

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

|   |            |
|---|------------|
| AN INVESTIGATION INTO THE JURISDICTIONAL) | CASE NO.   |
| STATUS OF THE IRVINGTON GAS COMPANY'S )   | 2013-00076 |
| UNDERGROUND PROPANE OPERATIONS )          |            |

ORDER

The Kentucky Public Service Commission ("Commission") establishes this case on its own motion to determine the jurisdictional status of the underground propane gas operations of the Irvington Gas Company ("Irvington Gas").

In 2008, the Commission's Division of Engineering Gas Pipeline Safety Branch Staff<sup>1</sup> learned that Irvington Gas was providing propane gas to residents of several subdivisions through an underground pipeline system. As a result of this discovery, in November 2008, the Commission's Executive Director requested information from Irvington Gas regarding its propane operations (a copy of the November 5, 2008 letter is attached as Appendix A). On November 20, 2008, Irvington Gas submitted its response (attached as Appendix B) wherein it stated that it had some subdivisions that were served from underground tanks with mains installed at the rear of the homes. Irvington Gas also provided additional information regarding the number of customers and the

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<sup>1</sup> The PSC is certified by the U.S. Department of Transportation and the Pipeline and Hazardous Materials Safety Administration (PHMSA) as having adopted the *minimum federal regulations* and established substantially the same enforcement measures as those in the federal pipeline safety statutes. Upon request and as otherwise directed by PHMSA, the Commission may perform safety-related inspection and investigation activities of non-jurisdictional facilities including municipalities and other entities on behalf of PHMSA.

general method of construction of the mains, and stated its plans to conduct training and obtain operator qualification for its personnel. Irvington Gas also provided an unsigned copy of a February 1, 2006 letter (copy attached as Appendix C) submitted to the Commission generally describing its propane operations and requesting advice regarding whether the Commission would be involved in this type of a service. There is no record of any follow-up conducted by Commission Staff at that time.

Following the receipt of the information regarding the underground propane operations in November 2008, Staff held an informal conference on May 13, 2009 with representatives of Irvington Gas to further discuss its operations.

Irvington Gas is a propane, or LP, gas provider serving Irvington and surrounding areas. It is owned by the Kasey family that also owns and operates Valley Gas, Inc., ("Valley Gas") a small jurisdictional Local Distribution Company ("LDC") providing natural gas service to customers in Irvington and Breckinridge County. As of December 31, 2011, Valley Gas provided service to 424 residential and 52 small-commercial and industrial customers.

The following information was provided by Kerry R. Kasey, president of Irvington Gas, in the November 21, 2008 letter:

- Irvington Gas provides underground propane service to nine subdivisions.
- Irvington Gas installs 2-inch plastic mains in the subdivisions. There are about 70,000 feet of mains installed at the rear of homes.
- The construction is the same as for natural gas lines.
- Irvington Gas installs three-quarter-inch yard lines or customer-service lines (owned by the customer) off the mains to meters located at the customers' homes.
- Odorized propane gas is delivered to Irvington Gas storage facilities and then transported by truck to the company-owned underground tanks in the subdivisions.

- In November 2008, Irvington Gas served 198 customers at a pressure of 9.5 pounds.
- Irvington receives compensation for the underground propane gas service by monthly billings based on meter readings.
- According to Irvington Gas, the propane gas is not typically the primary heat source. It is used for fireplaces, water heaters, grills and a few power generators.

The following is a summary of the information gathered at the May 2009 meeting:

- Irvington Gas recognizes the necessity of compliance with the Commission's safety requirements, but is concerned about compliance with other Commission requirements relating to rates and service.
- Irvington Gas explained that it serves nine subdivisions from company-owned tanks buried in the ground.
- Typically, propane gas is the secondary source of heat for those residential customers. Irvington Gas stated that it added the option of underground propane as a convenience to its customers, in addition to the typical propane service which is its primary line of business.
- Service is metered. The charge is \$1.59 per Mcf as opposed to \$2.00 per Mcf for small propane tanks.
- If regulated, Irvington Gas will have to pass the cost of regulation on to the customers, and Irvington Gas does not believe that there will be any benefit to the customer.
- Irvington stated that there is no limitation to the number of customers that can be served other than the limit on the amount of gas the tanks will hold.
- The propane gas lines are installed just as any LDC would install natural gas lines.

At the informal conference, Staff tentatively informed Irvington Gas that the information it had provided may not distinguish it from Heritage Propane d/b/a Bright's Propane ("Bright's Propane"), another entity providing piped underground propane gas service. Staff indicated that it would provide the Commission with information relating to the Irvington Gas underground propane operations to determine whether those operations were jurisdictional.

Bright's Propane is a small propane gas operation serving the Old Bridge subdivision in Mercer County. Bright's Propane serves its customers through underground lines and was determined to be jurisdictional to the Commission in February 1991. Bright's Propane has a quarterly Gas Cost Adjustment clause and files quarterly applications with the Commission to adjust the cost of propane. As of December 31, 2011, Bright's Propane serves 59 residential and one small commercial and industrial customer.

A copy of the order initiating the Commission's review of the jurisdictional status of Bright's Propane is attached to this order as Appendix D. A copy of the Commission order dated February 15, 1991, finding Bright's Propane to be jurisdictional is attached to this order as Appendix E. In that Order, the Commission found that Bright's Propane was a utility jurisdictional to the Commission pursuant to KRS 278.010(3) which states:

"Utility" means any person except a regional wastewater commission established pursuant to KRS 65.8905 and, for purposes of paragraphs (a), (b), (c), (d), and (f) of this subsection, a city, who owns, controls, operates, or manages any facility used or to be used for or in connection with:

- (a) The generation, production, transmission, or distribution of electricity to or for the public, for compensation, for lights, heat, power, or other uses;
- (b) The production, manufacture, storage, distribution, sale, or furnishing of natural or manufactured gas, or a mixture of same, to or for the public, for compensation, for light, heat, power, or other uses;
- (c) The transporting or conveying of gas, crude oil, or other fluid substance by pipeline to or for the public, for compensation;
- (d) The diverting, developing, pumping, impounding, distributing, or furnishing of water to or for the public, for compensation;
- (e) The transmission or conveyance over wire, in air, or otherwise, of any message by telephone or telegraph for the public, for compensation; or
- (f) The collection, transmission, or treatment of sewage for the public, for compensation, if the facility is a subdivision collection, transmission, or treatment of sewage for the public, for compensation, if the facility is a subdivision collection,

transmission, or treatment facility plant that is affixed to real property and is located in a county containing a city of the first class or is a sewage collection, transmission, or treatment facility that is affixed to real property, that is located in any other county, and that is not subject to regulation by a metropolitan sewer district or any sanitation district created pursuant to KRS Chapter 220;

Other than the fact that the Irvington Gas underground propane service is not the primary heat source, there appears to be little to distinguish the Irvington Gas underground propane operation from the circumstances identified regarding Bright's Propane. Therefore, the Commission finds that a prima facie showing has been established that Irvington Gas through its underground propane gas operations is a utility within the meaning of KRS 278.010 because it provides manufactured gas to the public for compensation.<sup>2</sup>

IT IS THEREFORE ORDERED that:

1. No later than April 23, 2013, Irvington Gas shall submit written testimony in response to the allegations set forth in this order. Such testimony may include any additional evidence that Irvington Gas considers is relevant to this proceeding.

2. Irvington Gas shall appear on May 7, 2013 at 9:30 a.m., Eastern Daylight Time, in Conference Room 1 of the Commission's offices at 211 Sower Boulevard,

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<sup>2</sup> Although the jurisdictional status of the Irvington Gas underground propane operations may be in question, the Commission's Pipeline Safety Branch has conducted three regulatory compliance inspections of the underground propane gas facilities of Irvington Gas. The three inspections were conducted on August 13, 2008 (issued April 20, 2009); July 22, 2011 (issued August 24, 2012); and October 31, 2012 (issued December 14, 2012). Copies of each inspection are attached to this Order as Appendices F, G, and H, respectively. Irvington Gas has been prompt in providing a response to these inspections, stated its willingness to comply with applicable pipeline safety regulations, and is working to address issues noted in the inspections to bring its system and operations into compliance. A follow-up inspection will be scheduled to review the status of the issues noted during the October 2012 inspection, to verify compliance with applicable state and federal pipeline safety regulations, and address any other questions or concerns that arise.

Frankfort, Kentucky, for an Informal Conference to discuss issues identified in this proceeding.

By the Commission

ENTERED  
MAR 14 2013  
KENTUCKY PUBLIC  
SERVICE COMMISSION

ATTEST:

  
\_\_\_\_\_  
Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE  
COMMISSION IN CASE NO. 2013-00076 DATED MAR 14 2013



Steven L. Beshear  
Governor

Leonard K. Peters  
Secretary  
Energy and Environment Cabinet

Commonwealth of Kentucky  
Public Service Commission  
211 Sower Blvd.  
P.O. Box 615  
Frankfort, Kentucky 40602-0615  
Telephone: (502) 564-3940  
Fax: (502) 564-3460  
psc.ky.gov

David L. Armstrong  
Chairman

James W. Gardner  
Vice Chairman

John W. Clay  
Commissioner

November 5, 2008

Mr. L. Kenneth Kasey  
President, Irvington Gas Company, Inc.  
401 South First Street  
P.O. Box 55  
Irvington, Kentucky 40146

Dear Mr. Kasey:

The Commission's Engineering Staff has learned that Irvington Gas Company, Inc. (Irvington) may be providing propane gas to residents of several subdivisions in Irvington, Kentucky through an underground pipeline system. The Public Service Commission has exclusive jurisdiction over the rates and services of utilities as well as the responsibility to enforce the pipeline safety standards adopted by the United States Department of Transportation pursuant to 49 U.S.C. 60101, *et seq.*

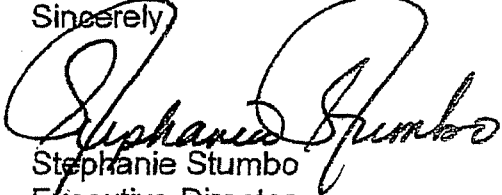
In order for the Commission to determine its regulatory responsibilities, if any, regarding Irvington's operations, I request that you provide a written response to this letter by November 30, 2008, describing Irvington's propane operations and including, at a minimum, the following information:

1. State whether the gas is delivered by pipeline.
2. If the gas is delivered by pipeline, state:
  - a) the total length of pipe;
  - b) the location, size, and the method of construction;
  - c) the installation date of the pipeline; if different for each subdivision, state the name of the subdivision and date the pipeline was installed in each subdivision;
  - d) the pressure at which the gas is delivered;
  - e) the supplier;
  - f) who owns the service lines – Irvington or the customer.
3. State the number of customers served.
4. State whether Irvington receives compensation for the gas supplied.



