTRACTOR PERSONNEL

All person(s) operating a local pipeline system are responsible for verifying that each contractor employee is qualified to perform any identified covered task assigned to the contractor employee, or that a qualified person is provided by the contractor to directly inspect and supervise the contractor employee at all times.

INCIDENT OR ACCIDENT

A. Personnel Responsible

In the event of an accident an individual must be re-evaluated if there is reason to believe that the individual's performance contributed to an incident (as defined in Part 191) or accident (as defined in Part 192).

Line management is responsible for the investigation of any incident or accident.

Richard Williams is responsible for re-evaluating the individuals involved in any incident or accident.

B. Action to Be Taken

- Should anyone have reason to believe that an individual's performance of a covered task contributed to an incident or accident, they should immediately report their suspicion to Richard Williams.

- Richard Williams decides evaluation method is appropriate for the re-evaluation of an individual for the specific covered task (which may be different from the original method).
- In the event that the individual's performance is deemed satisfactory by Richard Williams, no change in status will be indicated.
- If the individual's performance is deemed unsatisfactory and no longer qualifies to perform the covered task, re-qualification of the individual is subject to the terms for that particular covered task.

QUALIFICATIONS AND RE-QUALIFICATION OF PERSONNEL

A. Personnel Responsible

Richard Williams is responsible for identifying the appropriate re-qualification interval for each covered task.

B. Subsequent Qualification Intervals and Method (s)

- Richard Williams will identify whether an individual's qualification to perform a covered task is subject to evaluation at appropriate intervals. This decision will be based on the task itself, the expected frequency of performance, and other significant factors.
- Intervals for subsequent qualification will not exceed three (3) years for any one covered task.

QUALIFICATIONS AFTER A CHANGE IN REGULATIONS, OPERATING OR MAINTENANCE PROCEDURES

A. Personnel Responsibility

- Richard Williams is responsible for identifying and communicating information on substantive changes so individuals performing the task in question will be made aware.
- The Company is responsible for revising the evaluation process to include the impact of such changes. A determination will be made as to the need to re-evaluate individuals as a result of the changes.

B. Actions to be Taken

There are numerous ways in which changes may affect the way a covered task is performed. Such changes include:

- (1) Changes to the companies policies or procedures
- (2) Changes in applicable regulations
- (3) Changes in technology
- (4) Changes in suppliers

- Richard Williams will assess the effect that any changes may have on the task and make adjustment as necessary. These adjustments could involve anything from informing qualified individuals of the changes to requiring complete re-evaluation.
- All records will be maintained and kept at the Company office as required.
- These responsibilities and requirements are approved by both Richard Williams and the Company.

TO ALL EMPLOYEES AND/OR CONTRACTORS OF AND FOR B.T.U. GAS COMPANY

INTRODUCTION:

This Manual sets out the operations and maintenance plan and policies of this company. Each employee must read this initially, and then maintain the manual for ready reference at all times as he or she performs his or her job assignment. Although some sections of this manual are not applicable to everyone, all employees are charged with the responsibility of guarding against improper maintenance or operational procedures. So, each employee must familiarize themselves with the contents of this manual, and then contact the proper personnel if conditions arise which seem to be out of compliance with any policy and procedure set out herein.

- I. Instructions as to procedures which must be followed during normal operations and while making repairs:
 - (A) Must always monitor the line and/or lines
- II. Instructions as to procedures which must be followed during an emergency:
 - (A). As soon as an employee becomes aware of an emergency situation, as that particular employee perceives the situation, the employee must contact immediately:

| | |
|------------------------------|-------------------------------|
| Richard and/or Pam Williams: | 606-884-2000 (24 hour number) |
| Cell number: | 606-496-5652 |
| Richard and/or Pam Williams: | 606-884-7586 (home) |
| Gas company office: | 606-884-2000 |

Details to be transmitted to the above people are:

1. Exact location of the emergency situation;
 2. Nature of the emergency;
 3. Whether the public safety may be jeopardized by the situation.
- (B). 1 If the situation does not jeopardize persons or property, Richard Williams will make a determination as to the extent of the emergency presented by the situation and will direct employees as to proper procedures in each situation.
- (B). 2 If the situation does pose an immediate risk to persons or property, the employee who is aware of the problem should refer to the Emergency Plan

III. Patrolling:

Patrolling of our gas lines must be continuously on the mind of each employee as he or she performs his or her daily job assignments. Employees should especially note areas where mains are located in places or on structures where anticipated physical movement or external loading (weight, traffic) could cause failure or leakage. These areas include: pipe located under roads, areas susceptible to earth subsidence or an area of construction activity and above ground pipe. Each employee should make a notation in writing as to any factor observed which might affect safe operation and should report same to the supervisor immediately. Scheduled patrolling will be performed once each month. The

supervisor will make the assignment as to schedule patrolling and a record must be completed and filed.

IV. Leakage Surveys:

A. Residential Pipeline System

A leakage survey will be conducted once each year in the residential area served by B.T.U. Gas Company. The superintendent will assign this task and provide the employee with leak detection equipment and the employee will fill out a report of any findings.

IN GENERAL:

If a leak is discovered which presents a hazardous situation, the employee should refer to the Emergency Plan for steps to take.

V. Continuing Surveillance:

- a. The superintendent will continuously familiarize himself/herself with conditions along the pipeline and take appropriate action concerning changes in class location, failure, leakage history, corrosion, substantial changes in operating and maintenance conditions.
- b. If a segment of pipeline is determined to be in unsatisfactory condition but no immediate hazard exists; the operator shall initiate a program to recondition or phase out the segment involved, or, if the segment cannot be reconditioned or phased out, reduce the maximum allowable operating pressure.

VI. Testing for Reinstating Service Line:

Each disconnected service line must be tested before service is reinstated in the same manner as a new service line. The test pressure for an installed plastic pipe must be 70 psig, whichever is greater. However, the test pressure may not be more than three times the design pressure of the pipe. For metallic pipe, mains to be operated at less than 1 psig should be tested to at least 10 psig. Mains to be operated at above 1 psig must be tested to at least 10 psig. Service lines to be operated at 1 psig but not more than 40 psig must be given a leak test at a pressure of not less than 50 psig.

VII. Abandonment of Facilities:

- A. When a gas main or service line is abandoned, it must be physically disconnected from the piping system and the open ends effectively sealed. Pipe 4" and larger must be purged.

In cases where the main together with all the service lines connected to it are abandoned, the service lines must be capped at the customer's end. Also, the abandoned main must be sealed at both ends.

- B. Records must be kept of all facilities abandoned, including as follows:

1. location
2. date
3. method of discontinuing service

C. When service to a customer is temporarily or permanently disconnected, one of the following must be done.

1. The valve must be closed to prevent the flow of gas to the customer. This valve must be secured with a lock or some other device to prevent opening of the valve by unauthorized people. There are numerous locking devices designed for this purpose.
2. A mechanical device or fitting that will prevent the flow of gas must be installed in the service line or in the meter assembly.
3. The customer's piping must be physically disconnected from the gas supply and the open ends are sealed.

VIII. Accidental Ignition of Gas:

Each employee must be constantly aware of the danger of gas explosion. Gas alone is not explosive, but when it is mixed with air, it can ignite or explode with tremendous force. Every precaution must be taken to prevent unintentional ignition of gas. When venting gas into air, a fire extinguisher must be available.

IX. Key Valves Maintenance:

Key valves will be checked annually and records must be kept of the inspections. Key valves are the valves needed to shut down the system, or part of the system, in case of emergency.

X. Leak Repairs: (Construction):

Only maintenance personnel with training and experience will attempt repair of gas leaks or replacements of gas lines. If such personnel are not available, qualified outside contractors will be hired.

