

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

KENTUCKY TRANSPORTATION CABINET	)	
	)	
_____	)	CASE NO.
	)	2020-00263
ALLEGED VIOLATION OF UNDERGROUND	)	
FACILITY DAMAGE PREVENTION ACT	)	

OPENING ORDER

Kentucky Transportation Cabinet 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).<sup>1</sup>

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,

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<sup>1</sup> 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 Kentucky Transportation Cabinet for violation of the following provision of the Act:

KRS 367.4911(10) – When excavation or demolition is necessary within the approximate location of the underground facility, the excavator shall hand-dig or use nonintrusive means to avoid damage to the underground facility.

Based on its review of the Incident Report and being otherwise sufficiently advised, the Commission finds prima facie evidence that Kentucky Transportation Cabinet 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 Transportation Cabinet shall submit to the Commission, at 211 Sower Boulevard, Frankfort, Kentucky 40601, via electronic mail to [PSCED@ky.gov](mailto:PSCED@ky.gov),<sup>2</sup> a written response to the allegations contained in the Staff Incident Report within 20 days of receipt of this Order.

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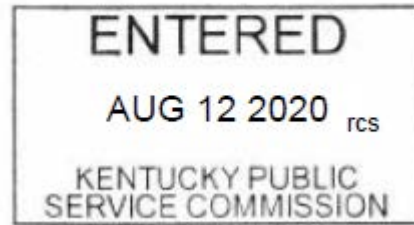
<sup>2</sup> See Case No. 2020-00085, *Electronic Emergency Docket Related to the Novel Coronavirus COVID-19* (Ky. PSC Mar. 16, 2020), Order at 5–6. Case No. 2020-00085, *Electronic Emergency Docket Related to the Novel Coronavirus COVID-19* (Ky. PSC Mar. 24, 2020), Order at 1–3. Any electronic email filed in this matter should be sent to [PSCED@ky.gov](mailto:PSCED@ky.gov), and each message should include the case number in the subject line of the message and a read receipt to ensure the Commission received the message and documents.

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 31698 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 Kentucky Transportation Cabinet 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.**

By the Commission



ATTEST:



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Acting Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE  
COMMISSION IN CASE NO. 2020-00263 DATED AUG 12 2020

[FORTY-EIGHT PAGES TO FOLLOW]

# PIPELINE DAMAGE INVESTIGATION REPORT

## Investigation Information

<b>KY PSC Investigator(s)</b> Eric V. Tout	<b>Incident ID</b> 31698
<b>Incident Date</b> 6/21/2019 9:16:00 AM	<b>Report Submitted</b> 6/24/2019 8:58:47 AM

## OPERATOR INFORMATION

<b>Operator</b> Atmos Energy Corporation <b>Phone</b> (270) 779-4849 <b>Incident Location</b> 1654 Old Stanford Rd, Danville 1654 Old Stanford Rd Danville, KY 40422  Boyle	<b>Reported By</b> Anthony Stallins <b>Email</b> anthony.stallins@atmosenergy. <b>Locate Ticket Number</b> 1906170526
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## EXCAVATOR INFORMATION

<b>Name of Excavator</b> Mayes, Paul <b>Phone</b> 859-239-7065 <b>Excavator Address</b> Kentucky Transportation Cabinet 337 Stewarts Ln N Danville, KY 40422	<b>Organization ID</b> <b>Email</b> <b>Locate Ticket Number</b>
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## INCIDENT

The Operator reports that the Excavator damaged a correctly marked 1.75" steel service tap tee hit and pulled it off a four inch main. More specifically the excavator was cleaning out ditches when the damage occurred. On 06/19/19, the Operator's contract locator advised the Excavator of the main in the ditch and not to dig until contacted by the Operator's representative. On 06/20/19 the Operator, Supervisor Mike Vallet, spoke to the Excavator's representative making them aware of the need to pot-hole and verify depth of main before digging. On 06/21/19, the Operator's employee would arrive on site & advised the Excavator's representative of the need to pot hole the gas main to verify depth. Before the Excavator's representative could convey this information to the machinery operator the damage occurred.

**The Damage Report is include as Attachment 1.**

### Locate Ticket Summary

<b>Ticket #</b>	<b>Valid</b>	<b>Initial Date</b>	<b>Expiration Date</b> (21 calendar days from Initial date)	<b>Incident Date</b>	<b># of Days Expired</b>	<b>Within Scope of Excavation</b>
1906170526	Yes	06/17/19	07/07/19	06/21/19	0	Yes

**The Locate Ticket is include as Attachment 2.**

### Excavation Summary

<b>Excavation Within 18"</b> (Approximate Location)	<b>Type Of Equipment Used</b>	<b>Cost of Damage</b> (Per Operator)	<b>Amount Billed</b> (Excavator)
Yes	Mechanized / Not specified	\$3,663.00	\$3,663.00

## INVESTIGATION

On 02/11/20 the Excavator employees, Kentucky Transportation Cabinets' (KYTC) Superintendent 1 Ron Sivers and Superintendent 2 Charles Lester, both stated that the incident location was not marked when excavation began. Mr. Lester stated that Atmos employee, Joe Hurst, was standing beside him and when the strike occurred Mr. Hurst told Mr. Lester that he missed marking that area.

