

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

MOREHEAD STATE UNIVERSITY	)	
_____	)	
INVESTIGATION INTO ALLEGED	)	
VIOLATIONS OF 807 KAR 5:022,	)	
SECTIONS 4(13); 9(13); 10(4);	)	CASE NO. 99-071
10(16); 13(9); 14(5)(c); 14(13)(d);	)	
14(21); 14(23), AND 14(25) AND	)	
49 CFR 192.201; 192.375; 192.455;	)	
192.479; 192.615; 192.707; 192.723;	)	
192.739; 192.743; AND 192.747	)	

O R D E R

Morehead State University ("Morehead") is a master meter gas system operator which receives its natural gas from Morehead Municipal Gas System. Morehead, as a master meter gas system operator, is subject to the safety jurisdiction of the Commission pursuant to KRS 278.495 and KRS 278.992(1).

KRS 278.495(2) authorizes the Commission to regulate the safety of natural gas facilities comprising a master metering system. Administrative Regulation 807 KAR 5:022 sets, *inter alia*, standards for safety in regard to natural gas facilities. In addition, the Commission enforces the minimum safety standards adopted by the United States Department of Transportation pursuant to the federal pipeline safety laws, 49 U.S.C. § 60101, *et seq.*, and amendments thereto, pursuant to KRS 278.992(1).

On December 17, 1998, Commission Staff conducted a comprehensive inspection of Morehead and, based upon said inspection, Commission Staff on

January 11, 1999, issued a Comprehensive Inspection Report ("Report") [copy attached]. The Report details the discovery of ten violations of 807 KAR 5:022 and 49 CFR 192 as set out for identification purposes in ten numbered paragraphs as follows with the corresponding number as set out in the Report:

1. (No. 7 of Report). There are no calculations available to prove that the relief valves are adequate in size and capacity to prevent over-pressure. 807 KAR 5:022, Section 4(13) and 49 CFR 192.201.

2. (No. 9 of Report). Above ground plastic pipe was found at Nunn Hall Dormitory. 807 KAR 5:022, Section 9(13) and 49 CFR 192.375.

3. (No. 4 of Report). The risers at the Lakewood Apartments married-student area are not cathodically protected. 807 KAR 5:022, Section 10(4) and 49 CFR 192.455.

4. (No. 3 of Report). The risers at Mignon Hall Dormitory show evidence of atmospheric corrosion. 807 KAR 5:022, Section 10(16) and 49 CFR 192.479.

5. (No. 1 of Report). The emergency plan does not establish written procedures to minimize hazards resulting from pipeline emergencies. 807 KAR 5:022, Section 13(9) and 49 CFR 192.615.

6. (No. 2 of Report). The regulator station does not have a sign denoting ownership and a telephone number to call in the event of an emergency. 807 KAR 5:022, Section 14(5)(c) and 49 CFR 192.707.

7. (No. 10 of Report). Leakage was noted at Mignon Hall and Nunn Hall Dormitories. 807 KAR 5:022, Section 14(13)(d) and 49 CFR 192.723.

8. (No. 5 of Report). The system regulators have not been inspected annually. 807 KAR 5:022, Section 14(21) and 49 CFR 192.739.

9. (No. 6 of Report). The system relief valves have not been tested annually. 807 KAR 5:022, Section 14(23) and 49 CFR 192.743.

10. (No. 8 of Report). Key valves are not tested annually. 807 KAR 5:022, Section 14(25) and 49 CFR 192.747.

The Report notes that violations identified in numerical paragraphs 3, 5, 8 and 9 are repeat violations which are identified as violations discovered in a prior Comprehensive Inspection conducted on August 22, 1995.

The Commission, based upon the facts contained in the Comprehensive Inspection Report dated January 11, 1999, finds sufficient evidence to believe that Morehead has failed to comply with the above-identified provisions of 807 KAR 5:022 and 49 CFR 192.

The Commission, on its own motion, HEREBY ORDERS that:

1. Morehead shall submit to the Commission within 20 days of the date of this Order a written response to the allegations contained in the Comprehensive Inspection Report.

2. Morehead shall appear on the 6<sup>th</sup> day of April, 1999, at 9:00 a.m., Eastern Daylight Time, in Hearing Room 1 of the Commission's offices, at 730 Schenkel Lane, Frankfort, Kentucky, for the purposes of presenting evidence regarding the alleged violations above named and of showing cause, if any, why it should not be subject to the penalties prescribed in KRS 278.990(1) and KRS 278.992(1) for the alleged violations.

3. The Comprehensive Inspection Report dated January 11, 1999 is hereby made a part of the record herein.

4. Any requests for an informal conference with Commission Staff to consider any matter which would expedite the handling or disposition of this proceeding shall be filed with the Commission no later than 20 days from the date of this Order.

Done at Frankfort, Kentucky, this 9<sup>th</sup> day of March, 1999.

