

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PETITION OF PUBLIC GAS COMPANY, INC.)
AND JEFFERSON GAS TRANSMISSION)
COMPANY, INC. FOR A DEVIATION FROM) CASE NO. 97-265
807 KAR 5:022, SECTION 13(17)(G)(4),)
ODORIZATION REPORT)

O R D E R

On June 3, 1997, Public Gas Company, Inc. ("Public") and Jefferson Gas Company, Inc. ("Jefferson") submitted an application for a deviation from 807 KAR 5:022, Section 13(17)(g)(4). This deviation will allow Public and Jefferson to conduct sampling of natural gas in their system for odorant concentration, monthly rather than weekly.

On July 21, 1997, Commission Staff inspected Public's and Jefferson's odorization practices. Commission Staff has submitted to the Commission a test report dated July 23, 1997. The report is attached as Appendix A to this Order. The report discloses that the odor was detected at a gas concentration in air of 1.3 percent at one location on Jefferson's system. This odorant level exceeds the one percent limit pursuant to 807 KAR 5:022, Section 13(17)(a). Jefferson did not odorize its gas but relied on a natural odorant in the produced gas from local wells.

On September 23, 1997, the Commission issued its Order in this case holding the application of Public and Jefferson in abeyance. In its Order, the Commission ordered Jefferson to report its weekly records for odorant concentration for a period of 12 weeks subsequent to the installation of an odorizer on its system.

On September 29, 1997, Jefferson notified the Commission that it had established an odorizer on its system to bring its gas to the proper odorant level pursuant to 807 KAR 5:022, Section 13(17)(a).

Public has been injecting odorant into its natural gas to keep its gas odorant level within the acceptable level.

On December 23, 1997, Jefferson filed with the Commission its sampling records of the odorant level in its system for a period of 12 weeks after the installation of the new odorizer. The records for the 12 weeks show that the gas provided by Jefferson contains adequate odorant level.

On January 8, 1998, David Kinman, a gas safety investigator with the Commission's Gas Pipeline Safety Branch, conducted a field visit and tested the natural gas in Jefferson's distribution system. Mr. Kinman confirmed that the concentration of the odorant is within the acceptable level pursuant to 807 KAR 5:022, Section 13(17)(a). Mr. Kinman's investigation report is attached as Appendix B to this Order.

After considering the evidence of record and being sufficiently advised, the Commission finds that:

1. The natural gas in the Public and Jefferson systems has an acceptable level of odorant pursuant to 807 KAR 5:022, Section 13(17)(a).
2. Public's and Jefferson's petition for a deviation from 807 KAR 5:022, Section 13(17)(g)(4), to extend the periodic testing for odorant concentration from weekly to monthly should be granted.
3. If the gas odorant level drops at any point in Public's or Jefferson's system below the level pursuant to 807 KAR 5:022, Section 13(17)(a), Public and Jefferson should

immediately report such occurrence to the Commission and comply with Commission regulations by implementing weekly testing.

IT IS THEREFORE ORDERED that:

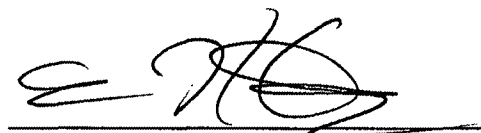
1. Public and Jefferson are granted a deviation from 807 KAR 5:022, Section 13(17)(g)(4). Public and Jefferson shall test their gas for proper odorant level at least once each month.

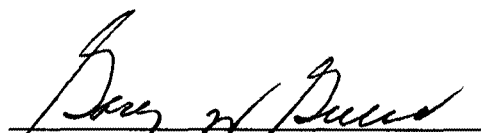
2. Public and Jefferson shall comply with the instructions set forth in Finding 3.

Done at Frankfort, Kentucky, this 11th day of February, 1998.

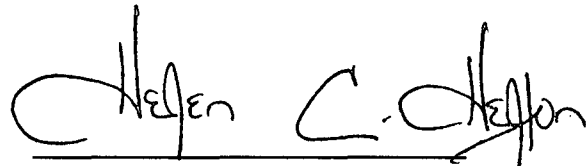
PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 97-265 DATED FEBRUARY 11, 1998

INTRA-AGENCY MEMORANDUM

KENTUCKY PUBLIC SERVICE COMMISSION

TO: William Willis
Faud Sharifi
Susan Hutcherson

THRU: Claude Rhorer, Jr., Director
Engineering & Services *CR*

FROM: David B. Kinman *DK*
Gas Utility Investigator

DATE: July 23, 1997

SUBJECT: Case No. 97-265 Jefferson Gas and Public Gas

On July 21, 1997 odorant tests were made at three locations on the Public Gas System and at two locations on Jefferson Gas. The results were as follows:

Public Gas

.58 at the gas company office.
.73 on Thompson Lane
.87 at the Hinkle blacktop plant

Jefferson Gas

1.30 at the residence of Berry Combs
.75 at Stovall Farms meter near Hazel Green

The gas supply to the town of Jackson is odorized by a wick-type odorizer. The gas on the Jefferson Gas portion of the system has no added odorant.

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 97-265 DATED FEBRUARY 11, 1998

COMMONWEALTH OF KENTUCKY
PUBLIC SERVICE COMMISSION

COMPREHENSIVE INSPECTION REPORT

JEFFERSON GAS TRANSMISSION COMPANY, INC.
JACKSON, KENTUCKY

January 16, 1998

BRIEF

A follow-up inspection of the odorization facilities of the Jefferson Gas Transmission Company, Inc. and Public Gas Company, Inc. operations was conducted on January 8, 1998. These inspections were conducted in accordance with the Public Service Commission's ("PSC") policy of inspecting all jurisdictional gas operators. Natural gas operators are jurisdictional to the PSC under KRS 278.040, 278.495 and also through a 5(a) agreement with the United States Department of Transportation, Office of Pipeline Safety, for the enforcement of the Natural Gas Pipeline Safety Act of 1968. The purpose of this inspection was to retest the odorant levels in these gas systems as they relate to Case No. 97-265.

INSPECTION

On January 8, 1998, odor readings were taken at several locations on the Jefferson and Public systems corresponding to the weekly readings obtained by Jefferson and Public employees. It was found that in all cases the odorometer readings were within acceptable limits of detectability. 807 KAR 5:022, Section 13(17), requires that natural gas be detectable at 1/5th of the lower explosive level which equates to 1% gas in air. The samples taken on these systems were readily detectable at rates ranging from 0.51 to 0.70 which is well within acceptable limits.

FINDINGS

The tests taken on January 8, 1998 indicate that the odorant levels are within acceptable levels, and that the tests taken by Jefferson employees show a consistent pattern of acceptable odor levels.

RECOMMENDATION

It is recommended that Jefferson continue its use of the additional odorizer and maintain the odor level at its present rate.

Respectfully submitted,



David B. Kinman
Gas Utility Investigator
Gas Pipeline Safety Branch

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ESB

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