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

Daniel E. Logsdon Jr. Commissioner

NEWS RELEASE

Contact:
Andrew Melnykovych
502-782-2564 or 502-564-3940
502-330-5981 (cell)
Andrew.Melnykovych@ky.gov

PSC Closes Review of Lexington Hotel Gas Explosion No safety violations found on the part of Columbia Gas of Kentucky

FRANKFORT, Ky. (July 22, 2015) – The Kentucky Public Service Commission (PSC) has completed its review of a Sept. 7, 2014, gas explosion that severely damaged a Fairfield Inn hotel in Lexington, finding no violation of state or federal regulations.

The explosion was the result of a vehicular accident that damaged the hotel's gas meter, causing gas to leak into the building and ignite. Although a speedy evacuation of the hotel prevented serious injuries, the building was severely damaged, with a portion of it collapsing. The hotel is at 3050 Lakecrest Circle in southwest Lexington.

The PSC staff review found no violation of the state and federal pipeline safety regulations regarding protection of meters from accidental damage. The PSC staff, therefore, determined that no action was warranted against Columbia Gas of Kentucky, which provides service to the hotel and owns the meter.

The PSC enforces state and federal pipeline safety regulations for natural gas distribution systems. The federal pipeline safety regulations are enforced by agreement with the Pipeline and Hazardous Materials Safety Administration, an agency within the U.S. Department of Transportation.

In 1994, when the Fairfield Inn meter was installed, the federal pipeline safety regulation required that meters be installed in accessible locations and "protected from corrosion and other damage." The regulation was amended in 2003 to require protection of newly installed outdoor meters "from vehicular damage that may be anticipated."

In its review, the PSC staff determined that Columbia Gas of Kentucky, by placing the meter 14 feet away from the nearest pavement, with an intervening six-inch curb, met the protection standard applicable to meters installed prior to 2003.

The PSC staff review also found that Columbia Gas of Kentucky had adhered to its own written standards and procedures for gas meter installations.

PSC Closes Review of Lexington Hotel Gas Explosion - Page 2

In a July 9, 2015, letter to Columbia Gas of Kentucky, PSC Executive Director Jeff Derouen said the PSC recommends that the utility review the incident to determine whether "there are any additional safety precautions that could be implemented to prevent this type of incident in the future."

The PSC letter also recommends that Columbia review proposed new federal rules that would require installation of automatic shut-off devices, known as "excess flow valves," on new or replacement gas service connections other than those serving single-family homes. The valves are designed to quickly stop the flow of the gas in the event of a rupture in the service line between the gas main and the gas meter.

Columbia Gas of Kentucky should determine which procedures it will need to change once the new rule is finalized, the PSC said.

With the completion of the PSC review, the PSC letter and investigation report on the incident become a matter of public record.

The PSC is an independent agency attached for administrative purposes to the Energy and Environment Cabinet. It regulates more than 1,500 gas, water, sewer, electric and telecommunication utilities operating in Kentucky and has approximately 85 employees.

-30-

FOLLOW THE PSC ON TWITTER @KYPSC