Mr. L. Kenneth Kasey  
November 5, 2008  
Page Two

If you have any questions concerning this matter, please call 502/564-3940 for Jason Brangers of the Commission's Engineering Division or Anita Mitchell of the Legal Division.

Sincerely,  
  
Stephanie Stumbo  
Executive Director

AM:v

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE  
COMMISSION IN CASE NO. 2013-00076 DATED MAR 14 2013

# IRVINGTON GAS COMPANY, INC.

P.O. BOX 55  
IRVINGTON, KENTUCKY 40146  
(270) 547-2455 • (270) 877-2661  
www.irvingtongas.com

RECEIVED

NOV 21 2008

PUBLIC SERVICE  
COMMISSION

Stephania Stumbo  
Executive Director  
Public Service Commission  
P O Box 615  
Frankfort, Kentucky 40602

November 20, 2008

Dear Ms Stumbo:

The following information is submitted as requested in your letter of November 5, 2008 regarding some subdivisions we are serving with propane meter service with the use of underground tanks.

We install 2 inch plastic mains underground in the subdivisions and from them we install 3/4 inch yardlines or customer service lines to the meters at the house for each customer.

We are presently providing service to nine subdivisions with approximately 70,000 ft of mains installed at the rear of the homes. The method of construction is the same as for natural gas installations. At this time we are serving 198 customers with gas at a pressure of 9.5 lbs thru yardlines owned by the customer. Yes, Irvington Gas Company receives compensation for the gas supplied by monthly billing according to the meter readings.

Our propane supply is received by truck and rail into our storage facilities. It is ordered before we receive delivery. The gas is then transported by our delivery fleet to company owned underground tanks located in several different locations in each subdivision.

To our knowledge the propane supplied is not used for a primary source of heat but is used to fuel fireplaces, water heaters, grills and a few power generators now coming on line.

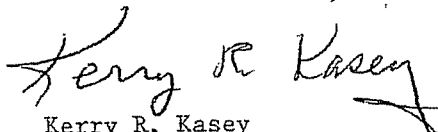
In April 2008, Steve Samples and Joel Grugin from your office came and inspected our operation. As a result, we employed the services of Roger Wingate

with R. L. Wingate & Associates, Inc. to conduct training and operator qualification plans for our people connected with this part of our operation at a sizable cost plus the cost of the personnel involved.

Enclosed is a copy of a letter we sent to the Commission on February 1, 2006.  
If additional information is needed, please advise.

Yours truly

IRVINGTON GAS CO., INC.

  
Kerry R. Kasey  
President

APPENDIX C

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE  
COMMISSION IN CASE NO. 2013-00076 DATED MAR 14 2013

# IRVINGTON GAS COMPANY, INC.

P.O. BOX 55  
IRVINGTON, KENTUCKY 40146  
(270) 547-2455 • (270) 877-2661

February 1, 2006

Ms. Beth O'Donnell  
Executive Director  
Public Service Commission  
PO Box 615  
Frankfort, Kentucky 40602-0615

RECEIVED

NOV 21 2008

PUBLIC SERVICE  
COMMISSION

Dear Ms. O'Donnell:

We are a LP-Gas independent distributor starting in business in Irvington, Kentucky in 1938. We serve about a fifty-mile radius, which takes in several surrounding counties including the Fort Knox area that is expanding rapidly. The natural gas people serving the local area do not appear to be very interested in expanding their system to service some of the new developments now being constructed. As a result, we are receiving request and inquires from some of the subdivision developers to serve their areas with propane meter service.

In almost ever case, the builders of new homes are installing electric heat pumps as the primary source of heat. Also, in most every case they are installing gas fireplaces in the homes. We are serving hundreds of them now with small 120 w.g. LPG tanks which can be installed next to the homes; however in most of the new developments they do not want above ground tanks. We are able to install 1000 w.g. tanks underground through out the area and place the user on meter service. It is our opinion that a few underground tanks would be a lot safer than a lot of smaller above ground tanks. In 99.9% of the services we would be supplying gas to a fireplace, a few on demand water heaters and a lot of grill outlets. We would install the mains and service lines and meters in accordance with all rules and regulations.

Please advice what, if any, part the Commission would be involved in this type of service. If additional information is needed, please advise.

Yours Truly,

Irvington Gas Company, Inc.  
L. Kenneth Kasey – President

APPENDIX D

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE  
COMMISSION IN CASE NO. 2013-00076 DATED ~~MAR 14~~ 2013

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

JURISDICTIONAL STATUS OF BRIGHT'S PROPANE )  
COMPANY'S PROPANE DISTRIBUTION SYSTEM ) CASE NO. 90-091

O R D E R

In response to a telephone call from Western Kentucky Gas Company ("Western"), Commission Staff witnessed a pressure test conducted April 7, 1989 on pipeline installed by Bright's Propane Company ("Bright's"). Bright's, located in Burgin, Kentucky, has installed gas distribution lines throughout Old Bridge Subdivision ("Old Bridge") in Boyle County, Kentucky, which will be used to provide propane to customers in Old Bridge. Staff determined that the pipelines were installed to Western's construction standards which meet the requirements of Commission Regulation 807 KAR 5:022. Western performed the pressure test in the event it decides to purchase the system in the future to provide natural gas to the area.

On May 31, 1989, the Commission received a letter from an anonymous person who stated that Bright's had installed gas distribution lines throughout Old Bridge. On August 29, 1989, Staff requested additional information from Bright's. Bright's responded on September 13, 1989 with a description of the current status of propane service to Old Bridge. According to Bright's, approximately 7500 feet of two-inch plastic pipe has been



installed through which propane is distributed and sold to six customers. Bright's charges these customers a rate for the propane service but the amount is unknown.

Staff has also determined that negotiations have been held between Bright's and Western wherein Western would purchase Bright's Old Bridge propane system and convert the service to natural gas. However, these negotiations have not borne fruit.

On October 11, 1989, Staff advised Bright's that its propane service to Old Bridge was a utility activity jurisdictional to the Commission pursuant to KRS 278.010(3)(b) and (c). During an October 25, 1989 informal conference, Staff met with representatives of Bright's to discuss the necessary filings Bright's would need to submit to the Commission as a public utility. As of March 6, 1990, the number of customers in Old Bridge served by Bright's was 14.

KRS 278.010(3) in pertinent part defines a utility as:

Any person except a city, who owns, controls or operates or manages any facility used or to be used for or in connection with . . . (b) the production, manufacture, storage, distribution, sale or furnishing of natural or manufactured gas, or a mixture of same, to or for the public, for compensation . . . (c) the transporting or conveying of gas, crude oil or other fluid substance by pipeline to or for the public, for compensation.

Propane is a type of manufactured gas which can be produced by extraction from natural gas or by reforming of natural or liquefied petroleum gases.

Therefore, the Commission finds that a prima facie showing has been established that Bright's is a utility within the meaning of KRS 278.010 because it provides manufactured gas to the public for compensation.

IT IS THEREFORE ORDERED that:

1. A hearing be and it hereby is scheduled for May 11, 1990, at 10:00 a.m., Eastern Daylight Time, in the Commission's offices at 730 Schenkel Lane, Frankfort, Kentucky. The purpose of the hearing shall be to provide Bright's the opportunity to present additional evidence it feels is relevant to the Commission's decision herein.

2. No later than 10 days prior to the hearing date Bright's shall file copies of all exhibits it intends to enter into the record at the hearing and a list of each witness who will appear with the summary of their testimony or prefiled testimony.

3. As an alternative to participating in the scheduled hearing, Bright's may file with the Commission no later than 10 days prior to the hearing date its tariffs pursuant to KRS 278.160 and otherwise comply with the Commission's laws and regulations.

Done at Frankfort, Kentucky, this 23rd day of April, 1990.

PUBLIC SERVICE COMMISSION

  
Chairman

  
Vice Chairman

  
Commissioner

ATTEST:

  
Executive Director

APPENDIX E

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE  
COMMISSION IN CASE NO. 2013-00076 DATED MAR 14 2013

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

JURISDICTIONAL STATUS OF BRIGHTS PROPANE )  
SERVICE, INC.'S PROPANE DISTRIBUTION ) CASE NO. 90-091  
SYSTEM )

O R D E R

In early 1989, Brights Propane Service, Inc. ("Brights"), located in Burgin, Kentucky, installed an 18,000 gallon propane storage tank and approximately 7,500 feet of two-inch plastic distribution pipeline throughout the Old Bridge Subdivision ("Old Bridge") in Boyle County, Kentucky. The construction was according to Western Kentucky Gas Company's ("Western") standards.

On April 7, 1989, investigators from the Gas Pipeline Safety Branch witnessed the air pressure testing of Brights' pipelines which was implemented by Western and found that the pipelines were leak-free at 105-108 psig.

Currently Brights provides propane gas through its distribution system to 22 customers.