On 02/28/20 the Operator, Atmos's Anthony Satllins, provided a written statement from Atmos's Senior Construction Operator Joey Hurst, pre-excavation and post excavation damage photographs. Mr. Hurst's statement indicates that upon his arrival excavation was being conducted in the ditch line over the gas main, which was correctly marked. Mr. Hurst informed the equipment operator that excavation was occurring over the gas main. The equipment operator responded that he was not digging any deeper than when he previously excavated the ditch line and indicated to Mr. Hurst to speak to the person in charge. Mr. Hurst stated that he was in the process of speaking to

the person in charge when the damage occurred. Mr. Hurst stated that the damage occurred to the service tap welded to the top of the main, which was within the tolerance zone of 18 inches. Note: The photographs provided indicate that the damage occurred within the approximant location/"tolerance zone" of 18 inches.

**Mr. Hurst statement and Atmos photographs are include as Attachment 3.**

On 02/28/19 Mr. Lester was provided a copy of the Mr. Hurst statement and Atmos's photographs. Mr. Lester stated that he agreed with the photographs, but he did not agree with Mr. Hurst statement. Mr. Lester stated that Mr. Hurst informed him that it is was ok/clear to dig in the vicinity of the location marks prior to the damage. Mr. Lester advised he would provide written statements.

On 03/02/20 Mr. Lester stated in a written statement that Joey Hurst of Atmos placed the location marks, informed Mr. Lester and Paul Mayes, the equipment operator, it was okay to dig and the damage occurred.

**Mr. Lester's statement is include as Attachment 4.**

On 03/04/20 KYTC Transportation Engineer Branch Manager Tony McGaha, via email, stated that the filed employees indicate that Mr. Hurst's statement is incorrect. Mr. McGaha stated the lines were marked and Mr. Hurst was standing next to his foreman and told the Forman to proceed and once the line was hit, Mr. Hurst's exact words were, "well, I guess I missed that line, didn't I?" Mr. McGaha stated, "The conversation in Mr. Hurst's statement with the foreman about the state laws regarding equipment over lines never occurred, and Mr. Hurst never attempted to stop them". Mr. McGaha stated, "I am not sure that this can be entirely the fault of KYTC, when the representative of the gas company is telling my foreman to proceed with digging". Mr. McGaha provided the following documentation:

- Staff's email dated 02/28/20 to Mr. Sivers, requesting photographs and statements from KYTC
- Mr. Hurst statement which is outlined above and is also include as Attachment 3.
- Photographs of pre and post damage which are also include as Attachment 3 indicating the damage occurred within the approximant location/"tolerance zone" of 18 inches.
- Illegible Atmos Third Party Damage Claims Recovery letter.
- Atmos invoice totaling \$3,662.81 and indicating a gas loss.
- Mr. Lester's statement which is outlined above and is also include as Attachment 4.
- Handwritten note, titled Bud Call Made On, indicating the above noted Locate Ticket number, date, time etc...
- A business card from Dee Mann with a handwritten note indicating two individuals' phone numbers.

**Mr. McGaha's email and documents are include as Attachment 5.**

On 03/11/20 Mr. Stallins stated via email, *I've included Heath's documentation on Locate Ticket 1906170526. We do not have documentation for the conversation on 6/20/19. Mike Vallet, Atmos Supervisor (Danville), called and spoke with the state by phone. For 6/21/19, you have Joey Hurst statement I forwarded to you on 2/27/20 and it pretty much matches the KY PSC Report we submitted 7/19/19 that Joey provided me concerning the incident.* Mr. Stallins also provided:

- Atmos Damage Report, reiterating the above Damage Report (See Attachment 1) that KYTC should not dig before contacting an Atmos representative and potholing is necessary.
- Dig Tick #1906170526 provided the same information as the above noted Locate Ticket with notes indication KYTC should not dig until a representative from Atmos is on scene and the gas main runs the dig area, center of the ditch.
- Mr. Hurst Statement is outlined above and is also include as Attachment 3.

**Mr. Stallins's email and documents are include as Attachment 6.**

On 03/16/20 a voice message was left for Mr. McGaha 859-246-2355.

On 03/18/20 an attempt to contact Mr. McGaha resulted in obtaining his email address [tony.mcgaha@ky.gov](mailto:tony.mcgaha@ky.gov) and cell number 859-797-4760. An email was sent to Mr. McGaha outlining KYTC options and Mr. McGaha responded that the Demand Letter should be sent to KYTC's District Seven Chief District Engineer Kelly Baker.

**Mr. McGaha's email is include as Attachment 7.**

**VIOLATION**

**KRS 367.4911 (10)** - When excavation or demolition is necessary within the approximate location of the underground facility, the excavator shall hand-dig or use nonintrusive means to avoid damage to the underground facility.