Leaks in service lines or mains may be repaired by cutting out a short length of pipe containing the leak. Replace it with a new segment of pipe. The pipe segment is attached to the existing line with couplings at each end. Compression couplings are commonly used for this purpose. Remember that written procedures are required to be followed for each joint made. The proper procedure can be obtained from the manufacturer of the coupling.

Small leaks in steel service lines or mains, such as those resulting from corrosion pitting, may be repaired with a steel band clamp applied directly over the leak. All bare metal pipe and fitting installed below ground must then be properly coated and cathodically protected before backfilling.

After a leak has been repaired with a coupling or a clamp, a soap bubble test must be conducted. Replaced main and services must be pressure tested for leaks.

Again, it should be emphasized that all sources of ignition should be kept away from the leak repair area. **MATCHES OR LIGHTERS SHOULD NEVER BE USED TO DETECT A GAS LEAK OR TO TEST THE ADEQUACY OF A REPAIR JOB.**

B.T.U. GAS COMPANY, INC.

EMERGENCY PLAN

INTRODUCTION:

TO ALL EMPLOYEES:

Each employee must be constantly aware of the possible dangers associated with providing the public with natural gas. An emergency condition exists when you determine that extraordinary procedures, equipment, manpower and/or supplies must be used to protect the public from existing or potential hazards. In any emergency, the safety of the public must be given first priority.

I. What is an Emergency?

A. Facility Failures:

1. under pressure in system;
2. over pressure in system;
3. large amounts of escaping gas;
4. fire or explosion near or directly involving a pipeline facility;
5. any leak considered hazardous;
6. danger to major segments of the system.

B. Other Hazards:

1. Natural disasters such as flood, tornadoes, hurricanes, earthquakes, etc;
2. Civil disturbance;
3. Load reduction conditions (result in voluntary or mandatory reduction of gas usage).

II. Whenever an Emergency situation arises, the following emergency notification check list must be followed:

A. B.T.U. Gas Company Operating Personnel

| Name: | Address: | Phone: |
|--------------------------|------------------|--------------|
| Richard Williams | Salyersville, KY | 606-884-2000 |
| Pam Williams | Salyersville, KY | 606-884-2000 |
| Richard and Pam Williams | Same (HOME) | 606-884-7586 |
| Cell number | | 606-496-5652 |
| Cell number | | 606-496-5651 |

B. Others to notify:

911 Emergency

| Agency: | Address | Phone |
|---------------------------|------------------|--------------|
| Magoffin Co. Sheriff | Salyersville, KY | 606-349-5744 |
| | Or | 606-349-2914 |
| Magoffin Co. Rescue Squad | | 606-349-5500 |

Pipeline Contractors:

| | | |
|------------------|-----------------|--------------|
| Miller Supply | Ivel, KY | 606-874-8333 |
| National Oilwell | Paintsville, KY | 606-789-3791 |
| McJunkin | Ivel, KY | 606-432-1044 |

Date of Emergency: _____

Signature of Person Making above Contacts:

III. Map showing the key valves, system pressures and source of supply is attached to this plan.

IV. Emergency Equipment:

| A. Item | Location |
|-----------------------|--------------------|
| Valve keys | Gas company shop |
| Maps and records | Gas company office |
| Shut off tools | Gas company shop |
| Back hoe | Gas company shop |
| Shovels | Gas company shop |
| Leak repair equipment | Gas company shop |
| Air compressor | Gas company shop |
| Vehicles | Gas company shop |
| Trencher | Gas company shop |

Periodic checks to ascertain that this equipment is located as above stated are required. Records of these inspections should be kept on file.

C. Location and addresses where additional man power, equipment and Supplies may be obtained:

- | | | |
|-----------------------|-----------------|--------------|
| 1. B & H Supply | Oneida, TN | 423-663-9595 |
| 2. Miller Supply | Ivel, KY | 606-874-8333 |
| 3. National Oilwell | Paintsville, KY | 606-789-3791 |
| 4. Ranger Contracting | Martin, KY | 606-285-1136 |

V. Responding to Gas Leak Reports:

It is the responsibility of the operator of the gas system to make sure the proper employees are familiar with procedures concerning gas leak calls and reports.