Brights is a utility jurisdictional to the Commission pursuant to KRS 278.010(3) which states:

"Utility" means any person except a city who owns, controls or operates or manages any facility used or to be used for or in connection with (b) . . . production, manufacture, storage, distribution, sale or furnishing of natural or manufactured gas, or a mixture of same, to or for the public, for compensation . . . (c) transporting or conveying of gas, crude oil or other fluid substance by pipeline to or for the public, for compensation.

Brights is required to operate its gas distribution facilities according to 49 CFR Part 192.11(a) and NFPA No. 58. CFR 49 Part 192.11(a), adopted by this Commission for safety purposes, states:

No operator may transport petroleum gas in a system that serves 10 or more customers, or in a system, any portion of which is located in a public place (such as a highway), unless that system meets the requirements of this part and of NFPA Standards No. 58 and No. 59.

Brights intends to have the propane distribution system serving Old Bridge become a part of Western's system if Western extends its mains from Danville, Kentucky, to Old Bridge.

On July 16, 1990, Brights filed its tariff and proposed an effective date of August 1, 1990. By Order entered August 14, 1990, the Commission suspended the tariff up to January 14, 1991. Brights refiled its tariff on January 18, 1991, and proposed a new effective date of February 18, 1991. The proposed rate is \$0.029 per cubic foot of propane gas with a minimum bill of \$11.60 per month. Brights also requested an exemption from having a budget payment plan ("Plan") as it is a small company and the Plan might cause economic harm to it.

After consideration of the filing in this case and being otherwise sufficiently advised, the Commission finds that Brights' tariff regulations and the rates and charges contained therein are reasonable and should be approved with the following exceptions. Item 8, Customer's equipment and installation, contains the following provision: "the company shall not assume any responsibility and shall not be held liable in any way for the making of any periodic inspection of the customer's service line,

pipng, connections, or appliances, or for the customer's failure to properly and safely install, operate, and maintain the same." Since various Commission regulations require Brights to undertake periodic inspections of service lines and other customer equipment, the Commission finds this tariff language inappropriate and it should be deleted. Further, Item 20, Company's discontinuance of service for cause, provides that "where a dangerous condition is found to exist on the customer's premises, the service may be discontinued without notice." 807 KAR 5:006, Section 11, provides that service shall be discontinued when a dangerous condition is discovered provided that notice is given immediately of the reasons for the discontinuance. Brights should revise this clause to mirror the language of the above-cited regulation.

IT IS THEREFORE ORDERED that:

1. Brights, as a utility jurisdictional to the Public Service Commission pursuant to KRS 278.010(3), shall operate its propane storage and propane gas distribution system according to 807 KAR 5:022, NFPA No. 58 Standard, and all other applicable laws and regulations.

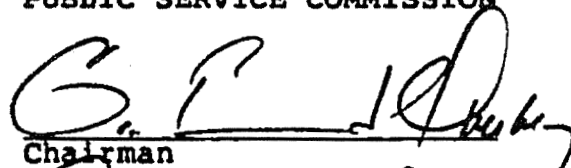
2. Brights shall be exempted from having a Budget Payment Plan until January 1, 1994.

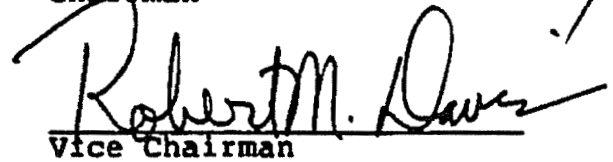
3. Brights January 18, 1991 tariff filing is hereby approved with the two exceptions noted above. The rates and charges contained therein are the fair, just, and reasonable rates to be charged by Brights in rendering propane service.

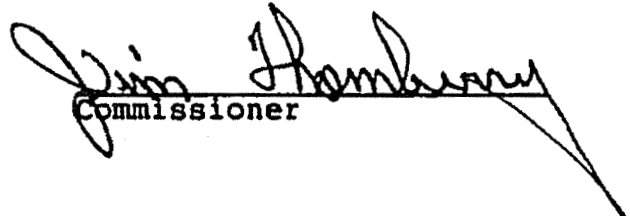
4. Brights shall refile its tariffs reflecting the changes directed herein within 30 days of the date of this Order.

Done at Frankfort, Kentucky, this 15th day of February, 1991.

PUBLIC SERVICE COMMISSION

  
Chairman

  
Vice Chairman

  
Commissioner

ATTEST:



Executive Director

APPENDIX F

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE  
COMMISSION IN CASE NO. 2013-00076 DATED MAR 14 2013





Steven L. Beshear  
Governor

Leonard K. Peters  
Secretary  
Energy and Environment Cabinet

Commonwealth of Kentucky  
Public Service Commission  
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Fax: (502) 564-3460  
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David L. Armstrong  
Chairman

James W. Gardner  
Vice Chairman

John W. Clay  
Commissioner

April 20, 2009

Mr. Kenneth Kasey  
President  
Irvington Gas  
P.O. Box 55  
Irvington, KY 40146

#### NATURAL GAS FACILITIES INSPECTION OF IRVINGTON GAS (PROPANE)

As per the conversation with Mr. Kerry Kasey on April 14, 2009, attached for your review is the inspection report of Irvington Gas. On August 13, 2008, Steve Samples conducted a periodic regulatory compliance inspection of the propane facilities of Irvington Gas serving the cities of Elizabethtown and Vinegrove, Kentucky. During the initial inspection of this new utility nine deficiencies were documented.

Please review the attached report. As noted, nine deficiencies were documented during the inspection. While it is our understanding that some of the deficiencies may have already been corrected, you are requested to respond to this report by May 22, 2009. Please provide your responses, outlining corrective actions for the cited deficiencies, on the copies of the Deficiency Tracking Reports sent with this letter by completing the three sections under the Response heading.

If you have any questions or need additional information, you are welcome to contact me at (502) 564-3940. We appreciate your continued interest in the safe operation of your gas facilities.

JASON R. BRANGERS, P.E., MANAGER, GAS BRANCH, DIVISION OF ENGINEERING

Attachment: Irvington Gas 081308 Inspection Report

COMMONWEALTH OF KENTUCKY  
PUBLIC SERVICE COMMISSION

UTILITY INSPECTION REPORT

Report Date: 10/26/2008

Report Number: Irvington Gas 081308

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BRIEF

Inspector: Steve Samples  
Inspection Date: 8/13/2008  
Type of Inspection: Periodic Regulatory Compliance Inspection

Type of Facility: Private Distribution  
Name of Utility: Irvington Gas Company, Inc (Propane)  
Location of Facility: Irvington, KY

Purpose of Inspection: Periodic inspection of a private distribution operator's facilities and management practices to verify compliance with federal and state pipeline regulations.

Applicable Regulations: 49 Part 191, 192, 199, and 807 KAR 5:022.

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INSPECTION

Description of Utility: Private propane distribution system serving 4 subdivisions in Hardin County area.

Number of Customers: 400

Area of Operation: Elizabethtown and Vinegrove area.

Supply Source: Inergy and Plains Marketing.

Distribution Description: Plastic two-inch and under piping propane system feeding four subdivisions through underground propane tanks.

Workforce Summary: 10 employees

Utility Reps in Insp: Kerry and Kevin Kasey.

Date of Last Inspection:

DTR from Last Insp: 0

DTRs not Cleared: 0

**Summary of items and facilities Inspected:**

The Operating and Maintenance, Emergency, Damage Prevention, Operator Qualification, Public Awareness and Drug and Alcohol Plans were reviewed during the office visit. Also inspected were records pertaining to leakage surveys and repairs, valve inspections, patrolling, corrosion control, regulator inspections, and odorant verification tests. The field portion of the inspection consisted of inspecting corrosion pipeline readings, regulator settings, pipeline markers, mainline valve locations, and meter installations. Brightside, Vineland, and Arborview subdivisions were visited during the field inspection.

COMMONWEALTH OF KENTUCKY  
PUBLIC SERVICE COMMISSION

UTILITY INSPECTION REPORT

Report Date: 10/26/2008

Report Number: Irvington Gas 081308

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FINDINGS

- 1 Irvington Gas Co. had not submitted their annual report to the Department of Transportation.
- 2 Irvington Gas Co. was not conducting weekly sampling to assure proper concentration of odorant. (Also state regulation KAR 5:022 Section 13(17)(g)4 requires weekly sampling on each system.)
- 3 Irvington Gas Co. records indicate insufficient corrosion readings on all nine tanks in the Brightside Subdivision.
- 4 Irvington Gas Co. did not inspect the pressure limiting devices each calender year.
- 5 Irvington Gas Co. did not have line markers at all of their tank sites.
- 6 Irvington Gas Co. did not have locks at their tank sites to prevent unauthorized operation of pressure limiting devices.
- 7 Irvington Gas Co. tank sites were not designed to prevent accidental overpressuring.
- 8 Irvington Gas Co. did not have fire extinguishers on their service trucks.
- 9 Irvington Gas Co. did not have a recording gauge on their Brightside Subdivision where more than one pressure source was feeding the system.

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RECOMMENDATIONS

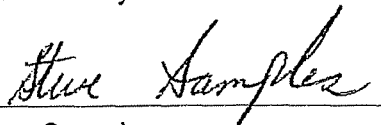
Irvington Gas should correct the stated deficiencies in a timely manner.

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ADDITIONAL INSPECTOR COMMENTS

This was the first initial inspection of Irvington Gas (Propane). A follow-up inspection will be scheduled around December 18, 2008.

Submitted by



Steve Samples

Utility Regulatory and Safety Investigator III

Report Number: Irvington Gas 081308  
DTR Number: 1

Due Date: 5/20/2009

## Deficiency Tracking Report

### Deficiency Detail

| Utility                              | Date of Investigation | Investigator  |
|--------------------------------------|-----------------------|---------------|
| Irvington Gas Company, Inc (Propane) | 8/13/2008             | Steve Samples |

### Regulation

49 CFR Part 191.11(a) Except as provided in paragraph (b) of this section, each operator of a distribution pipeline system shall submit an annual report for that system on Department of Transportation Form RSPA F 7100.1-1.