<b># of Previous Offences</b>		
<b>Excavator</b>	<b>Incident Date of Last Offence</b>	<b>Previous Case #</b>
3 <sup>rd</sup> or Subsequent	4/23/2019	31541

# Attachment 1



# Gas Excavation Damage Report

## Atmos Energy Corporation

Submitted 7/19/2019 Incident ID: 31698

[Set back to Edit](#)[Staff Edit](#)[Print \(PDFForm.aspx?Rpt=GasInvestigation&IG=31698\)](#)

### Reported By:

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**Name:** Anthony Stallins  
**Phone:** (270) 779-4849  
**Email:** anthony.stallins@atmosenergy.com

### Gas Line Incident Occured:

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**Date:** 6/21/2019  
**Time:** 9:16 AM

### Details:

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**Reported Date:** 6/24/2019 8:58 AM

### Incident Location Address:

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**Location:** 1654 Old Stanford Rd, Danville  
**Address:** 1654 Old Stanford Rd  
**City:** Danville  
**State:** KY  
**County:** Boyle  
**Zip:** 40422  
**Confirm Code:** Y  
**Number of Customers out:** 2  
**Locate Request Ticket No.:** 1906170526  
**Excavator:** State Agency

### Excavator Address:

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**First Name:** Paul  
**Last Name:** Mayes  
**Company:** Kentucky Department of Transportation  
**Phone:** 859-239-7065  
**Email:**  
**Address:** 337 Stewarts Ln N  
**City:** Danville  
**State:** KY  
**Zip:** 40422  
**Confirm Code:** Y

**Excavation Damage:** Failure to test-hole(pot hole)

**Description of Incident** 1.75" steel service tap tee hit and pulled off 4" main. Two off. Locate ticket. No injuries.

Summary Information

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7/19/2019

**Full details such as the cause** KY Department of Transportation, cleaning out ditches along Old Stanford Rd, struck a 1.75" steel service tap which sat atop a 4" main. On 06/19/19, Atmos Energy contract locator had advised KDOT of the main in the ditch and not to dig until contacted by Atmos Energy representative. On 06/20/19 Mike Vallet, Atmos Energy Supervisor, spoke to KDOT representative and made KDOT aware of the need to pot-hole and verify depth of main before any digging was done. On 06/21/19, Atmos Energy employee would arrive on site & advised onsite KDOT representative of the need to pot hole the gas main in order to verify the main depth. However before the KDOT representative could advise his operator the 1.75 tap tee was broken off main and adjacent tap tee hit but not damaged. The damaged main was located correctly and the damage pipe was inside the 18" approximate location (tolerance zone). Damage occurred due to mechanized equipment being used inside the 18" approximate location (tolerance zone) compounded by failure to pot hole along the entirety of the excavation to verify depths of main and all appurtenances.

**Extent of the damage** The damage pipe was replaced and service restored to the two affected customers.

**Cost of the damage** \$3,663.00

**Steps taken to prevent re-occurrence** Will invite the KDOT to the next Atmos Energy Damage Prevention/KY 811 Dig Law Training Session in Danville

**Amount billed to excavator** \$3,663.00

# Attachment 2

NORMAL NOTICE

Ticket : 1906170526 Date: 06/17/2019 Time: 09:03 Oper: JWIMSATT Chan:000

State: KY Cnty: BOYLE City: DANVILLE  
Subdivision:

Address :

Street : STANFORD RD

Cross 1 : GOSE PIKE

Location: LOCATE FROM THE INTERSECTION GOING SOUTH EAST ALONG THE NORTH SIDE OF  
THE ROAD FOR 1000 FEET

:

Boundary: n 37.632900 s 37.629574 w -84.752132 e -84.748171

Work type : DITCH CLEANING

Done for : STATE HIGHWAY DEPARTMENT

Start date: 06/19/2019 Time: 09:15 Hours notice: 48/48 Priority: NORM

Ug/Oh/Both: U Blasting: NO Emergency: N

Duration : N/A Depth: 2 FEET

Company : STATE HIGHWAY DEPARTMENT Type: OTHR

Co addr : 331 STEWARTS LN

City : DANVILLE State: KY Zip: 40422

Caller : RONALD SIVERS Phone: (859)239-7065

Contact : RONALD SIVERS - CELL Phone:

Mobile : (859)209-0400

Fax : (859)239-7047

Submitted date: 06/17/2019 Time: 09:03

Members: 0023 0027 0048 0139 0144 0326 WINKY

# Attachment 3

Joey Hurst statement:

I met with state highway department on site when I arrived they had already started cleaning out ditch line and requested a depth on gas main I told them I could not tell them that because it could be right and then again it could be 2 foot off (the depth not the location) so I checked marks to make sure locate was right and my marks for the main was same as marks that was there from Heath locate contractors. So I told guy on graded that he was digging over gas main and it needed to be spotted before any dirt was taking out of ditch his response was I've cleaned this ditch out many times before and I'm not going any deeper than the other times and he was doing as told and pointed me in the direction of his leader (boss, Forman, supervisor) so as I was in process to walking over to talk to the man in charge to inform him of the state laws (no mechanized equipment with in 18" of markings and spotting of underground utilitys) the line was struck before I could talk to him and get them stopped. With further investigation they had tore a 2 inch tap off the main line. The service was not marked but they didn't hit the main they hit the service tap which was welded to the top of main. Which also was in the 18 inches of the tolerance zone.



DAMAGE

MARK

ALLEN CO.  
36-2310











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www.123.com





www.wiley.com  
1.800.851.1111

# Attachment 4

Charles Lester Statement

Super II HWY Dept. Boyle County

I met with Joey Hurst from Atmos gas on the job site the morning we started to dig. Joey marked the lines and told me and Paul Mayes the gradall operator it was ok to dig. Paul started to dig and he hit the line going across the rock to Boyle Block when he hit it he said I didn't know the line was there that I missed that one.