1. The employee receiving a report of a gas leak should get as much information as possible to fill out the leak report form properly. Use common sense, saving human life is the first consideration and saving property is the second consideration.
2. All reports of leaks on customer premises get priority. Leaks inside a building get top priority.
3. After getting the information and determining that a hazardous leak exists inside a building, remind the customer of all the following information: (Remember it is your responsibility to have taught customers in advance).

No one is to turn ON or OFF any electrical switches.

No one is to ring the door bell or use the phone.

Extinguish all open flames, DO NOT LIGHT MATCHES, CIGARETTES, LIGHTERS, ETC.

Turn off gas supply if possible.

Everyone in the building is to leave the building and go a safe distance (about a block) away. Go on foot – no engines or sparks.

Dispatch necessary personnel to the location of the reported leak. Duties of first company personnel on the scene:

Take every corrective action necessary to protect human life and property from danger in that order. It is the responsibility of the person in charge to:

1. Set up communication.
2. Coordinate the operation.
3. Make all decisions concerning emergency valves, isolating areas and the use of emergency equipment.
4. Implement the check list for a major emergency.

MINIMUM OPERATOR RESPONSE ACTIONS FOR LEAKS OUTSIDE BUILDING

1. Assess danger to public surrounding building.
2. Extinguish all open flames, no smoking.
3. If necessary notify fire and police.
4. Block street.
5. Notify any other responsible person or persons.
6. Bar hole next to foundation of building.
7. Check neighboring buildings for gas.
8. Implement check list for major emergency.
9. Repair leak.
10. If you are sure it is safe, return occupants to building.

LEAK INSIDE BUILDING

1. Evaluate house immediately to determine concentration of gas and source of leak.
2. Evacuate if necessary.
3. Do not operate any electrical switches.
4. Do not use phones.
5. Shut off gas meter valve.
6. Ventilate building.
7. Bar whole area especially around foundation, check water meter and other openings.
8. If ground is gas free and if house is gas free, turn on meter valve. Check all gas piping and appliances for leaks. (Is meter hand turning normally or spinning? Conduct soap bubble test.)
9. Implement check list for major emergency.
10. If leak cannot be repaired, notify customer, turn off meter, lock it and leave.

GAS BURNING INSIDE BUILDING

1. Call fire department.
2. Call local gas utility for that area.
3. If fire is at appliance, shut off gas at appliance valve.
4. If not possible to shut off at appliance valve, shut off gas at meter or curb valve.
5. If fire continues, bar hole area to locate source of gas.
6. Implement check list.

VI. Procedures for fire, explosion or natural disaster:

A. Fire near or involving pipeline:

Notify fire department;

Shut valves on the upstream side of fire

B. Explosion involving pipeline:

Notify fire department;
Shut off valves on the upstream of fire.

C. Natural disaster:

Close off gas until disaster is past.

VII. Check List (Major Emergency):

1. Has fire department been called?
2. Have persons been evacuated and area blocked?
3. Has police department been notified?
4. Has repair crew been notified?
5. Has company call list been executed?
6. Has communication been established?
7. Has outside help been requested?
8. Have ambulances been called?
9. Has leak been shut off or brought under control?
10. Has civil defense been notified?
11. Have emergency valves to shut down or reroute gas been identified and located?
12. If an area has been cut off from supply of gas, have all individual services to each customer been cut off?
13. Is the situation under control and has the possibility of recurrence been eliminated?
14. Has surrounding area, including buildings adjacent to and across streets been probed for the possibility of further leakage?
15. Has proper tag been put on meter?
16. Has telephonic report to the state been made?
17. Has radio station been given instructions if necessary?