### Deficiency:

Irvington Gas Co. had not submitted their annual report to the Department of Transportation.

If Repeat Deficiency, Date of Last DTR:

### Response (attach additional pages as necessary)

1) Explain why the deficiency occurred. Include information about what caused the deficiency and why it was not detected by the utility. (Attach extra pages as necessary)

2) Explain actions taken to correct the deficiency, including utility's responsible person, actions taken, and when it was (or will be) done. (Attach extra pages as necessary)

3) Explain actions taken to prevent the deficiency from occurring again, including utility's responsible person, actions taken, and when it was (or will be) done. (Attach extra pages as necessary)

Response Provided By: \_\_\_\_\_

Response Date: \_\_\_\_\_

Signature: \_\_\_\_\_

Report Number: Irvington Gas 081308  
DTR Number: 2

Due Date: 5/20/2009

## Deficiency Tracking Report

### Deficiency Detail

| Utility                              | Date of Investigation | Investigator  |
|--------------------------------------|-----------------------|---------------|
| Irvington Gas Company, Inc (Propane) | 8/13/2008             | Steve Samples |

### Regulation

49 CFR Part 192.625(f) Odorization of gas. ... (f) Each operator shall conduct periodic sampling of combustible gases to assure the proper concentration of odorant in accordance with this section...

### Deficiency:

Irvington Gas Co. was not conducting weekly sampling to assure proper concentration of odorant. (Also state regulation KAR 5:022 Section 13(17)(g)4 requires weekly sampling on each system.)

If Repeat Deficiency, Date of Last DTR:

### Response (attach additional pages as necessary)

1) Explain why the deficiency occurred. Include information about what caused the deficiency and why it was not detected by the utility. (Attach extra pages as necessary)

2) Explain actions taken to correct the deficiency, including utility's responsible person, actions taken, and when it was (or will be) done. (Attach extra pages as necessary)

3) Explain actions taken to prevent the deficiency from occurring again, including utility's responsible person, actions taken, and when it was (or will be) done. (Attach extra pages as necessary)

Response Provided By: \_\_\_\_\_

Response Date: \_\_\_\_\_

Signature: \_\_\_\_\_

Report Number: Irvington Gas 081308  
DTR Number: 3

Due Date: 5/20/2009

## Deficiency Tracking Report

### Deficiency Detail

| Utility                              | Date of Investigation | Investigator  |
|--------------------------------------|-----------------------|---------------|
| Irvington Gas Company, Inc (Propane) | 8/13/2008             | Steve Samples |

### Regulation

49 CFR Part 192.465(d) Each operator shall take prompt remedial action to correct any deficiencies indicated by the monitoring.

### Deficiency:

Irvington Gas Co. records indicate insufficient corrosion readings on all nine tanks in the Brightside Subdivision.

If Repeat Deficiency, Date of Last DTR:

### Response (attach additional pages as necessary)

1) Explain why the deficiency occurred. Include information about what caused the deficiency and why it was not detected by the utility. (Attach extra pages as necessary)

2) Explain actions taken to correct the deficiency, including utility's responsible person, actions taken, and when it was (or will be) done. (Attach extra pages as necessary)

3) Explain actions taken to prevent the deficiency from occurring again, including utility's responsible person, actions taken, and when it was (or will be) done. (Attach extra pages as necessary)

Response Provided By: \_\_\_\_\_

Response Date: \_\_\_\_\_

Signature: \_\_\_\_\_

Report Number: Irvington Gas 081308  
DTR Number: 4

Due Date: 5/20/2009

## Deficiency Tracking Report

### Deficiency Detail

| Utility                              | Date of Investigation | Investigator  |
|--------------------------------------|-----------------------|---------------|
| Irvington Gas Company, Inc (Propane) | 8/13/2008             | Steve Samples |

### Regulation

49 CFR Part 192.739 Each pressure limiting station, relief device, and pressure regulating station ...must be subjected at intervals not exceeding 15 months, but at least once each calendar year, to inspections and tests...

### Deficiency:

Irvington Gas Co. did not inspect the pressure limiting devices each calendar year.

If Repeat Deficiency, Date of Last DTR:

### Response (attach additional pages as necessary)

1) Explain why the deficiency occurred. Include information about what caused the deficiency and why it was not detected by the utility. (Attach extra pages as necessary)

2) Explain actions taken to correct the deficiency, including utility's responsible person, actions taken, and when it was (or will be) done. (Attach extra pages as necessary)

3) Explain actions taken to prevent the deficiency from occurring again, including utility's responsible person, actions taken, and when it was (or will be) done. (Attach extra pages as necessary)

Response Provided By: \_\_\_\_\_

Response Date: \_\_\_\_\_

Signature: \_\_\_\_\_

Report Number: Irvington Gas 081308  
DTR Number: 5

Due Date: 5/20/2009

## Deficiency Tracking Report

### Deficiency Detail

| Utility                              | Date of Investigation | Investigator  |
|--------------------------------------|-----------------------|---------------|
| Irvington Gas Company, Inc (Propane) | 8/13/2008             | Steve Samples |

### Regulation

49 CFR Part 192.707(c) Line markers must be placed and maintained along each section of a main and transmission line that is located aboveground in an area accessible to the public.

### Deficiency:

Irvington Gas Co. did not have line markers at all of their tank sites.

If Repeat Deficiency, Date of Last DTR:

### Response (attach additional pages as necessary)

1) Explain why the deficiency occurred. Include information about what caused the deficiency and why it was not detected by the utility. (Attach extra pages as necessary)

2) Explain actions taken to correct the deficiency, including utility's responsible person, actions taken, and when it was (or will be) done. (Attach extra pages as necessary)

3) Explain actions taken to prevent the deficiency from occurring again, including utility's responsible person, actions taken, and when it was (or will be) done. (Attach extra pages as necessary)

Response Provided By: \_\_\_\_\_

Response Date: \_\_\_\_\_

Signature: \_\_\_\_\_



Report Number: Irvington Gas 081308  
DTR Number: 6

Due Date: 5/20/2009

## Deficiency Tracking Report

### Deficiency Detail

| Utility                              | Date of Investigation | Investigator  |
|--------------------------------------|-----------------------|---------------|
| Irvington Gas Company, Inc (Propane) | 8/13/2008             | Steve Samples |

### Regulation

49 CFR Part 192.199(h) ...each pressure relief or pressure limiting device must...be designed to prevent unauthorized operation of any stop valve that will make the pressure relief valve

### Deficiency:

Irvington Gas Co. did not have locks at their tank sites to prevent unauthorized operation of pressure limiting devices.

If Repeat Deficiency, Date of Last DTR:

### Response (attach additional pages as necessary)

1) Explain why the deficiency occurred. Include information about what caused the deficiency and why it was not detected by the utility. (Attach extra pages as necessary)

2) Explain actions taken to correct the deficiency, including utility's responsible person, actions taken, and when it was (or will be) done. (Attach extra pages as necessary)

3) Explain actions taken to prevent the deficiency from occurring again, including utility's responsible person, actions taken, and when it was (or will be) done. (Attach extra pages as necessary)

Response Provided By: \_\_\_\_\_

Response Date: \_\_\_\_\_

Signature: \_\_\_\_\_

Report Number: Irvington Gas 081308  
DTR Number: 7

Due Date: 5/20/2009

## Deficiency Tracking Report

### Deficiency Detail

| Utility                              | Date of Investigation | Investigator  |
|--------------------------------------|-----------------------|---------------|
| Irvington Gas Company, Inc (Propane) | 8/13/2008             | Steve Samples |

### Regulation

49 CFR Part 192.195 Protection against accidental overpressuring.

### Deficiency:

Irvington Gas Co. tank sites were not designed to prevent accidental overpressuring.

If Repeat Deficiency, Date of Last DTR:

### Response (attach additional pages as necessary)

1) Explain why the deficiency occurred. Include information about what caused the deficiency and why it was not detected by the utility. (Attach extra pages as necessary)

2) Explain actions taken to correct the deficiency, including utility's responsible person, actions taken, and when it was (or will be) done. (Attach extra pages as necessary)

3) Explain actions taken to prevent the deficiency from occurring again, including utility's responsible person, actions taken, and when it was (or will be) done. (Attach extra pages as necessary)

Response Provided By: \_\_\_\_\_

Response Date: \_\_\_\_\_

Signature: \_\_\_\_\_

Report Number: Irvington Gas 081308  
DTR Number: 8

Due Date: 5/20/2009

## Deficiency Tracking Report

### Deficiency Detail

| Utility                              | Date of Investigation | Investigator  |
|--------------------------------------|-----------------------|---------------|
| Irvington Gas Company, Inc (Propane) | 8/13/2008             | Steve Samples |

### Regulation

49 CFR Part 192.751(a) When a hazardous amount of gas is being vented into open air, each potential source of ignition must be removed from the area and a fire extinguisher must be provided.

### Deficiency:

Irvington Gas Co. did not have fire extinguishers on their service trucks.

If Repeat Deficiency, Date of Last DTR:

### Response (attach additional pages as necessary)

1) Explain why the deficiency occurred. Include information about what caused the deficiency and why it was not detected by the utility. (Attach extra pages as necessary)

2) Explain actions taken to correct the deficiency, including utility's responsible person, actions taken, and when it was (or will be) done. (Attach extra pages as necessary)

3) Explain actions taken to prevent the deficiency from occurring again, including utility's responsible person, actions taken, and when it was (or will be) done. (Attach extra pages as necessary)

Response Provided By: \_\_\_\_\_

Response Date: \_\_\_\_\_

Signature: \_\_\_\_\_



Report Number: Irvington Gas 081308  
DTR Number: 9

Due Date: 5/20/2009

## Deficiency Tracking Report

### Deficiency Detail

| Utility                              | Date of Investigation | Investigator  |
|--------------------------------------|-----------------------|---------------|
| Irvington Gas Company, Inc (Propane) | 8/13/2008             | Steve Samples |

### Regulation

49 CFR Part 192.741(a) Each distribution system supplied by more than one district pressure regulating station must be equipped with telemetering or recording pressure gauges to indicate the ...

