COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

COLUMBIA GAS OF KENTUCKY, INC.

ALLEGED VIOLATION OF UNDERGROUND FACILITY DAMAGE PREVENTION ACT

CASE NO. 2020-00185

OPENING ORDER

Columbia Gas of Kentucky, Inc. (Columbia Gas) has been named as a party to an investigation before the Kentucky Public Service Commission (Commission) for allegedly violating the Kentucky Underground Facility Damage Prevention Act (Act).¹

Pursuant to KRS 278.495(2), the Commission has jurisdiction to regulate the safety of natural gas facilities in Kentucky and to enforce minimum federal pipeline safety standards. Under the Act, 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,

¹ KRS 367.4901 through KRS 367.4917.

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, Staff cites Columbia Gas for violation of the following provision of the Act:

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 Columbia Gas 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. Columbia Gas shall electronically file with the Commission a written response to the allegations contained in the Staff Incident Report within 20 days of receipt of this Order, and shall file with the Commission a paper copy of the written response within 30 days of the lifting of the current state of emergency as directed in the Commission's March 16, 2020 and March 24, 2020 Orders in Case No. 2020-00085.²

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²Case No. 2020-00085, *Electronic Emergency Docket Related to the Novel Coronavirus COVID-19* (Ky. PSC Mar. 16, 2020), Order at 5–6. Case No. 2020-00085, *Electronic Emergency Docket Related to the Novel Coronavirus COVID-19* (Ky. PSC Mar. 24, 2020), Order at 1–3.

2. Any partnership, corporation, or business entity (including a limited liability company) must be represented by an attorney licensed to practice law in Kentucky, and such representation includes the filing of papers with and appearances at hearings before the Commission.

3. The Staff Incident Report 31976 in the Appendix to this Order is made a part of the record in this case.

4. Please note that notice of a hearing to be held in this matter will be mailed to Columbia Gas once proof of service is received by the Commission. Parties who fail to appear after service will be subject to entry of a default judgment against them.

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By the Commission

Commissioner Talina Mathews did not participate in this case.



ATTEST:

Executive Director

Case No. 2020-00185

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2020-00185 DATED JUN 10 2020

[EIGHT PAGES TO FOLLOW]

PIPELINE DAMAGE INVESTIGATION REPORT

KY	PSC Investiga	tor(s) John E. Gowins	Incident ID	31976		
Inci	dent Date	8/16/2019 7:45:00 PM	Report Submi	tted 9/9/2019 2:36:27 PM		
		OPERATOR INFO	RMATION			
Оре	erator	Columbia Gas of Kentucky, Inc.	Reported By	Tim McKune		
Pho	ne	(859) 361-0344	Email	tmckune@nisource.com		
50 E	Incident Location 50 Bellefonte Rd., Raceland Raceland, KY 41169		Locate Ticket	Number 190816398		
Gre	enup					
	EXCAVATOR INFORMATION					
Pho Exc 107	ne of Excavato one avator Addres Wildlife Trl tland, KY 4114	606-923-1274 s	Organization I Email Locate Ticket	none		
		INCI	DENT			

Investigation Information

Locate Ticket Summary						
Ticket #	Valid	Initial Date	Expiration Date (21 calendar days from Initial date)	Incident Date	# of Days Expired	Within Scope of Excavation
190816398	Yes	8/16/19	9/6/19	8/16	N/A	Yes

Excavation Summary			
Excavation Within Tolerance Zone	Type Of Equipment Used	Cost of Damage (Per Operator)	Amount Billed (Excavator)
Yes	Mechanized	\$447.00	\$447.00

The operator reports that Bonzo Excavating was excavating an area with a locate ticket. While digging, Bonzo Excavating struck a plastic one inch natural gas service line with mechanized equipment. The line was mismarked by CKY due to inaccurate records showing that the service

line material was steel. While performing the locate request, the locate technician's locate signal transferred from the steel riser onto a water line that was in the proximity