VIII. Reporting Requirements:

A telephonic call must be made to the U.S. Department of Transportation and your state government (if required) for any leak where:

1. There is a release of gas from a pipeline, or of liquefied natural gas (LNG) or gas from a LNG facility. There is death or personal injury requiring hospitalization or there is estimated property damage (including the cost of gas lost of the operator or others), of \$50,000.00 or more.
2. There is an emergency shutdown of a liquefied natural gas (LNG) facility.
3. There is an event that is significant in the judgment of the operator, even though it was not described in paragraph 1 or 2 above.

The telephonic report to DOT and/or your state should contain:

Identity of reporting operator, etc.
Name and phone number of individual reporting the event.
The location of the leak (city, county, state and street address).
The time of the leak (date and hour)
The number of fatalities and personal injury (if any).
Type and extent of property damages, and
Description of the incident.

An incident requiring telephonic report must be followed up with a written report unless the report is made by a *small operator such as a master meter operator, a condominium or cooperative owner or an owner of rental property such as an apartment building*. The telephonic report if required should be made *within 2 hours following discovery*.

IX. Restoration of Gas Service Due to Outage:

When the supply of gas has been cut off to an area, no gas should be turned on to the affected area until the individual service to each customer has been turned off.

A house to house operation is mandatory. The individual service of each customer must be turned off, either at the meter or at service valves. If the service valve cannot be located, the gas flow must be shut off in some manner (squeeze off, stopper, install valve, etc.)

In restoring service to an affected area all gas piping and meters must be purged and appliances relit. Never turn gas on at meter unless you have access to all appliances on the customer piping. In the event a customer is not at home a card must be left in a conspicuous location requesting the customer to call the gas company to arrange for restoration of service.

The person in charge is to coordinate an operation and be responsible for same.

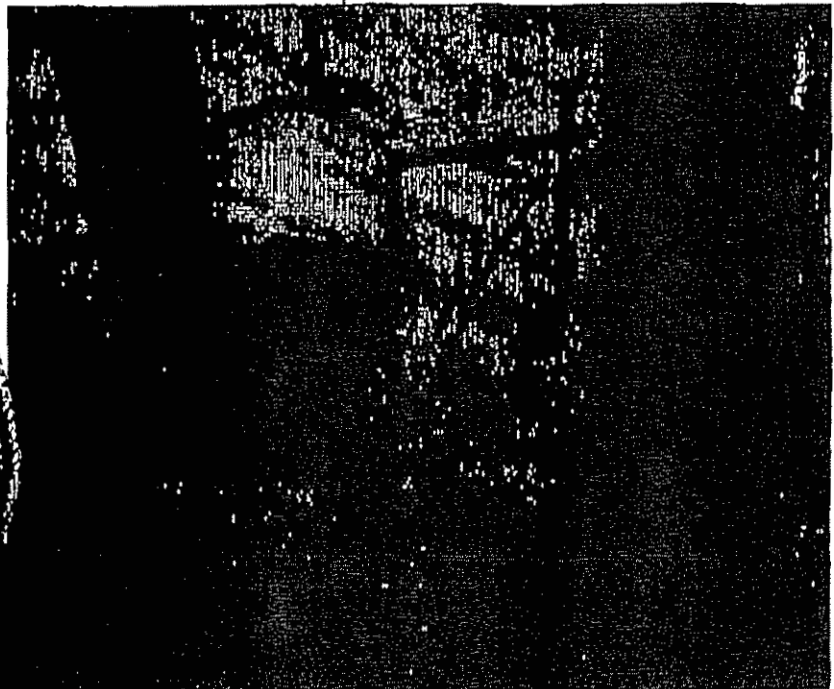
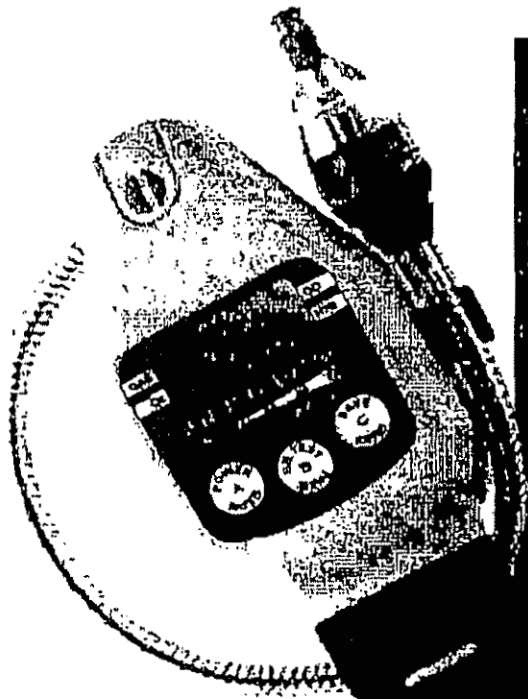
A complete record of the incident, with drawings, etc. must be kept on file.