### Deficiency:

Irvington Gas Co. did not have a recording gauge on their Brightside Subdivision where more than one pressure source was feeding the system.

If Repeat Deficiency, Date of Last DTR:

### Response (attach additional pages as necessary)

1) Explain why the deficiency occurred. Include information about what caused the deficiency and why it was not detected by the utility. (Attach extra pages as necessary)

2) Explain actions taken to correct the deficiency, including utility's responsible person, actions taken, and when it was (or will be) done. (Attach extra pages as necessary)

3) Explain actions taken to prevent the deficiency from occurring again, including utility's responsible person, actions taken, and when it was (or will be) done. (Attach extra pages as necessary)

Response Provided By: \_\_\_\_\_

Response Date: \_\_\_\_\_

Signature: \_\_\_\_\_



APPENDIX G

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE  
COMMISSION IN CASE NO. 2013-00076 DATED MAR 14 2013



Steven L. Beshear  
Governor

Leonard K. Peters  
Secretary  
Energy and Environment Cabinet

Commonwealth of Kentucky  
Public Service Commission  
211 Sower Blvd.  
P.O. Box 615  
Frankfort, Kentucky 40602-0615  
Telephone: (502) 564-3940  
Fax: (502) 564-3460  
psc.ky.gov

David L. Armstrong  
Chairman

James W. Gardner  
Vice Chairman

Linda Breathitt  
Commissioner

August 24, 2012

Kenneth Kasey  
President  
Irvington Gas  
P.O. Box 55  
Irvington, KY 40146

#### PERIODIC REGULATORY COMPLIANCE INSPECTION

Mr. Joel Grugin conducted a periodic regulatory compliance inspection of the propane gas facilities of Irvington Gas Company ("Irvington Gas") serving approximately 385 customers in and/or around Irvington, Kentucky. Irvington Gas is a private propane distribution system serving five subdivisions in Hardin County and one subdivision in Spencer County. Concerns were raised by Irvington Gas relating to jurisdiction over the propane system. An informal conference was held between Irvington Gas and Kentucky Public Service Commission ("PSC") staff to discuss these concerns. The PSC is charged with the responsibility to monitor and oversee adherence to safety regulations concerning, among other things, certain gas operators in Kentucky, including propane distribution systems.

*807 KAR 5:022 Section 1(6) Petroleum gas systems.*

*(a) No utility shall transport petroleum gas in a system that serves ten (10) or more customers, or in a system, any portion of which is located in a public place (such as a highway), unless that system meets the requirements of this administrative regulation and of NFPA Standards No. 58 and 59.*

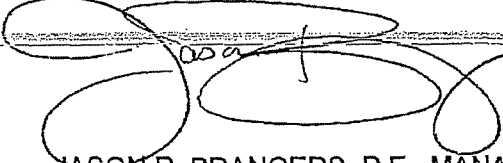
*(c) For the purpose of this subsection, petroleum gas means propane, butane, or mixtures of these gases, other than a gas mixture used to supplement supplies in a natural gas distribution system.*

*§ 49 CFR 192.11 Petroleum gas systems.*

*(b) Each pipeline system subject to this part that transports only petroleum gas or petroleum gas/air mixtures must meet the requirements of this part and of ANSI/NFPA 58 and 59.*



If you have any questions or need additional information, you are welcome to contact me at (502) 564-3940. We appreciate your continued interest in the safe operation of your gas facilities.

A handwritten signature in black ink, appearing to read "Jason R. Brangers", is written over a horizontal line. The signature is stylized with large loops and a long horizontal stroke extending to the right.

JASON R. BRANGERS, P.E., MANAGER, GAS BRANCH, DIVISION OF ENGINEERING  
Attachment: Irvington Gas Company, Inc (Propane) 072211 Inspection Report

COMMONWEALTH OF KENTUCKY  
PUBLIC SERVICE COMMISSION

UTILITY INSPECTION REPORT

Report Date: 8/1/2011

Report Number: Irvington Gas Company, Inc (Propane)07

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BRIEF

**Inspector:** Joel Grugin  
**Inspection Date:** 7/22/2011  
**Type of Inspection:** Periodic Regulatory Compliance Inspection

**Type of Facility:** Private Distribution  
**Name of Utility:** Irvington Gas Company, Inc (Propane)  
**Location of Facility:** Irvington, KY  
**Purpose of Inspection:** Periodic inspection of a private distribution operator's facilities and management practices to verify compliance with federal and state pipeline regulations.

**Applicable Regulations** 49 Part CFR. 191, 192, 199, and 807 KAR 5:022.

---

INSPECTION

**Description of Utility:** Private propane distribution system serving 6 subdivisions 5 in the Hardin County area and 1 in Spencer county near Fisherville.  
**Number of Customers:** 385  
**Area of Operation:** Hardin and Spencer counties  
**Supply Source:** Energy and Plains Marketing.  
**Distribution Description:** Plastic two-inch and under piping propane system feeding six subdivisions through underground propane tanks.  
**Workforce Summary:** 18 employees  
**Utility Reps in Insp:** Kerry Kasey and Charlie Russ  
**Date of Last Inspection:** 8/13/2008  
**DTR from Last Insp:** 9  
**DTRs not Cleared:** 6

**Summary of items and facilities Inspected:**

The Operating and Maintenance, Emergency, Damage Prevention, Operator Qualification, Public Awareness and Drug and Alcohol Plans were reviewed during the office visit. Also inspected were records pertaining to leakage surveys and repairs, valve inspections, patrolling, corrosion control, regulator inspections, and odorant verification tests. The field portion of the inspection consisted of inspecting corrosion pipeline readings, regulator settings, pipeline markers, mainline valve locations, and meter installations. Brightside, Vineland, and Arbor view subdivisions were visited during the field inspection.

COMMONWEALTH OF KENTUCKY  
PUBLIC SERVICE COMMISSION

UTILITY INSPECTION REPORT

Report Date: 8/1/2011

Report Number: Irvington Gas Company, Inc (Propane)07

---

FINDINGS

- 1 Irvington Gas Company has never filed any annual report to the department of transportation.
- 2 Irvington Gas Company has never conducted periodic sampling to assure proper concentration of odorant in their systems. Note: State regulation KAR:022 section 13 (17)(g) 4 requires weekly sampling of each system.
- 3 Irvington Gas Company did not have records to indicate that the pressure limiting devices had been inspected as required.
- 4 Irvington Gas Company did not have line markers at all of their tank sites.
- 5 Irvington Gas Company did not have the tank accesses locked to prevent unauthorized operation of pressure limiting devices.
- 6 Irvington Gas Company did not have a pressure recording gauge on their Brightside Subdivision where more than one pressure source was supplying the system.

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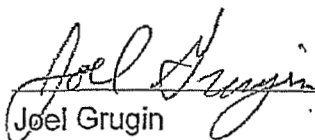
RECOMMENDATIONS

---

ADDITIONAL INSPECTOR COMMENTS

This is the second time that Irvington gas has been inspected by the KYPSC. There are still 6 (repeat) deficiencies outstanding from the initial inspection. The owners of Irvington gas met with PSC staff for an informal conference after the first inspection about some jurisdictional issues they were concerned with. It is my understanding a formal answer has not been received by them to this date. This is the only distribution to our knowledge in the state that has buried propane tanks manifolded together to feed a distribution system. CFR 192.11(b)(c) states that the requirements of ANSI/NFPA 58 and 59 will regulate these type systems.

Submitted by

  
Joel Grugin  
Utility Regulatory and Safety Investigator III

Report Number: Irvington Gas Company, Inc (Propane)072211  
DTR Number: 1

Due Date: 10/05/2012

## Deficiency Tracking Report

### Deficiency Detail

| Utility                              | Date of Investigation | Investigator |
|--------------------------------------|-----------------------|--------------|
| Irvington Gas Company, Inc (Propane) | 7/22/2011             | Joel Grugin  |

### Regulation

49 CFR Part 191.11(a) Except as provided in paragraph (b) of this section, each operator of a distribution pipeline system shall submit an annual report for that system on Department of Transportation Form RSPA F 7100.1-1.

### Deficiency:

Irvington Gas Company has never filed any annual report to the department of transportation.

If Repeat Deficiency, Date of Last DTR:

### Response (attach additional pages as necessary)

1) Explain why the deficiency occurred. Include information about what caused the deficiency and why it was not detected by the utility. (Attach extra pages as necessary)

2) Explain actions taken to correct the deficiency, including utility's responsible person, actions taken, and when it was (or will be) done. (Attach extra pages as necessary)

3) Explain actions taken to prevent the deficiency from occurring again, including utility's responsible person, actions taken, and when it was (or will be) done. (Attach extra pages as necessary)

Response Provided By: \_\_\_\_\_

Response Date: \_\_\_\_\_

Signature: \_\_\_\_\_

Report Number: Irvington Gas Company, Inc (Propane)072211  
DTR Number: 2

Due Date: 10/05/2012

## Deficiency Tracking Report

### Deficiency Detail

| Utility                              | Date of Investigation | Investigator |
|--------------------------------------|-----------------------|--------------|
| Irvington Gas Company, Inc (Propane) | 7/22/2011             | Joel Grugin  |

### Regulation

49 CFR Part 192.625(a) A combustible gas in a distribution line must contain a natural odorant or be odorized so that at a concentration in air of one-fifth of the lower explosive limit, the gas is . . .

### Deficiency:

Irvington Gas Company has never conducted periodic sampling to assure proper concentration of odorant in their systems. Note: State regulation KAR:022 section 13 (17)(g) 4 requires weekly sampling of each system.