# Attachment 5



## Tout, Eric V (PSC)

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**From:** McGaha, Tony T (KYTC-D07)  
**Sent:** Wednesday, March 4, 2020 8:21 AM  
**To:** Tout, Eric V (PSC)  
**Cc:** Sivers, Ron (KYTC-D07); Lester, Charles W (KYTC-D07); Baker, Kelly A (KYTC-D07); Simpson, Matt P (KYTC)  
**Subject:** FW: Boyle County  
**Attachments:** Scanned from a Xerox Multifunction Printer.pdf

**\*\*CAUTION\*\*** PDF attachments may contain links to malicious sites. Please contact the COT Service Desk ServiceCorrespondence@ky.gov<mailto:ServiceCorrespondence@ky.gov> for any assistance.

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Mr Tout,

According to my guys in the field, the attached statement by Mr. Hurst appears to be incorrect. According to my foreman and assistant foreman, prior to any digging, the lines were marked and Mr Hurst was standing next to my foreman and told him to proceed. Once the line was hit, Mr Hurst's exact words were "well, I guess I missed that line, didn't I?" The conversation in Mr. Hurst's statement with the foreman about the state laws regarding equipment over lines never occurred, and Mr. Hurst never attempted to stop them.

I am not sure that this can be entirely the fault of KYTC, when the representative of the gas company is telling my foreman to proceed with digging.

Thanks, and if you need any further information, please let me know.

Tony McGaha  
Transportation Engineer Branch Manager  
Project Delivery & Preservation  
KYTC District 7  
(859) 246-2355

-----Original Message-----

**From:** Winters, Tara M (KYTC-D07)  
**Sent:** Tuesday, March 03, 2020 3:43 PM  
**To:** Simpson, Matt P (KYTC) <Matt.Simpson@ky.gov>; McGaha, Tony T (KYTC-D07) <Tony.McGaha@ky.gov>  
**Subject:** Boyle County

**\*\*CAUTION\*\*** PDF attachments may contain links to malicious sites. Please contact the COT Service Desk ServiceCorrespondence@ky.gov<mailto:ServiceCorrespondence@ky.gov> for any assistance.

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Eric Tout called Ron and said, we have determined that the rupture of the gas line was the Highway Department fault and that the fine will be \$4000.00.

Tara M. Winters  
Administrative Specialist II  
KYTC Dep. of HWY'S  
Danville Section Office  
(859)239-7403

**Lester, Charles W (KYTC-D07)**

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**From:** Tout, Eric V (PSC)  
**Sent:** Friday, February 28, 2020 12:13 PM  
**To:** Sivers, Ron (KYTC-D07)  
**Cc:** Lester, Charles W (KYTC-D07)  
**Subject:** 31698, 6/21/2019, Atmos Energy Corporation, 1654 Old Stanford Rd, Danville  
**Attachments:** Attach 3- Hurst statement and photos.pdf

**\*\*CAUTION\*\* PDF attachments may contain links to malicious sites. Please contact the COT Service Desk [ServiceCorrespondence@ky.gov](mailto:ServiceCorrespondence@ky.gov) for any assistance.**

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Mr. Sivers,

On 02/11/20 we spoke regarding the above noted incident and it was conveyed that the incident location was not marked when excavation began and Atmos employee Joe Hurst stated when the strike occurred that he missed marked that area.

I have attached Mr. Hurst written statement regarding the incident and several photographs which all indicate the damage occurred within the approximant location/"tolerance zone" of 18 inches.

If you do not agree with Mr. Hurst statement and the photographs please provide documentation stating otherwise.

If you agree with the provided information please indicate so by responding to this email.

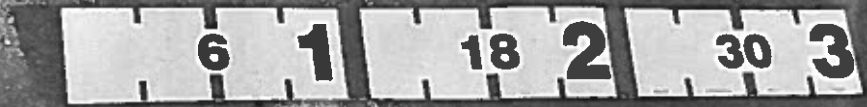
Do not hesitate in contacting me if you have questions.

