

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

CITY OF DRAKESBORO D/B/A DRAKESBORO)
NATURAL GAS COMPANY)
)
_____))
)
ELECTRONIC INVESTIGATION OF ALLEGED)
FAILURE TO COMPLY WITH KRS 278.495, 807)
KAR 5:027, AND 49 C.F.R. PART 192)

CASE NO.
2019-00065

ORDER

By Order issued February 28, 2019, the Commission opened a formal investigation into the operation of the natural gas distribution system of the city of Drakesboro, Kentucky (Drakesboro), based on an inspection report prepared by the Commission's Division of Inspections (DOI) that cited Drakesboro for multiple violations of federal minimum pipeline safety standards. Following a public hearing on March 8, 2019, the Commission entered two Orders. The first Order, entered on March 11, 2019, continued the hearing to June 19, 2019, and the second Order, entered on March 12, 2019, imposed specific obligations on Drakesboro. Specifically, the Commission, among other things, ordered Drakesboro to use a qualified, third-party contractor approved by DOI to operate its gas system and to file with the Commission bi-weekly status reports on compliance-related issues.

At the hearing on June 19, 2019, evidence was presented regarding the measures Drakesboro has taken to date to address the violations cited in the Inspection Report. At the time of the hearing, however, a complete system integrity assessment had not been

performed and, consequently, the scope of system improvements needed to assure the safe operation of the Drakesboro system could not be ascertained. The Commission continued the hearing to allow Drakesboro to complete a thorough evaluation of its system so that cost estimates could be considered.

On September 18, 2019, Drakesboro filed a motion requesting the Commission to lift or modify the reporting obligations set forth in its March 12, 2019 Order. In support of its motion, Drakesboro states that it has complied with these reporting requirements to date and that it requests the requirements be lifted or eased to alleviate the burden of preparing the reports on Drakesboro's small staff.

The Commission finds that a hearing should be held to consider Drakesboro's September 18, 2019 motion and to receive an update from Drakesboro and DOI regarding the status of the evaluation and assessment of the Drakesboro's distribution system. The Commission reminds Drakesboro that all requirements set forth in the March 12, 2019 Order remain in full force and effect unless modified by further Order of the Commission.

IT IS THEREFORE ORDERED that:

1. Drakesboro shall appear on November 15, 2019, at 9 a.m. Eastern Standard Time, in Hearing Room 1 of the Commission's offices at 211 Sower Boulevard in Frankfort, Kentucky, for the purpose of presenting evidence concerning the condition of its natural gas distribution system, the improvements that must be made to the system to assure its safe operation, and the estimated cost to complete these improvements.
2. The November 15, 2019 hearing shall be recorded by videotape only.

3. Drakesboro shall comply with all requirements set forth in the March 12, 2019 Order unless and until a requirement is modified or lifted by Order of the Commission.

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By the Commission

ENTERED
OCT 07 2019
KENTUCKY PUBLIC
SERVICE COMMISSION

ATTEST:


Executive Director

Case No. 2019-00065

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