If Repeat Deficiency, Date of Last DTR:

### Response (attach additional pages as necessary)

1) Explain why the deficiency occurred. Include information about what caused the deficiency and why it was not detected by the utility. (Attach extra pages as necessary)

2) Explain actions taken to correct the deficiency, including utility's responsible person, actions taken, and when it was (or will be) done. (Attach extra pages as necessary)

3) Explain actions taken to prevent the deficiency from occurring again, including utility's responsible person, actions taken, and when it was (or will be) done. (Attach extra pages as necessary)

Response Provided By: \_\_\_\_\_

Response Date: \_\_\_\_\_

Signature: \_\_\_\_\_

Report Number: Irvington Gas Company, Inc (Propane)072211  
DTR Number: 3

Due Date: 10/05/2012

## Deficiency Tracking Report

### Deficiency Detail

| Utility                              | Date of Investigation | Investigator |
|--------------------------------------|-----------------------|--------------|
| Irvington Gas Company, Inc (Propane) | 7/22/2011             | Joel Grugin  |

### Regulation

49 CFR Part 192.739 Each pressure limiting station, relief device, and pressure regulating station ... must be subjected at intervals not exceeding 15 months, but at least once each calendar year, to inspections and tests...

### Deficiency:

Irvington Gas Company did not have records to indicate that the pressure limiting devices had been inspected as required.

If Repeat Deficiency, Date of Last DTR:

### Response (attach additional pages as necessary)

1) Explain why the deficiency occurred. Include information about what caused the deficiency and why it was not detected by the utility. (Attach extra pages as necessary)

2) Explain actions taken to correct the deficiency, including utility's responsible person, actions taken, and when it was (or will be) done. (Attach extra pages as necessary)

3) Explain actions taken to prevent the deficiency from occurring again, including utility's responsible person, actions taken, and when it was (or will be) done. (Attach extra pages as necessary)

Response Provided By: \_\_\_\_\_

Response Date: \_\_\_\_\_

Signature: \_\_\_\_\_

Report Number: Irvington Gas Company, Inc (Propane)072211  
DTR Number: 4

Due Date: 10/05/2012

## Deficiency Tracking Report

### Deficiency Detail

| Utility                              | Date of Investigation | Investigator |
|--------------------------------------|-----------------------|--------------|
| Irvington Gas Company, Inc (Propane) | 7/22/2011             | Joel Grugin  |

### Regulation

49 CFR Part 192.707(c) Line markers must be placed and maintained along each section of a main and transmission line that is located aboveground in an area accessible to the public.

### Deficiency:

Irvington Gas Company did not have line markers at all of their tank sites.

If Repeat Deficiency, Date of Last DTR:

### Response (attach additional pages as necessary)

1) Explain why the deficiency occurred. Include information about what caused the deficiency and why it was not detected by the utility. (Attach extra pages as necessary)

2) Explain actions taken to correct the deficiency, including utility's responsible person, actions taken, and when it was (or will be) done. (Attach extra pages as necessary)

3) Explain actions taken to prevent the deficiency from occurring again, including utility's responsible person, actions taken, and when it was (or will be) done. (Attach extra pages as necessary)

Response Provided By: \_\_\_\_\_

Response Date: \_\_\_\_\_

Signature: \_\_\_\_\_

Report Number: Irvington Gas Company, Inc (Propane)072211  
DTR Number: 5

Due Date: 10/05/2012

## Deficiency Tracking Report

### Deficiency Detail

| Utility                              | Date of Investigation | Investigator |
|--------------------------------------|-----------------------|--------------|
| Irvington Gas Company, Inc (Propane) | 7/22/2011             | Joel Grugin  |

### Regulation

49 CFR Part 192.199(h) ...each pressure relief or pressure limiting device must...be designed to prevent unauthorized operation of any stop valve that will make the pressure relief valve

### Deficiency:

Irvington Gas Company did not have the tank accesses locked to prevent unauthorized operation of pressure limiting devices.

If Repeat Deficiency, Date of Last DTR:

### Response (attach additional pages as necessary)

1) Explain why the deficiency occurred. Include information about what caused the deficiency and why it was not detected by the utility. (Attach extra pages as necessary)

2) Explain actions taken to correct the deficiency, including utility's responsible person, actions taken, and when it was (or will be) done. (Attach extra pages as necessary)

3) Explain actions taken to prevent the deficiency from occurring again, including utility's responsible person, actions taken, and when it was (or will be) done. (Attach extra pages as necessary)

Response Provided By: \_\_\_\_\_

Response Date: \_\_\_\_\_

Signature: \_\_\_\_\_



## Deficiency Tracking Report

### Deficiency Detail

| Utility                               | Date of Investigation | Investigator |
|---------------------------------------|-----------------------|--------------|
| Irvington Gas Company, Inc (Propane). | 7/22/2011             | Joel Grugin  |

### Regulation.

49 CFR Part 192.741(a) Each distribution system supplied by more than one district pressure regulating station must be equipped with telemetering or recording pressure gauges to indicate the ...

### Deficiency:

Irvington Gas Company did not have a pressure recording gauge on their Brightside Subdivision where more than one pressure source was supplying the system.

If Repeat Deficiency, Date of Last DTR:

### Response (attach additional pages as necessary)

1) Explain why the deficiency occurred. Include information about what caused the deficiency and why it was not detected by the utility. (Attach extra pages as necessary)

2) Explain actions taken to correct the deficiency, including utility's responsible person, actions taken, and when it was (or will be) done. (Attach extra pages as necessary)

3) Explain actions taken to prevent the deficiency from occurring again, including utility's responsible person, actions taken, and when it was (or will be) done. (Attach extra pages as necessary)

Response Provided By: \_\_\_\_\_

Response Date: \_\_\_\_\_

Signature: \_\_\_\_\_



U.S. Department of Transportation  
Pipeline and Hazardous Materials  
Safety Administration

ANNUAL REPORT FOR CALENDAR YEAR 20\_\_  
GAS DISTRIBUTION SYSTEM

INITIAL REPORT   
SUPPLEMENTAL REPORT

A federal agency may not conduct or sponsor, and a person is not required to respond to, nor shall a person be subject to a penalty for failure to comply with a collection of information subject to the requirements of the Paperwork Reduction Act unless that collection of information displays a current valid OMB Control Number. The OMB Control Number for this information collection is 2137-0522. Public reporting for this collection of information is estimated to be approximately 16 hours per submission, including the time for reviewing instructions, gathering the data needed, and completing and reviewing the collection of information. All responses to this collection of information are mandatory. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden to: Information Collection Clearance Officer, PHMSA, Office of Pipeline Safety (PHP-3D) 1200 New Jersey Avenue, SE, Washington, D.C. 20590.

PART A - OPERATOR INFORMATION

DOT USE ONLY

1. NAME OF OPERATOR

3. OPERATOR'S 5 DIGIT IDENTIFICATION NUMBER

2. LOCATION OF OFFICE WHERE ADDITIONAL INFORMATION MAY BE OBTAINED

4. HEADQUARTERS NAME & ADDRESS, IF DIFFERENT

Number and Street \_\_\_\_\_  
City and County \_\_\_\_\_  
State and Zip Code \_\_\_\_\_

Number and Street \_\_\_\_\_  
City and County \_\_\_\_\_  
State and Zip Code \_\_\_\_\_

5. STATE IN WHICH SYSTEM OPERATES: / / (provide a separate report for each state in which system operates)

PART B - SYSTEM DESCRIPTION

Report miles of main and number of services in system at end of year.

1. GENERAL

|                 | STEEL       |        |                           |        | PLASTIC | CAST/<br>WROUGHT<br>IRON | DUCTILE<br>IRON | COPPER | OTHER | SYSTEM<br>TOTAL |
|-----------------|-------------|--------|---------------------------|--------|---------|--------------------------|-----------------|--------|-------|-----------------|
|                 | UNPROTECTED |        | CATHODICALLY<br>PROTECTED |        |         |                          |                 |        |       |                 |
|                 | BARE        | COATED | BARE                      | COATED |         |                          |                 |        |       |                 |
| MILES OF MAIN   |             |        |                           |        |         |                          |                 |        |       |                 |
| NO. OF SERVICES |             |        |                           |        |         |                          |                 |        |       |                 |

2. MILES OF MAINS IN SYSTEM AT END OF YEAR

| MATERIAL             | UNKNOWN | 2" OR LESS | OVER 2"<br>THRU 4" | OVER 4"<br>THRU 8" | OVER 8"<br>THRU 12" | OVER 12" | SYSTEM<br>TOTALS |
|----------------------|---------|------------|--------------------|--------------------|---------------------|----------|------------------|
| STEEL                |         |            |                    |                    |                     |          |                  |
| DUCTILE IRON         |         |            |                    |                    |                     |          |                  |
| COPPER               |         |            |                    |                    |                     |          |                  |
| CAST/WROUGHT<br>IRON |         |            |                    |                    |                     |          |                  |
| PLASTIC              |         |            |                    |                    |                     |          |                  |
| 1. PVC               |         |            |                    |                    |                     |          |                  |
| 2. PE                |         |            |                    |                    |                     |          |                  |
| 3. ABS               |         |            |                    |                    |                     |          |                  |
| 4. OTHER<br>PLASTIC  |         |            |                    |                    |                     |          |                  |
| OTHER                |         |            |                    |                    |                     |          |                  |
| SYSTEM TOTALS        |         |            |                    |                    |                     |          |                  |