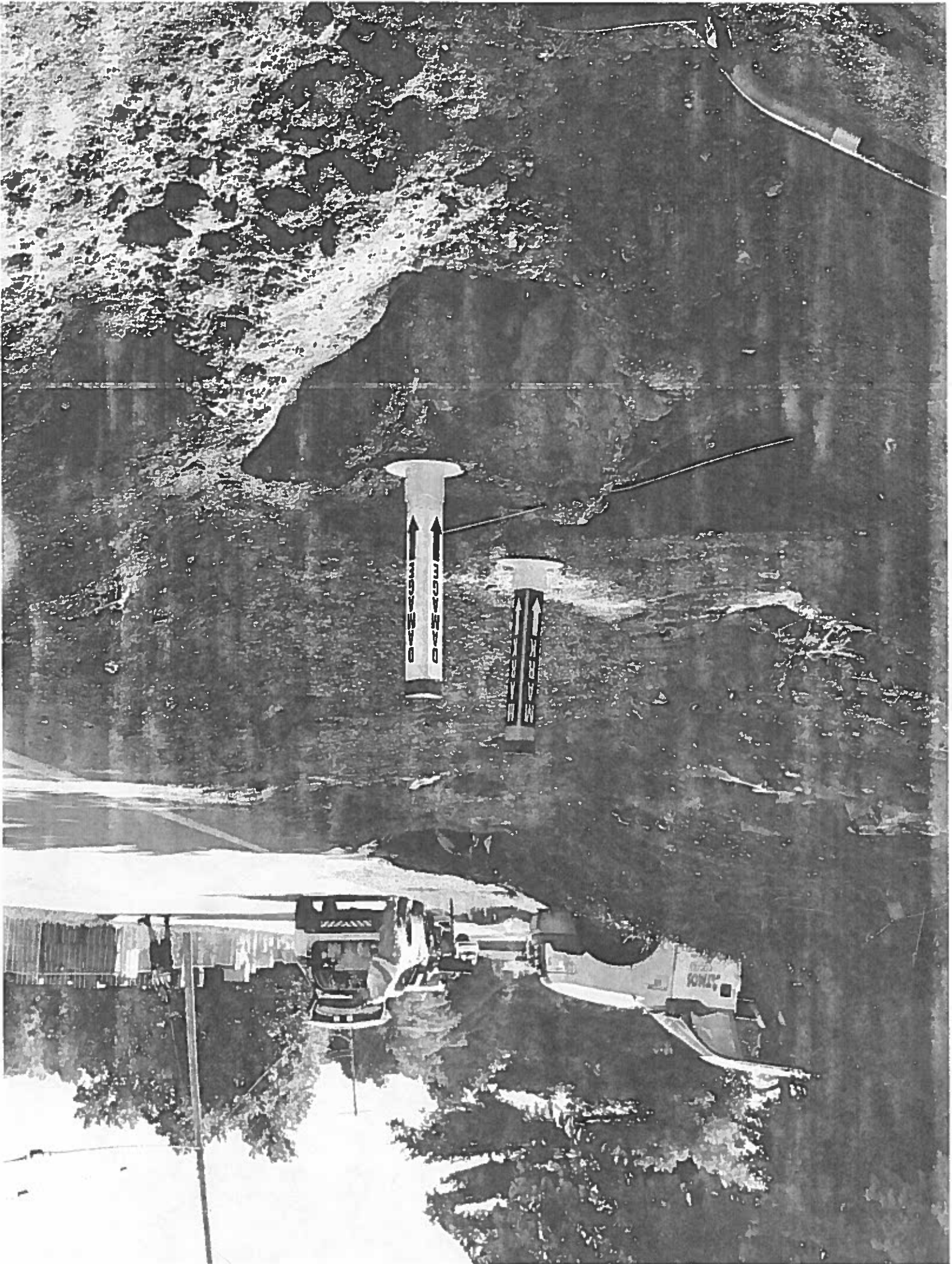
*Thanks,  
Eric V. Tout  
Kentucky Public Services Commission  
Division of Inspections / Damage Prevention  
211 Sower Blvd., Frankfort, KY 40601  
Office: 502-782-2622  
Fax: 502-564-1582*