INVESTIGATION

April 30, 2020

 Columbia provided the following by email: Columbia Gas of Kentucky does not feel it should be held responsible for the damage that occurred on August 16, 2019 at 50 Bellefonte Drive, Raceland Kentucky. The portion of the service line that was damaged was still considered "customer owned" per the guidelines of Case No. 10127. Within this order it states, "Columbia should be authorized to deviate from Commission Regulation 807 KAR 5:022, Section 9(17)(a)2, and assume the responsibility of:.... b. Operating and maintaining existing customer service lines. When the service lines needs replacing, Columbia shall replace the line at no cost to the customer and shall thereafter own, operate and maintain the service line." This order went into effect in 1989, and our records show that we have not replaced this line after this date. Therefore, we did not have ownership of this line until 2019. When the homeowner had their portion of the service line installed, prior to 1989, the plumber ran the service line past the meter, and then looped it backwards. The records indicated that the service line was 1 ¹/₄" bare steel, and the locate technician's locate signal transferred from the steel riser onto a water line that was in the proximity. While Bonzo Excavating was digging, they struck the portion of the service line that went past the meter. Following the damage, the service line was entirely replaced, and the records were updated to show the proper material and location of the service line.

May 8, 2020

• After review of case 19010127 by commission counsel the determination was that it is clear that Columbia was responsible for maintaining the service line as of the date of the final order in that case. They were responsible for locating that line regardless of the fact that it was installed by a private plumber at a time before Columbia was granted an easement. Not technically owning the service line does not relieve Columbia of responsibility for locating the line since they were responsible for operating it and maintaining it. At the time of the Commission's Order in 19010127, operators were also already responsible via federal regulation for doing leak surveys on service lines, regardless of whether they were owned by the customer or by the operator, so (on a federal level) the responsibility for maintaining and operating had been separated from ownership long before the Commission decided this case.

VIOLATION

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.

Print (PDFForm.aspx?Rpt=GasInvestigation&IG=31976)

Gas Excavation Damage Report

Columbia Gas of Kentucky, Inc.

Submitted 9/9/2019 Incident ID: 31976

Set back to Edit Staff Edit

 Reported By:

 Name:
 Tim McKune

 Phone:
 (859) 361-0344

 Email:
 tmckune@nisource.com

 Gas Line Incident Occured:
 Date:

 Date:
 8/16/2019

 Time:
 7:45 PM

 Details:
 9/9/2019 2:36 PM

Incident Location Address:

Location:			
Address:	50 Bellefonte Rd., Raceland		
City:	Raceland		
State:	КҮ		
County:	Greenup		
Zip:	41169		
Confirm Code:			
Number of Customers out: 1			
Was gas or hazardous liquids contained in the underground facility?			
Was gas or hazardous liquids released into the atmosphere?		* 3/2020	
Locate Request Ticket No.: 190816398			
Excavator:	Contractor		

Excavator Address:

First Name:	Jim	
Last Name:	Bonzo	
Organization ID:		
Company:		
Phone:	606-923-1274	
Email:	none	

Address:	107 Wildlife Trl	
City:	Wurtland	
State:	KY	
Zip:	41144	
Confirm Code:	Υ	
Excavation Damag	e: Other	
Description of Inciden	Bonzo Excavating dug into a plastic one inch natural gas service line with mechanized equipment.	
Summary Information		
cause Extent of the damage Cost of the damage	ent of the damage st of the damage et of the damage et of the damage st of the damage	
Steps taken to preven re-occurance	that the locate wire installed with the service line properly toned out the facility.	
Amount billed to excavator	\$447.00	

Ticket : 1908161398 Date: 08/16/2019 Time: 15:47 Oper: JGUTERMUTH Chan:000 State: KY Cnty: GREENUP City: RACELAND Subdivision: Address : Street : BELLEFONTE RD Cross 1 : OAKLAND CT Location: THIS IS AT A DUPLEX APARTMENT BUILDING THIS WILL BE AT 48 B BELLFONTE ROAD - WHEN VIEWING FROM THE ROAD LOCATE THE FRONT AND LEFT SIDES OF THE PROPERTY • Boundary: n 38.526745 s 38.524457 w -82.731925 e -82.729791 Work type : REPAIR WATER LINE Done for : RICHARD BURKS Start date: 08/16/2019 Time: 15:50 Hours notice: 0/0 Priority: EMER Ug/Oh/Both: U Blasting: NO Emergency: Y Duration : N/A Depth: 3 FEET Company : BONZO EXCAVATING Type: HOME Co addr : 107 WILDLIFE TRAIL City : GREENUP State: KY Zip: 41144 Caller : RICHARD BURKS Phone: (606)923-1274 Contact : BONZO EXCAVATING Phone: Mobile : (606)923-1274 Remarks : CREW IN ROUTE : Submitted date: 08/16/2019 Time: 15:47 Members: 0023 0165 0367 WINKY