3. NUMBER OF SERVICES IN SYSTEM AT END OF YEAR

AVERAGE SERVICE LENGTH \_\_\_\_\_ FEET

| PART F - TOTAL NUMBER OF LEAKS ON FEDERAL LAND REPAIRED OR SCHEDULED FOR REPAIR | PART G - PERCENT OF UNACCOUNTED FOR GAS  |
|---|--|
| <p>_____</p>  | <p>Unaccounted for gas as a percent of total input for the 12 months ending June 30 of the reporting year.</p> <p>[(Purchased gas + produced gas) minus (customer use + company use + appropriate adjustments)] divided by (purchased gas + produced gas) equals percent unaccounted for.</p> <p>Input for year ending 6/30 _____ %.</p> |

| PART H - ADDITIONAL INFORMATION |
|---------------------------------|
| <p> </p>                        |

| PART I - PREPARER AND AUTHORIZED SIGNATURE                 |   |
|--|---|
| <p>_____<br/>(Type or print) Preparer's Name and Title</p> | <p>_____<br/>Area Code and Telephone Number</p> |
| <p>_____<br/>Preparer's email address</p>                  | <p>_____<br/>Area Code and Facsimile Number</p> |
| <p>_____<br/>Name and Title of Person Signing</p>          | <p>_____<br/>Area Code and Telephone Number</p> |
| <p>_____<br/>Authorized Signature</p>                      |   |

APPENDIX H

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE  
COMMISSION IN CASE NO. 2013-00076 DATED MAR 14 2013



Steven L. Beshear  
Governor

Leonard K. Peters  
Secretary  
Energy and Environment Cabinet

Commonwealth of Kentucky  
Public Service Commission  
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P.O. Box 615  
Frankfort, Kentucky 40602-0615  
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David L. Armstrong  
Chairman

James W. Gardner  
Vice Chairman

Linda Breathitt  
Commissioner

December 14, 2012

Kerry Kasey  
Irvington Gas Company  
P.O. Box 390  
Irvington, KY 40146

#### PERIODIC REGULATORY COMPLIANCE INSPECTION

On October 31, 2012, Mr. Steve Samples conducted a periodic regulatory compliance inspection of the propane gas facilities of Irvington Gas Company ("Irvington Gas") serving approximately 397 customers in and/or around Irvington, Kentucky. Irvington Gas is a private propane distribution system serving seven subdivisions in Hardin County and Spencer County.

The previous inspection, conducted by Mr. Joel Grugin, resulted in the finding of six deficiencies. Irvington Gas indicated in a response dated September 24, 2012 that they had taken steps to correct those deficiencies and were working to comply with applicable regulations. The most recent regulatory compliance inspection was used, in part, to follow-up on the status of the previously noted deficiencies. A copy of that inspection report is attached for your review. It appears as though two of the six deficiencies cited during the previous inspection have been corrected, however, four deficiencies have not been fully corrected and will remain in an open status until such time that compliance can be verified. It is our understanding that Irvington Gas is working to address the issues noted, but Irvington Gas should take immediate action to bring its system and operations into compliance with applicable pipeline safety regulations. In addition, three other deficiencies were noted during this inspection and are being addressed as well.

A copy of the inspection report is attached for your review. Seven deficiencies were documented during this inspection. You are requested to respond to this report, outlining corrective actions for the seven cited deficiencies by **January 25, 2013**. Please provide your responses on the copies of the Deficiency Tracking Reports sent with this letter by completing the three separate sections under the Response heading for the cited deficiency.

To comply with applicable regulations and correct the noted deficiencies, Irvington Gas shall:

1. Submit an annual report for its system on Department of Transportation Form PHMSA F7100.1-1 as required by 49 CFR 191.11(a). This form

shall be submitted each year, not later than March 15, for the preceding calendar year. It is our understanding that Irvington Gas is in the process of completing this form. Once completed, Irvington Gas shall also submit a copy of the completed form to the PSC.

2. Conduct and document weekly sampling of combustible gases using an instrument capable of determining the percentage of gas in air at which the odor becomes readily detectable and shall ensure the instrument being used is properly calibrated and functioning correctly. The gas must be odorized so that at a concentration in air of one-fifth of the lower explosive limit, the gas is readily detectable by a person with a normal sense of smell. Irvington Gas shall have qualified personnel conduct odorant samplings and maintain adequate records (date conducted, name of personnel performing this task, details of equipment used, findings, actions taken, etc.). Irvington Gas has indicated that it will be applying for a deviation to this regulation since odorant is added to the propane when it is delivered and it keeps an odorization report on file.
3. Inspect and test each pressure limiting station, relief device, and pressure regulating station and its equipment at intervals not to exceed 15 months, but at least once each calendar year to determine that it is:
  - a. In good mechanical condition
  - b. Adequate from the standpoint of capacity and reliability of operation for the service in which it is employed
  - c. Set to control or relieve at the correct pressure
  - d. Properly installed and protected from dirt, liquids, or other conditions that might prevent proper operation
4. Equip each distribution system supplied by more than one district pressure regulating station with telemetering or recording pressure gauges to indicate the gas pressure in the district (system).
5. Develop and implement a Distribution Integrity Management Program (DIMP) that includes a written integrity management plan as specified in 49 CFR Part 192.1007.
6. Document and maintain records to show that each valve which may be necessary for the safe operation of a distribution system is checked and serviced at intervals not exceeding 15 months, but at least once each calendar year. Irvington Gas shall take prompt remedial action to correct any valve found inoperable, unless an alternative valve is designated.
7. Shall modify its public awareness message to ensure it includes, at a minimum, the following items:
  - a. A description of the purpose and reliability of the pipeline;
  - b. An overview of the hazards of the pipeline and prevention measures used;
  - c. Information about damage prevention;
  - d. How to recognize and respond to a leak; and
  - e. How to get additional information.

Furthermore, Irvington Gas should ensure that its operation and maintenance (O&M) manual, emergency plan, and its operator qualification (OQ) plan are written specifically for propane and Irvington Gas. Irvington Gas must also obtain an Office of Pipeline Safety (OPS) provided Operator ID (OPID) and Personal Identification (PIN)/password in order to electronically submit its annual report on PHMSA form F 7100.1-1. An OPID can be requested by completing and

submitting the form located on the OPS Online Data Entry and Operator Registration System New Operator Registration website at:

[http://opsweb.phmsa.dot.gov/cfdocs/opsapps/pipes/new\\_operator.cfm](http://opsweb.phmsa.dot.gov/cfdocs/opsapps/pipes/new_operator.cfm)

Irvington Gas must also have a Username and Password which can be obtained by registering through the PHMSA Portal once an OPID and PIN/password has been obtained.

As indicated in the report, a follow-up inspection will be scheduled for the first quarter of 2013 to review the status of these seven open deficiencies, monitor the progress of correcting these deficiencies, verifying compliance with applicable state and federal pipeline safety regulations, and address any other questions or concerns that may arise. A member of our staff will be contacting you in the near future to discuss this with you and schedule such an inspection.

Please be advised that failure to satisfactorily address these deficiencies may result in formal Commission action against Irvington Gas. If further action is taken by the Commission, you could be subject to fines and/or penalties as prescribed by applicable regulations.

If you have any questions or need additional information, you are welcome to contact me at (502) 564-3940. We appreciate your continued interest in the safe operation of your gas facilities.



JASON R. BRANGERS, P.E., MANAGER, GAS BRANCH, DIVISION OF ENGINEERING  
Attachment: Irvington Gas 10312012 Inspection Report

COMMONWEALTH OF KENTUCKY  
PUBLIC SERVICE COMMISSION

UTILITY INSPECTION REPORT

Report Date: 11/5/2012

Report Number: Irvington Gas 10312012

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BRIEF

**Inspector:** Steve Samples  
**Inspection Date:** 10/31/2012  
**Type of Inspection:** Periodic Regulatory Compliance Inspection  
**Type of Facility:** Private Distribution  
**Name of Utility:** Irvington Gas Company, Inc.  
**Location of Facility:** Irvington, Ky.  
**Purpose of Inspection:** Periodic inspection of a private distribution operator's facilities and management practices to verify compliance with federal and state pipeline safety regulations.  
**Applicable Regulations** 49 Part 191,192,199, 807 KAR 5:006 and 5:022.

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INSPECTION

**Description of Utility:** Private propane distribution system serving 7 subdivisions in Hardin and Spencer Counties.  
**Number of Customers:** 397  
**Area of Operation:** Hardin and Spencer Counties.  
**Supply Source:** Energy and Plains Marketing  
**Distribution Description:** Plastic 2" and under propane piping systems serving 7 subdivisions with a MAOP of 10 PSIG. Foxliar Subdivision in Spencer County; Cawley, Brightside, Vineland, Harvey View, Serene Oaks, and The Orchards in Hardin County.  
**Workforce Summary:** 18 employees  
**Utility Reps in Insp:** Kerry Kasey and Charlie Russ  
**Date of Last Inspection:** 8/1/2011  
**DTR from Last Insp:** 6  
**DTRs not Cleared:** 4

**Summary of items and facilities inspected:**

The Operation and Maintenance, Emergency, Damage Prevention, Public Awareness, Operator Qualification, Drug & Alcohol Plans were reviewed during the office visit. Also inspected, were samples of records pertaining to leakage surveys and repairs, patrolling, valve maintenance, relief valves, regulators, odorization, and corrosion. During the field portion of the inspection, checks on mainline valve locations, relief valves, underground tank storage facilities, meter settings, and pipeline markers were conducted.



COMMONWEALTH OF KENTUCKY  
PUBLIC SERVICE COMMISSION

UTILITY INSPECTION REPORT

Report Date: 11/5/2012

Report Number: Irvington Gas 10312012

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FINDINGS

- 1 Irvington Gas is in the process of completing the 7100.1-1 form to DOT. They should submit a copy to the PSC when completed.
- 2 Irvington Gas was not conducting odorant sampling each week. They will be applying for a deviation in the future for this regulation.
- 3 Irvington Gas did not inspect their pressure limiting devices on these systems each calendar year.
- 4 Irvington Gas did not have pressure recording equipment installed on their systems that have more than one source supplying the system.
- 5 Irvington Gas has not developed or implemented a Distribution Integrity Management Plan as of this inspection. They are in the process and are using the "SHRIMP" template.
- 6 Irvington Gas did not have records to indicate they had inspected their safety valves for these systems each year.
- 7 Irvington Gas was delivering their Public Awareness message every month. 192.616(j) 3 says the message must contain information about damage prevention and it did not. Kerry Kasey indicated they will add information about "811" call before you dig to their mailers.