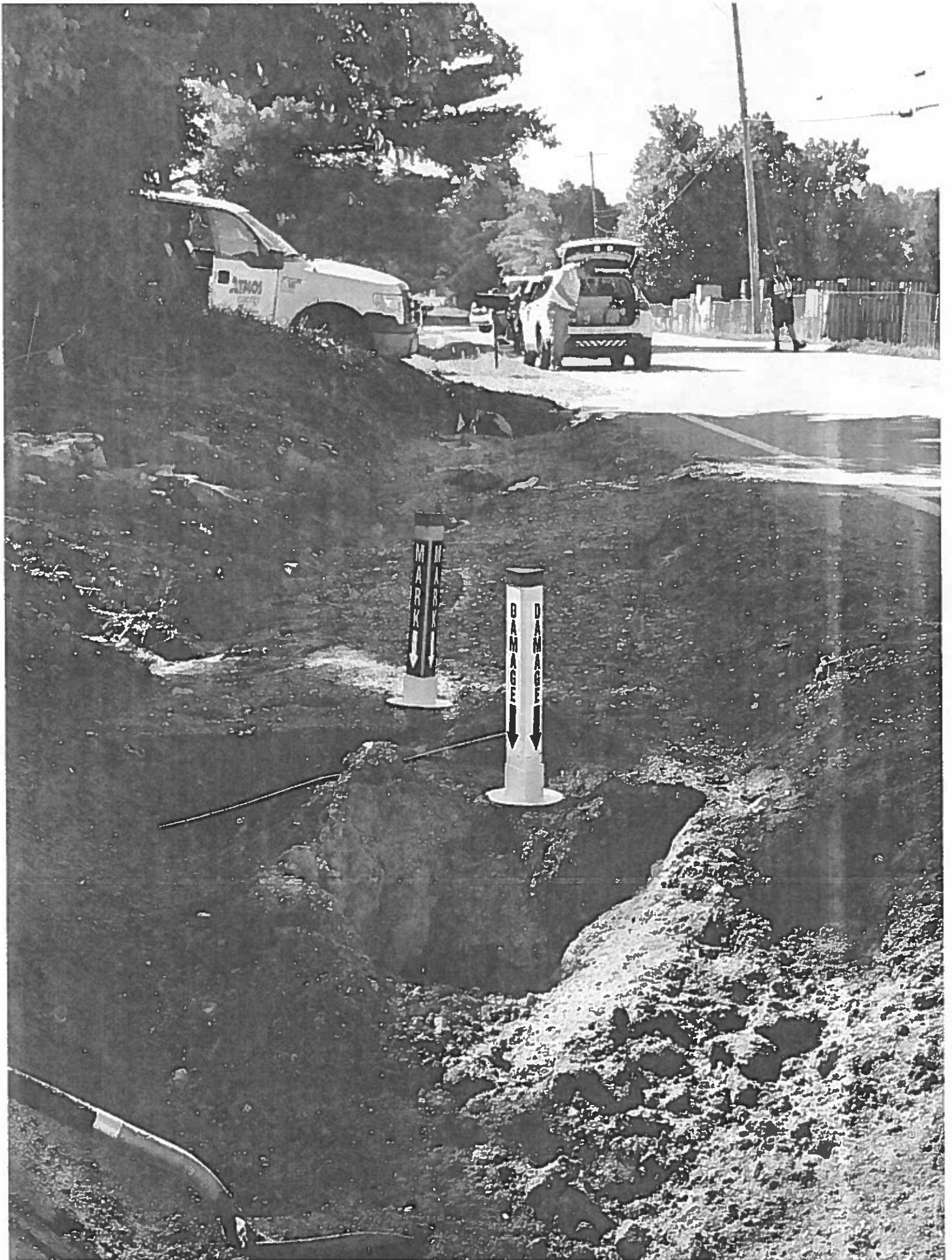
**Joey Hurst statement:**

I met with state highway department on site when I arrived they had already started cleaning out ditch line and requested a depth on gas main I told them I could not tell them that because it could be right and then again it could be 2 foot off (the depth not the location) so I checked marks to make sure locate was right and my marks for the main was same as marks that was there from Heath locate contractors. So I told guy on graded that he was digging over gas main and it needed to be spotted before any dirt was taking out of ditch his response was I've cleaned this ditch out many times before and I'm not going any deeper than the other times and he was doing as told and pointed me in the direction of his leader (boss, Forman, supervisor) so as I was in process to walking over to talk to the man in charge to inform him of the state laws (no mechanized equipment with in 18" of markings and spotting of underground utilitys) the line was struck before I could talk to him and get them stopped. With further investigation they had tore a 2 inch tap off the main line. The service was not marked but they didn't hit the main they hit the service tap which was welded to the top of main. Which also was in the 18 inches of the tolerance zone.



















# ATMOS

Third Party Damage Claims Recovery

Atmos is a leading provider of third party damage claims recovery services. We have a proven process to help you recover the full amount of your claim. Our experienced attorneys and investigators work together to identify the responsible party and negotiate the best possible settlement for you. We have a track record of success in recovering claims for property damage, personal injury, and more. Contact us today to learn more about our services and how we can help you.

Atmos is a leading provider of third party damage claims recovery services. We have a proven process to help you recover the full amount of your claim. Our experienced attorneys and investigators work together to identify the responsible party and negotiate the best possible settlement for you. We have a track record of success in recovering claims for property damage, personal injury, and more. Contact us today to learn more about our services and how we can help you.

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## Sincerely,

Michael C. Velez  
Phone 859-236-6900  
Fax 859-236-7106  
Michael.Velez@atmosenergy.com  
Para información en español, por favor llamar al 859-236-6900



# INVOICE

KY DEPARTMENT OF TRANSPORTATION  
337 N STEWARTS LN  
DANVILLE KY 40422

Page: 1  
Claim Number: 000200034329  
Invoice No: 282927  
Invoice Date: 06-AUG-19  
Customer No: 150686  
Sales Rep: Michael C Vetter  
Payment Terms: 1500 Days Payment

For billing questions, please call:

850-338-2900

Total Amount Due

3,662.81

LINE	DESCRIPTION	QUANTITY	UNIT	UNIT AMT	NET AMT
1	Material	1	Job	780.58	780.58
2	Tools and Equipment	1	Job	942.00	942.00
3	Labor	1	Job	1,636.36	1,636.36
4	Gas Loss	61	mcl	5,473.2	338.87

PAGE TOTAL

3,662.81

Please include Remittance Slip to ensure timely application of your Payment

**CHECK REMITTANCE TO:**

ATMOS ENERGY CORP  
P. O. BOX 841425  
Dallas TX 75284-1425

**ELECTRONIC REMITTANCE TO:**

ATMOS ENERGY CORP  
Bank of America  
ACH Routing# 111000012  
Bank Wire Routing# 028009593  
Acct# 3758817812  
Ref: 282927



Customer No: 150686  
Invoice No: 282927  
Total Amount Due: 3,662.81 USD

**BILL TO:**

KY DEPARTMENT OF TRANSPORTATION  
337 N STEWARTS LN  
DANVILLE KY 40422

0000150666000028292700003662817

Charles Lester Statement

Super II HWY Dept. Boyle County

I met with Joey Hurst from Atmos gas on the job site the morning we started to dig. Joey marked the lines and told me and Paul Mayes the gradall operator it was ok to dig. Paul started to dig and he hit the line going across the rock to Boyle Block when he hit it he said I didn't know the line was there that I missed that one.