EMERGENCY SEE REMARKS

Gowins, John E (PSC)

From: Sent: To: Subject: rmtwait@nisource.com Thursday, April 30, 2020 7:52 AM Gowins, John E (PSC) RE: FW: Incident # 31975

Hi John,

Please see our response below:

Columbia Gas of Kentucky does not feel it should be held responsible for the damage that occurred on August 16, 2019 at 50 Bellefonte Drive, Raceland Kentucky. The portion of the service line that was damaged was still considered "customer owned" per the guidelines of Case No. 10127. Within this order it states, "Columbia should be authorized to deviate from Commission Regulation 807 KAR 5:022, Section 9(17)(a)2, and assume the responsibility of:.... b. Operating and maintaining existing customer service lines. When the service lines needs replacing, Columbia shall replace the line at no cost to the customer and shall thereafter own, operate and maintain the service line." This order went into effect in 1989, and our records show that we have not replaced this line after this date. Therefore, we did not have ownership of this line until 2019. When the homeowner had their portion of the service line installed, prior to 1989, the plumber ran the service line past the meter, and then looped it backwards. The records indicated that the service line was 1 ¼" bare steel, and the locate technician's locate signal transferred from the steel riser onto a water line that was in the proximity. While Bonzo Excavating was digging, they struck the portion of the service line that went past the meter. Following the damage, the service line was entirely replaced, and the records were updated to show the proper material and location of the service line.

Here are the damage pictures:



Thank you,

Ryan Twait Manager, Operations Compliance Columbia Gas of Kentucky Cell: 859-533-4022 Office: 859-288-0234



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From: "Gowins, John E (PSC)" <john.gowins@ky.gov> To: "rmtwait@nisource.com" <rmtwait@nisource.com>, Date: 04/29/2020 11:20 AM Subject: RE: FW: Incident # 31975

Okay, no problem! Just going back thru week-old stuff before giving myself new and exciting incidents...

From: rmtwait@nisource.com <rmtwait@nisource.com>
Sent: Wednesday, April 29, 2020 11:14 AM
To: Gowins, John E (PSC) <john.gowins@ky.gov>
Subject: Re: FW: Incident # 31975

Well, I've drafted my response, and it is being reviewed internally. I expect to be able to release that to you by EOD. In the meantime, the correct locate number was: 1908161398

Also, I sent an email to our billing department for 31929, and awaiting to hear back from that one.

Hopefully have both of these answered for you soon!

Ryan Twait Manager, Operations Compliance Columbia Gas of Kentucky Cell: 859-533-4022 Office: 859-288-0234



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USE CAUTION: This email was sent from an external source. Think before you click links or open attachments. If suspicious, please forward to <u>security@nisource.com</u> for review.

Just a reminder... I don't think you got back with me, but I have been known to be wrong in the past. At least my wife says so....

From: Gowins, John E (PSC) Sent: Wednesday, April 22, 2020 7:44 AM To: <u>rmtwait@nisource.com</u> Subject: Incident # 31975

Good morning kind sir, Do you have any additional documentation on this one? Also, do you know if he paid for the repairs? Thanks.

John E. Gowins Consumer Complaints Investigator II Division of Inspections Kentucky Public Service Commission 502.782.2656 *Brooke Wancheck Asst. Counsel Columbia Gas of Kentucky, Inc. 2001 Mercer Road P. O. Box 14241 Lexington, KY 40512-4241

*Columbia Gas of Kentucky, Inc. 290 W Nationwide Blvd Columbus, OH 43215

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