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RECOMMENDATIONS

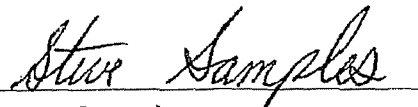
Irvington Gas should correct the stated deficiencies in a timely manner. Irvington Gas also operates the natural gas system of Valley Gas in Irvington. The Operation and Maintenance, Emergency, and Operator Qualification Plans need to be written separately and specific to propane for the Irvington Gas system.

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ADDITIONAL INSPECTOR COMMENTS

The initial inspection was on 10/6/08. Informal conference meeting was conducted to discuss jurisdictional issues. Each one of these subdivisions serves over 10 customers. A follow-up inspection will be scheduled in early 2013. The first 4 deficiencies on this report were DTR's open from the last inspection from Joel Grugin on 8/1/11.

Submitted by



Steve Samples

Utility Regulatory and Safety Investigator III

Report Number: Irvington Gas 10312012  
DTR Number: 1

Due Date: 1/25/2013

## Deficiency Tracking Report

### Deficiency Detail

| Utility | Date of Investigation | Investigator  |
|---------|-----------------------|---------------|
|         | 10/31/2012            | Steve Samples |

### **Regulation**

49 CFR Part 191.11(a) Except as provided in paragraph (b) of this section, each operator of a distribution pipeline system shall submit an annual report for that system on Department of Transportation Form RSPA F 7100.1-1.

### Deficiency:

Irvington Gas is in the process of completing the 7100.1-1 form to DOT. They should submit a copy to the PSC when completed.

If Repeat Deficiency, Date of Last DTR:

### Response (attach additional pages as necessary)

1) Explain why the deficiency occurred. Include information about what caused the deficiency and why it was not detected by the utility. (Attach extra pages as necessary)

2) Explain actions taken to correct the deficiency, including utility's responsible person, actions taken, and when it was (or will be) done. (Attach extra pages as necessary)

3) Explain actions taken to prevent the deficiency from occurring again, including utility's responsible person, actions taken, and when it was (or will be) done. (Attach extra pages as necessary)

Response Provided By: \_\_\_\_\_

Response Date: \_\_\_\_\_

Signature: \_\_\_\_\_

Report Number: Irvington Gas 10312012  
DTR Number: 2

Due Date: 1/25/2013

## Deficiency Tracking Report

### Deficiency Detail

| Utility | Date of Investigation | Investigator  |
|---------|-----------------------|---------------|
| 0       | 10/31/2012            | Steve Samples |

### Regulation

807 KAR 5:022 Sec. 13(17)(9)4 Odorization of Gas. Separately odorized systems with more than ten (10) customers shall be sampled for proper odorant level at least once each week.

### Deficiency:

Irvington Gas was not conducting odorant sampling each week. They will be applying for a deviation in the future for this regulation.

If Repeat Deficiency, Date of Last DTR:

### Response (attach additional pages as necessary)

1) Explain why the deficiency occurred. Include information about what caused the deficiency and why it was not detected by the utility. (Attach extra pages as necessary)

2) Explain actions taken to correct the deficiency, including utility's responsible person, actions taken, and when it was (or will be) done. (Attach extra pages as necessary)

3) Explain actions taken to prevent the deficiency from occurring again, including utility's responsible person, actions taken, and when it was (or will be) done. (Attach extra pages as necessary)

Response Provided By: \_\_\_\_\_

Response Date: \_\_\_\_\_

Signature: \_\_\_\_\_

Report Number: Irvington Gas 10312012  
DTR Number: 3

Due Date: 1/25/2013

## Deficiency Tracking Report

### Deficiency Detail

| Utility | Date of Investigation | Investigator  |
|---------|-----------------------|---------------|
| 0       | 10/31/2012            | Steve Samples |

### Regulation

49 CFR Part 192.739 Each pressure limiting station, relief device, and pressure regulating station ... must be subjected at intervals not exceeding 15 months, but at least once each calendar year, to inspections and tests...

Deficiency:

Irvington Gas did not inspect their pressure limiting devices on these systems each calendar year.

If Repeat Deficiency, Date of Last DTR:

### Response (attach additional pages as necessary)

1) Explain why the deficiency occurred. Include information about what caused the deficiency and why it was not detected by the utility. (Attach extra pages as necessary)

2) Explain actions taken to correct the deficiency, including utility's responsible person, actions taken, and when it was (or will be) done. (Attach extra pages as necessary)

3) Explain actions taken to prevent the deficiency from occurring again, including utility's responsible person, actions taken, and when it was (or will be) done. (Attach extra pages as necessary)

Response Provided By: \_\_\_\_\_

Response Date: \_\_\_\_\_

Signature: \_\_\_\_\_

Report Number: Irvington Gas 10312012  
DTR Number: 4

Due Date: 1/25/2013

## Deficiency Tracking Report

### Deficiency Detail

| Utility | Date of Investigation | Investigator  |
|---------|-----------------------|---------------|
| 0       | 10/31/2012            | Steve Samples |

### Regulation

49 CFR Part 192.741(a) Each distribution system supplied by more than one district pressure regulating station must be equipped with telemetering or recording pressure gauges

### Deficiency:

Irvington Gas did not have pressure recording equipment installed on their systems that have more than one source supplying the system.

If Repeat Deficiency, Date of Last DTR:

### Response (attach additional pages as necessary)

1) Explain why the deficiency occurred. Include information about what caused the deficiency and why it was not detected by the utility. (Attach extra pages as necessary)

2) Explain actions taken to correct the deficiency, including utility's responsible person, actions taken, and when it was (or will be) done. (Attach extra pages as necessary)

3) Explain actions taken to prevent the deficiency from occurring again, including utility's responsible person, actions taken, and when it was (or will be) done. (Attach extra pages as necessary)

Response Provided By: \_\_\_\_\_

Response Date: \_\_\_\_\_

Signature: \_\_\_\_\_

Report Number: Irvington Gas 10312012  
DTR Number: 5

Due Date: 1/25/2013

## Deficiency Tracking Report

### Deficiency Detail

| Utility | Date of Investigation | Investigator  |
|---------|-----------------------|---------------|
| 0       | 10/31/2012            | Steve Samples |

### Regulation

49 CFR Part 192.1015(a) No later than August 2, 2011 the operator of a master meter system...must develop and implement an IM program that includes a written IM plan...

### Deficiency:

Irvington Gas has not developed or implemented a Distribution Integrity Management Plan as of this inspection. They are in the process and are using the "SHRIMP" template.

If Repeat Deficiency, Date of Last DTR:

### Response (attach additional pages as necessary)

1) Explain why the deficiency occurred. Include information about what caused the deficiency and why it was not detected by the utility. (Attach extra pages as necessary)

2) Explain actions taken to correct the deficiency, including utility's responsible person, actions taken, and when it was (or will be) done. (Attach extra pages as necessary)

3) Explain actions taken to prevent the deficiency from occurring again, including utility's responsible person, actions taken, and when it was (or will be) done. (Attach extra pages as necessary)

Response Provided By: \_\_\_\_\_

Response Date: \_\_\_\_\_

Signature: \_\_\_\_\_

Report Number: Irvington Gas 10312012  
DTR Number: 6

Due Date: 1/25/2013

## Deficiency Tracking Report

### Deficiency Detail

| Utility | Date of Investigation | Investigator  |
|---------|-----------------------|---------------|
| 0       | 10/31/2012            | Steve Samples |

### Regulation

49 CFR Part 192.747 Each valve...must be checked and serviced at intervals not exceeding 15 months, but at least once each calendar year.

### Deficiency:

Irvington Gas did not have records to indicate they had inspected their safety valves for these systems each year.

If Repeat Deficiency, Date of Last DTR:

### Response (attach additional pages as necessary)

1) Explain why the deficiency occurred. Include information about what caused the deficiency and why it was not detected by the utility. (Attach extra pages as necessary)

2) Explain actions taken to correct the deficiency, including utility's responsible person, actions taken, and when it was (or will be) done. (Attach extra pages as necessary)

3) Explain actions taken to prevent the deficiency from occurring again, including utility's responsible person, actions taken, and when it was (or will be) done. (Attach extra pages as necessary)

Response Provided By: \_\_\_\_\_

Response Date: \_\_\_\_\_

Signature: \_\_\_\_\_

Report Number: Irvington Gas 10312012  
DTR Number: 7

Due Date: 1/25/2013

## Deficiency Tracking Report

### Deficiency Detail

| Utility | Date of Investigation | Investigator  |
|---------|-----------------------|---------------|
| 0       | 10/31/2012            | Steve Samples |

### Regulation

49 CFR Part 192.616(j) The operator must develop and implement a written procedure to provide its customers public awareness messages twice annually.

### Deficiency:

Irvington Gas was delivering their Public Awareness message every month. 192.616(j)3 says the message must contain information about damage prevention and it did not. Kerry Kasey indicated they will add information about "811" call before you dig to their mailers.

If Repeat Deficiency, Date of Last DTR:

### Response (attach additional pages as necessary)

1) Explain why the deficiency occurred. Include information about what caused the deficiency and why it was not detected by the utility. (Attach extra pages as necessary)

2) Explain actions taken to correct the deficiency, including utility's responsible person, actions taken, and when it was (or will be) done. (Attach extra pages as necessary)

3) Explain actions taken to prevent the deficiency from occurring again, including utility's responsible person, actions taken, and when it was (or will be) done. (Attach extra pages as necessary)

Response Provided By: \_\_\_\_\_

Response Date: \_\_\_\_\_

Signature: \_\_\_\_\_



Kerry Casey  
Irvington Gas Company, Inc.  
401 S 1st Street  
P. O. Box 55  
Irvington, KY 40146