BUD CALL MADE ON

6-17-19 AT 9:05 AM

RIPENS WED MORN 6-19-19

EXPIRES 7-8-19

TICKET # 1906170526

IN FRONT OF ALLEN CO. STA<sup>1</sup>

OLD STANFORD RD



DEE MANN  
DAMAGE PREVENTION  
LINE PATROLLER

Richmond 875 CS  
Richmond, KY 40475

Cell: 859-544-0666  
dee\_mann@kindermorgan.com

ATMOS ENERGY

BRAD - 859 209 0840

JOEY HURST 859 209 1227



# Attachment 6

## Tout, Eric V (PSC)

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**From:** Stallins, Anthony A <Anthony.Stallins@atmosenergy.com>  
**Sent:** Wednesday, March 11, 2020 9:38 AM  
**To:** Tout, Eric V (PSC)  
**Cc:** Vallet, Mike C; Benningfield, Ronnie; Tucker, Mariam L; Owen, Tim D; Coleman, Mike D; Bill Stanley (b.stanley@heathus.com); Hurst, Joey L; Stallins, Anthony A  
**Subject:** FW: [EXT] 31698, 6/21/2019, 1654 Old Stanford Rd, Danville, Kentucky Transportation Cabinet  
**Attachments:** 1654 Old Stanford Rd PSC Report & Conf.pdf; Ticket 1906170526-Heath's comments.pdf; Joey Hurst Statement.docx

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Good morning Eric,

I've included Heath's documentation on Locate Ticket 1906170526. We do not have documentation for the conversation on 6/20/19. Mike Vallet, Atmos Supervisor (Danville), called and spoke with the state by phone. For 6/21/19, you have Joey Hurst statement I forwarded to you on 2/27/20 and it pretty much matches the KY PSC Report we submitted 7/19/19 that Joey provided me concerning the incident.

Please let me know if you need anything else.

Thanks, Anthony

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**From:** Tout, Eric V (PSC) <[ericv.tout@ky.gov](mailto:ericv.tout@ky.gov)>  
**Sent:** Tuesday, March 3, 2020 12:38 PM  
**To:** Stallins, Anthony A <[Anthony.Stallins@atmosenergy.com](mailto:Anthony.Stallins@atmosenergy.com)>  
**Subject:** [EXT] 31698, 6/21/2019, 1654 Old Stanford Rd, Danville, Kentucky Transportation Cabinet

**CAUTION: Don't be quick to click. This e-mail originated from outside of Atmos Energy. Do not click links or open attachments unless you recognize the sender and know the content is safe.**

Anthony,

You sent me Mr. Hurst statement and the photos on this one and that was helpful. The damage report indicates that the contract locator and/or Atmos was in contact with the Excavator on 06/19/19, 06/20/19 & 06/21/19. Do you have documentation/reports indicating contact was made and who was contacted on those dates? If so please send. They are disagreeing with Hurst's statement.

*Thanks,  
Eric V. Tout  
Kentucky Public Services Commission  
Division of Inspections / Damage Prevention  
211 Sower Blvd., Frankfort, KY 40601  
Office: 502-782-2622  
Fax: 502-564-1582*

## Whitney, Lisa S

---

**From:** Stallins, Anthony A  
**Sent:** Monday, July 22, 2019 7:02 AM  
**To:** Close, Mike W; Benningfield, Ronnie; Clark, Steve D; Bittel, Steve J; Sanders, Jack  
**Cc:** Owen, Tim D; Coleman, Mike D; Whitney, Lisa S; Stallins, Anthony A  
**Subject:** FW: Emailing: Gas Incident - Excavation Damage Notification

Submitted.

---

**From:** Stallins, Anthony A  
**Sent:** Friday, July 19, 2019 10:35 PM  
**To:** Stallins, Anthony A <Anthony.Stallins@atmosenergy.com>  
**Subject:** Emailing: Gas Incident - Excavation Damage Notification

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# Gas Excavation Damage Report

## Atmos Energy Corporation

**Submitted 7/19/2019 Incident ID: 31698**

Reported By:  
Name:  
Anthony Stallins

Phone:  
(270) 779-4849

Email:

Gas Line Incident Occured:  
Date:  
6/21/2019

Time:  
9:16 AM

Details:  
Reported Date: 6/24/2019 8:58 AM

Incident Location Address:  
Location:  
1654 Old Stanford Rd, Danville

Address:  
1654 Old Stanford Rd

City:  
Danville

State:  
KY

County:  
Boyle

Zip:  
40422

Confirm Code:  
Y

Address	City	State
---------	------	-------

ZipCode	County	State
---------	--------	-------

Number of Customers out: 2

Locate Request Ticket No.: 1906170526

**Excavator:** State Agency

Enter Company Name (minimum of 4 characters required) below

Kentucky Department of Transportation

Please note: Searches may be performed by keying the entire company name or a portion of the company name.

[Continue]

## No Matching Companies were Found

Select the appropriate check box. Click on the Excavator Details link to get the Excavation Address. Enter the address details in the below Location fields.