A. PUBLIC EDUCATION:

1. Once a year advertisement will be placed in the local paper reminding people of the existence of the BTU Gas Co., Inc. and of their duty to report any incidence of gas odor in the community. Included will be the telephone numbers, both home and office, of Richard and Pam Williams.
2. During an emergency, refer all requests for information to the person or persons coordinating emergency actions. This would be Richard and Pam Williams.

FIND IT! WITH SENSIT® GOLD CGI COMBUSTIBLE GAS INDICATOR

Sensit® Gold CGI makes finding gas leaks simple, fast and easy.



- Display up to 4 gases
 - ▶ LEL, %Gas and Optional PPM
 - ▶ Oxygen
 - ▶ Carbon Monoxide
 - ▶ Hydrogen Sulfide
- Weather Resistant Design
- Internal Pump
- Infrared Downloading
- Lowest Cost, Long Life Sensors
- LED Warning Lights
- Bright 2 Line LCD Display
- Loud Audible Alarm
- Optional 1600 Event Auto Log
- Optional Air Free CO Test

Sensit® Gold CGI with its durable design and easy operation will make finding gas leaks fast and accurate. The bright LCD display shows all gas concentrations simultaneously fulfilling any confined space entry requirements. A bar-hole test feature helps to accurately locate below ground leaks. An operator controlled tick rate assists in finding leaks on exposed piping faster than ever before.



Calibration is easily accomplished in the field with Sensit® Gold CGI. The high-tech sensors provide a long life with the lowest replacement cost. Sensit® Gold CGI has the lowest cost of operation of any instrument in its class.



FIND IT! WITH SENSIT™ GOLD CGI COMBUSTIBLE GAS INDICATOR

Whether you need an investigation tool or a confined space monitor, you can depend on the Sensit Gold CGI to provide the safety and accuracy you need.

STANDARD FEATURES

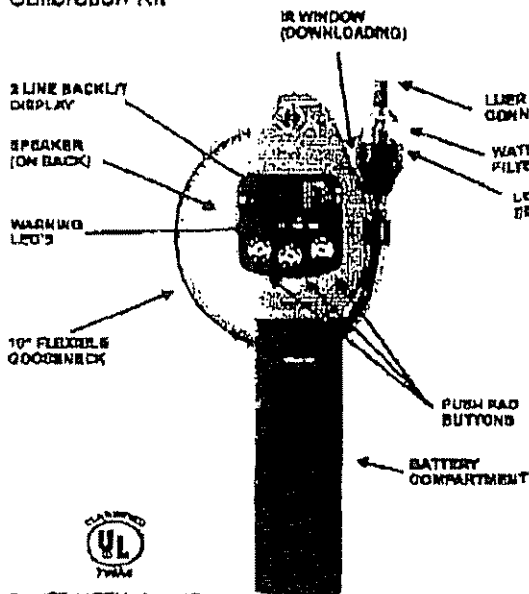
- Internal Pump
- Water/Dust Filter
- Push Button Operation
- Field Calibration
- Date/Time Display
- Operation Memory
- Calibration Memory
- Infrared Download
- Audible/Visual Alarms
- Backlit LCD
- Hard Carrying Case
- Programmable Auto Shut Off