By the Commission

ATTEST:

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Executive Director

COMMONWEALTH OF KENTUCKY  
PUBLIC SERVICE COMMISSION

**COMPREHENSIVE INSPECTION REPORT**

MOREHEAD STATE UNIVERSITY  
Morehead, Kentucky

January 11, 1999

**BRIEF**

A comprehensive inspection of the natural gas system of the Morehead State University ( Morehead ) was conducted on December 17, 1998. This inspection was conducted in accordance with the Public Service Commission s ( PSC≡) policy of inspecting all jurisdictional 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.

**INSPECTION**

Assisted by Mr. Joe Planck, Director of Physical Plant, and Mr. Todd Thacker, Maintenance Superintendent, a comprehensive inspection was conducted on December 17, 1998. Morehead is a master meter gas system receiving its gas through the Morehead Municipal Gas System. Morehead distributes its gas through a network of plastic and steel gas lines at approximately 20 pounds per square inch gauge to numerous housing units, dorms and classrooms for various purposes including cooking, heat, and hot water.

A master meter system is defined in 49 CFR Part 191.3 as a pipeline system for delivering gas within, but not limited to, a definable area such as a mobile home park,

housing or apartment complexes where the operator purchases gas from an outside source for resale through a gas distribution system. The gas distribution pipeline system supplies the ultimate consumer who either purchases the gas directly or through other means, such as rent.

The intent of this inspection and subsequent inspections of other master meter operators is to afford the residents of these master meter complexes the same standards of safety that are required by other operators.

During the inspection the Operating and Maintenance and Emergency Plans, leakage survey, corrosion survey, key valve and records were reviewed along with other pertinent records. Visits were made to meters and regulators on the system.

Deficiencies noted during this inspection will be further discussed in the findings section of this report.

## **FINDINGS**

The following deficiencies were noted during the inspection.

1. The emergency plan does not establish written procedures to minimize hazards resulting from pipeline emergencies. 49 CFR 192.615 and 807 KAR 5:022, Section 13(9).
2. The regulator station does not have a sign denoting ownership and a telephone number to call in the event of an emergency. 49 CFR 192.707 and 807 KAR 5:022, Section 14(5)(c).
3. The riser at Mignon Hall shows evidence of atmospheric corrosion. 49 CFR 192.479 and 807 KAR 5:022, Section 10(16).

4. The risers at the Lakewood Apartment area are not cathodically protected. 49 CFR 192.455 and 807 KAR 5:022, Section 10(4).
5. The system regulators have not been inspected annually. 49 CFR 192.739 and 807 KAR 5:022, Section 14(21).
6. The system relief valves have not been tested annually. 49 CFR 192.743 and 807 KAR 5:022, Section 14(23).
7. There are no calculations available to prove that the relief valves are adequate in size and capacity to prevent overpressure. 49 CFR 192.201 and 807 KAR 5:022, Section 4(13).
8. Key valves are not tested annually. 49 CFR 192.747 and 807 KAR 5:022, Section 14(25).
9. Aboveground plastic pipe was found at Nunn Hall. 49 CFR 192.375 and 807 KAR 5:022, Section 9(13).
10. Leakage was noted at Mignon and Nunn Halls. 49 CFR 192.723 and 807 KAR 5:022, Section 14(13)(d).

### **RECOMMENDATIONS**

It is recommended that Morehead:

1. Rewrite its emergency plan with specific instructions for employees to follow in the event of emergencies such as those listed in the regulation cited.
2. Post a sign at the regulator station complete with telephone numbers of the persons to contact in the event of an emergency.
3. Steps must be taken to correct atmospheric corrosion in those areas where it has occurred and to prevent it in other areas.

4. All steel piping in the ground must either be cathodically protected or replaced by plastic pipe.

5. Each pressure limiting station must be tested annually, not to exceed 15 months, to assure that it is in good mechanical condition, and set to operate at the correct pressure. Documentation of these inspections must be maintained.

6. All system relief valves must be tested annually, not to exceed 15 months, in order to assure that they are set at the correct pressures and will operate in the event of an emergency.

7. All relief valves in the system must be sized correctly in order to prove that they will relieve the necessary volumes of gas in the event of a regulator failure.

8. All key valves in the system must be tested annually not to exceed 15 months and documentation must be kept of these maintenance activities.

9. Any aboveground plastic pipe must be buried or replaced with steel pipe.

10. All leakage found on the system must be graded for potential hazard and repaired as required.

It is further recommended that a copy of this report be sent to Morehead directing it to respond by February 5, 1999 with a plan of correction to the cited deficiencies for Commission approval. It should be noted that violations 1, 4, 5, and 6 are repeat violations from a comprehensive inspection of August 22, 1995.

It is further recommended that the Commission initiate a hearing to allow Morehead to show cause why it should not be penalized for failure to comply with the pipeline safety regulations.



Respectfully submitted,

David B. Kinman  
Gas Utility Investigator  
Gas Branch

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