

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

KENTUCKY FRONTIER GAS, LLC	)	
	)	
_____	)	CASE NO.
	)	2019-00317
ALLEGED VIOLATION OF UNDERGROUND	)	
FACILITY DAMAGE PREVENTION ACT	)	

ORDER

Pursuant to KRS 278.495(2), the Kentucky Public Service Commission (Commission) has jurisdiction to regulate the safety of natural gas facilities in Kentucky and to enforce minimum federal pipeline safety standards. Under the Kentucky Underground Facility Damage Prevention Act (Act), KRS 367.4901 through KRS 367.4917, the Commission has authority to investigate and assess civil penalties for any violation of the Act that results in excavation damage to an underground facility used to transport natural gas or hazardous liquid subject to federal pipeline safety laws, 49 U.S.C. § 60101, *et seq.* Any person who violates any provision of the Act is subject to assessment of a civil penalty in the amount of \$250 for the first offense, no more than \$1,000 for the second offense within one year, and no more than \$3,000 for the third and any subsequent offense. Additionally, any person whose violation of the Act results in damage to an underground facility containing any flammable, toxic, corrosive, or hazardous material or results in the release of any flammable, toxic, corrosive, or hazardous material is subject to an additional penalty of up to \$1,000.

Following receipt of a report of excavation damage to its underground gas pipeline from an operator, Commission Staff (Staff) conducted an investigation and prepared an Incident Report, a copy of which is attached to this Order as an Appendix. In its Incident Report for incident number 31325, Staff cites Kentucky Frontier Gas, LLC (Kentucky Frontier) for violation of the following provisions of the Act:

KRS 367.4909(4) - Each operator shall report to the commission excavation damage to an underground facility used in the transportation of gas or hazardous liquid within thirty (30) calendar days of being informed of the damage. Each report of excavation damage shall be made by electronic mail or as otherwise prescribed by the commission.

KRS 367.4909(6)(a) - An operator shall, upon receiving an emergency locate request or a normal excavation locate request inform the excavator of the approximate location and the description of any of the operator's facilities that may be damaged or pose a safety concern because of excavation or demolition.

Based on its review of the Incident Report and being otherwise sufficiently advised, the Commission finds *prima facie* evidence that Kentucky Frontier violated the Underground Facility Damage Prevention Act. The Commission further finds that a formal investigation into the excavation damage incident should be conducted.

IT IS THEREFORE ORDERED that:

1. Kentucky Frontier shall submit to the Commission a written response to the allegations contained in the Staff Incident Report within 20 days of the date of this Order.
2. Kentucky Frontier shall appear on November 8, 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 alleged violation of the Underground Facility Damage Prevention Act, and showing cause why it

should not be subject to the penalties prescribed in KRS 367.4917(1) and (4) for this alleged violation.

3. A person shall not file a paper or appear at a hearing on behalf of, or otherwise represent, a partnership, corporation, or business entity (including a limited liability company) or other person unless the person is an attorney licensed to practice law in Kentucky.

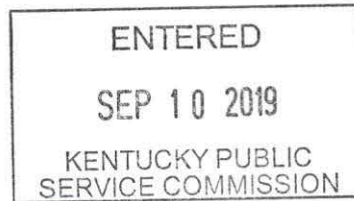
4. The November 8, 2019 hearing shall be recorded by video only.

5. The Staff Incident Report in the Appendix to this Order is made a part of the record in this case.

6. This Order shall be served via certified mail, return receipt accepted, to CT Corporation System, 306 West Main Street, Suite 512, Frankfort, Kentucky 40601.

By the Commission

Commissioner Talina Mathews did not participate in this case.



ATTEST:

  
Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE  
COMMISSION IN CASE NO. 2019-00317 DATED **SEP 10 2019**

ONE PAGE TO FOLLOW

# PIPELINE DAMAGE INVESTIGATION REPORT

## Investigation Information

<b>KY PSC Investigator(s)</b> John E. Gowins	<b>Incident ID</b> 31325
<b>Incident Date</b> 1/7/2019 6:00:00 PM	<b>Report Submitted</b> 2/12/2019 11:02:55 AM

## OPERATOR INFORMATION

<b>Operator</b> Kentucky Frontier Gas, LLC	<b>Reported By</b> Heather Music
<b>Phone</b> 606-886-2431 ext. 100	<b>Email</b> hmusic@kyfrontiergas.com
<b>Incident Location</b> 37.44514 -82.80802 2nd Street Wayland, KY 41666  Floyd	<b>Locate Ticket Number</b> NA

## EXCAVATOR INFORMATION

<b>Name of Excavator</b> Keathley, Elvis	<b>Organization ID</b>
<b>Phone</b> 606-791-4118	<b>Email</b>
<b>Excavator Address</b> Jigsaw Construction 190 Left Fork of Island Creek Pikeville, KY 41501	<b>Locate Ticket Number</b>

### INCIDENT

The operator reported that during a water line installation, construction technicians caught a 1" service line which resulted in a hole in the line. No dig ticket.

### INVESTIGATION

Jigsaw Enterprises, LLC is a Kentucky limited liability company that is active and in good standing with the Secretary of State's office. Website telephone number: (606) 437-9090.

May 17, 2019

- Spoke with Nick Burchette, he knew of the incident, but wanted to gather more information. I gave him my phone number to call me back when Mr. Burchette finds the info.
- Also spoke with Mr. Keathley, he said there was a dig ticket and the KFG couldn't locate the lines.

May 20, 2019

- Mr. Burchette called while I was on the phone, left me a message.
- I called him back, he was out, I left a message.
- Mr. Burchette called back, he gave me 3 dig ticket numbers. The one for this incident had expired, but Mr. Burchette said he didn't ask for another because KFG told him they couldn't find the lines and a KFG employee was with them on site.

July 2, 2019 held a conference call with Mike Harris, Heather Music, and Steve Shute of Kentucky Frontier Gas, LLC. The discussion revolved around interpretations of the statute language. Mr. Lyons of KPSC explained the perspective of the damage prevention program per the statute. KFG personnel agreed to review the summary of the 13 incidents provided to them and to respond.

### VIOLATION

KRS 367.4909 (4) Each operator shall report to the commission excavation damage to an underground facility used in the transportation of gas or hazardous liquid within thirty (30) calendar days of being informed of the damage. Each report of excavation damage shall be made by electronic mail or as otherwise prescribed by the commission.

KRS 367.4909 (6) (a) An operator shall, upon receiving an emergency locate request or a normal excavation locate request inform the excavator of the approximate location and description of any of the operator's facilities that may be damaged or pose a safety concern because of excavation or demolition.

CT Corporation System Register Agent  
Kentucky Frontier Gas, LLC  
306 W Main Street, Suite 512  
Frankfort, KENTUCKY 40601

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