OPTIONS

- Optional PPM
- Probe Assembly
- Printer
- PC Interface
- Calibration Kit

SENSING FEATURES

| SENSIT GOLD CGI INSTRUMENTS | LEAK DETECTOR | % LEL DISPLAY | % GAS DISPLAY | CARBON MONOXIDE | OXYGEN | HYDROGEN SULFIDE |
|--|---------------|---------------|---------------|-----------------|--------|------------------|
| SENSIT CGI-EX Part #SG00000-A | • | • | • | | | |
| SENSIT CGI-EX CO Part #SG00000-B | • | • | • | • | | |
| SENSIT CGI-EX O ₂ Part #SG00000-C | • | • | • | | • | |
| SENSIT CGI-EX CO & O ₂ Part #SG00000-E | • | • | • | • | • | |
| SENSIT CGI-EX TOX _A Part #SG00000-D | • | • | • | | • | • |
| SENSIT CGI-4 GAS Part #SG00000-H | • | • | • | • | • | • |



Sensit Gold CGI Instruments are Approved UL613, For Class I, Division 1, Groups C and D Hazardous locations when used with alkaline batteries.

| SENSOR SPECIFICATIONS | | | |
|-----------------------|------------|------------|----------------|
| TYPE | RESOLUTION | RANGE | ACCURACY |
| PPM | 1-10ppm*** | 0-2000ppm | ±10% |
| LEL | 0.1%* | 0-100% LEL | ±10% |
| %GAS | 0.1% | 5-100% | ±5% |
| O ₂ | 0.1% | 0-25% | ±0.2% or 2%*** |
| CO | 1ppm | 0-2000ppm | ±5ppm or 5%*** |
| H ₂ S | 1ppm | 0-100ppm | ±2ppm or 5%*** |

* Percent gas only models have resolution of 0.01% from 0-2.5% gas
** Whichever is greater *** Factory set option

| PRODUCT SPECIFICATIONS | |
|------------------------|--|
| Size: | 11.6" x 3" x 2.32" (29.2 x 7.6 x 5.9 cm) |
| Weight: | 1.2 lbs. (0.5kg) |
| Operational Temp: | -20 to 120° F (-28.9°C x 48.9°C) |
| Storage Temp: | -20 to 132° F (-28.9°C x 55.5°C) |
| Battery Life: | Alkaline: 16 hrs. Continuous operation |

APPLICATIONS

- Confined Space Monitoring
- Vessel Testing
- Manhole Entry
- Vault Entry
- Leak Detection
- Leak Pinpointing
- Pipeline Purging

USERS

- Utilities
- Maintenance Departments
- Fire Departments
- Water/Sewer Departments
- Utility Contractors
- Industrial Plants

J And N Enterprises, Inc.
851 Transport Drive
Valparaiso, IN 46383 USA
Phone: (219) 465-2700
Fax: (219) 465-2701
www.gasleakensors.com



J And N Enterprises, Inc. 0/2007

Distributed by



BTU GAS COMPANY, INC.
GAS LEAK AND REPAIR REPORT
GATHERING LINES

Receipt of Report: Report No.

Date: Time:

Location of Leak:

Reported By:
Description of Leak :
Leak detected By :
Leak reported By:
Report Received By:

Dispatched

Date: Time:

Investigation Assigned to:
Assigned as immediate action required?

Investigation

Date: Time: Leak Found?
Investigation by: Leak Grade

CGI Used?

Location of Leak:

Cause of Leak:

Condition Made Safe: Date Time:

Repair Report: Length Exposed

Leak at:

Pipe: Size

Coating:

Condition:

Soil Conditions:

Moisture:

Repaired Made:

Repair Coating Type

Anodes Installed:

Repairs Made By:

Foreman:

Supervisor:

Date:

Date:

BTU GAS COMPANY, INC.
GAS LEAK AND REPAIR REPORT
GATHERING LINES

Receipt of Report:

Date: 5-6-08

Time: 9:35 AM

Report No. 001

Location of Leak: A+.7

Reported By: Jackie Minix

Description of Leak: crack in weld

Leak detected By: smell

Leak reported By: Jackie Minix

Report Received By: Pam Williams

Dispatched

Date:

Time:

Investigation Assigned to: Louie Patrick + Jack Jordan

Assigned as immediate action required?

Investigation

Date: 5-6-08

Time: 10:00

Investigation by: Louie Patrick

Leak Found? yes

CGI Used?

Leak Grade small

Location of Leak: A+.7

Cause of Leak: crack in weld

Condition Made Safe: Date 5-6-08 Time: 12:00

Repair Report: Length Exposed

Leak at:

Pipe: Size 3" plastic

Coating:

Condition: good

Soil Conditions: sandy

Moisture: medium

Repaired Made: 3" dresser couplin

Repair Coating Type N/A

Anodes Installed: N/A

Repairs Made By:

Foreman: Jack Jordan Supervisor: Louie Patrick Date: 5-6-08

BTU GAS COMPANY, INC.
"Sniff Test" and/or "Odorometer Test"

Location: Huxior Branch / Sugar Camp
Date: 4-1-08 Time: _____

ODOR LEVEL Nil
 Barely Detectable
 Readily Detectable
 Strong

List other odors present: _____

Observed by: _____

Location: Lakerville / Oakley
Date: 4-1-08 Time: _____

ODOR LEVEL: Nil
 Barely Detectable
 Readily Detectable
 Strong

List other odors present: _____

Observed by: _____

Location: L. Heral
Date: 4-1-08 Time: _____

ODOR LEVEL: Nil
 Barely Detectable
 Readily Detectable
 Strong

List other odors present: _____

Observed by: Lackington

BTU GAS COMPANY, INC.
"Spiff Test" and/or "Odorometer Test"

Location: Auxiliary Branch / Sugar Camp
Date: 4-8-08 Time: _____

ODOR LEVEL Nil
 Barely Detectable
 Readily Detectable
 Strong

List other odors present: _____

Observed by: _____

Location: Lakeville / Oakley
Date: 4-8-08 Time: _____

ODOR LEVEL: Nil
 Barely Detectable
 Readily Detectable
 Strong

List other odors present: _____

Observed by: _____

Location: Litteral
Date: 4-8-08 Time: _____

ODOR LEVEL: Nil
 Barely Detectable
 Readily Detectable
 Strong

List other odors present: _____

Observed by: [Signature]

BTU GAS COMPANY, INC.
"Sniff Test" and/or "Odorometer Test"

Location: Aurora Branch / Aurora Camp
Date: 4-15-08 Time: _____

ODOR LEVEL Nil
 Barely Detectable
 Readily Detectable
 Strong

List other odors present: _____

Observed by: _____

Location: Lakeville / Oakley
Date: 4-15-08 Time: _____

ODOR LEVEL: Nil
 Barely Detectable
 Readily Detectable
 Strong

List other odors present: _____

Observed by: _____

Location: Littleral
Date: 4-15-08 Time: _____

ODOR LEVEL: Nil
 Barely Detectable
 Readily Detectable
 Strong

List other odors present: _____

Observed by: Richard E. [Signature]

BTU GAS COMPANY, INC.
"Sniff Test" and /or "Odorometer Test"

Location: _____

Date: _____ Time: _____

ODOR LEVEL: _____ Nil
 _____ Barely Detectable
 _____ Readily Detectable
 _____ Strong

List other odors present: _____

_____ Observed by: _____

Location: _____

Date: _____ Time: _____

ODOR LEVEL: _____ Nil
 _____ Barely Detectable
 _____ Readily Detectable
 _____ Strong

List other odors present: _____

_____ Observed by: _____

Location: _____

Date: _____ Time: _____

ODOR LEVEL: _____ Nil
 _____ Barely Detectable
 _____ Readily Detectable
 _____ Strong

List other odors present: _____

_____ Observed by: _____