Organization ID	Company	Status	Company Type
-----------------	---------	--------	--------------

Excavator Address:

First Name:  
Paul

Last Name:  
Mayes

Organization ID:

Company:  
Kentucky Department of Transportation

Phone:

859-239-7065

Email:

Address:  
337 Stewarts Ln N

City:  
Danville

State:  
KY

Zip:  
40422

Confirm Code:  
Y

Address	City	State
---------	------	-------

ZipCode	County	State
---------	--------	-------

Excavation Damage: Failure to test-hole(pot hole)

**Description of Incident** 1.75" steel service tap tee hit and pulled off 4" main. Two off. Locate ticket. No injuries.  
 Summary Information 7/19/2019

**Full details such as the cause** KY Department of Transportation, cleaning out ditches along Old Stanford Rd, struck a 1.75" steel service tap which sat atop a 4" main. On 06/19/19, Atmos Energy contract locator had advised KDOT of the main in the ditch and not to dig until contacted by Atmos Energy representative. On 06/20/19 Mike Vallet, Atmos Energy Supervisor, spoke to KDOT representative and made KDOT aware of the need to pot-hole and verify depth of main before any digging was done. On 06/21/19, Atmos Energy employee would arrive on site & advised onsite KDOT representative of the need to pot hole the gas main in order to verify the main depth. However before the KDOT representative could advise his operator the 1.75 tap tee was broken off main and adjacent tap tee hit but not damaged. The damaged main was located correctly and the damage pipe was inside the 18" approximate location (tolerance zone). Damage occurred due to mechanized equipment being used inside the 18" approximate location (tolerance zone) compounded by failure to pot hole along the entirety of the excavation to verify depths of main and all appurtenances.

**Extent of the damage** The damage pipe was replaced and service restored to the two affected customers.

**Cost of the damage** \$3,663.00

**Steps taken to prevent re-occurrence** Will invite the KDOT to the next Atmos Energy Damage Prevention/KY 811 Dig Law Training Session in Danville

**Amount billed to excavator** \$3,663.00

## Whitney, Lisa S

---

**From:** Stallins, Anthony A  
**Sent:** Monday, July 22, 2019 7:03 AM  
**To:** Whitney, Lisa S  
**Subject:** FW: [EXT] Report Submitted Gas Excavation Damage at 6/21/2019 9:16:00 AM involving Atmos Energy Corporation REFERENCE 31698

**From:** KY Public Service Commission [mailto:pscfilings@ky.gov]  
**Sent:** Friday, July 19, 2019 10:34 PM  
**To:** Stallins, Anthony A <Anthony.Stallins@atmosenergy.com>  
**Subject:** [EXT] Report Submitted Gas Excavation Damage at 6/21/2019 9:16:00 AM involving Atmos Energy Corporation REFERENCE 31698

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The completed report has been submitted. A gas digIn incident has occurred at approximately: 6/21/2019 9:16:00 AM  
Involving Utility: Atmos Energy Corporation  
at Location: 1654 Old Stanford Rd, Danville  
Description: 1.75" steel service tap tee hit and pulled off 4" main. Two off. Locate ticket. No injuries.  
Customers Affected: 2  
Person completing this report: Anthony Stallins  
Contact filer at: (270) 779-4849 [anthony.stallins@atmosenergy.com](mailto:anthony.stallins@atmosenergy.com)

see more: [https://secure-web.cisco.com/1aBS-HxokeFOGxm8PQVZap-9enY5bM7t\\_qPcmyIWU6SUyfBohyf\\_b8cS0CkFEkG64-pXSoFqcB6jBclmQdgAQfFGs1p8SB2qMarjWuXp53w1SCFJWBVixIgyWfN\\_Y8WHa5md9H32nmfljPBknftDpAj6mb7R-yZUXxfPAxXzXEaPV7Ew8HDgb-yTQOmCYUHRBGThCJQXdJp0IS8\\_nKQcOHA/https%3A%2F%2Fpsc.ky.gov%2FORS%2FGasIncident.aspx%3FIG%3D31698](https://secure-web.cisco.com/1aBS-HxokeFOGxm8PQVZap-9enY5bM7t_qPcmyIWU6SUyfBohyf_b8cS0CkFEkG64-pXSoFqcB6jBclmQdgAQfFGs1p8SB2qMarjWuXp53w1SCFJWBVixIgyWfN_Y8WHa5md9H32nmfljPBknftDpAj6mb7R-yZUXxfPAxXzXEaPV7Ew8HDgb-yTQOmCYUHRBGThCJQXdJp0IS8_nKQcOHA/https%3A%2F%2Fpsc.ky.gov%2FORS%2FGasIncident.aspx%3FIG%3D31698)

7/19/2019 11:33:41 PM [anthony.stallins@atmosenergy.com](mailto:anthony.stallins@atmosenergy.com)  
Utility filers receipt. This email is automatically generated please do not reply to this email address.

**Ticket ID: 1906170526**



KORTERRA JOB KY\_C\_DANVI-SMTP-1 KY1906170526 Seq: 2 06/17/2019 08:14:14

0144 00002 KUPIa 06/17/2019 09:12:53 1906170526-00A NORM NEW GRID

NORMAL NOTICE

Ticket : 1906170526 Date: 06/17/2019 Time: 09:03 Oper: JWIMSATT  
Chan:000

State: KY Cnty: BOYLE City: DANVILLE  
Subdivision:

Address :

Street : STANFORD RD

Cross 1 : GOSE PIKE

Location: LOCATE FROM THE INTERSECTION GOING SOUTH EAST ALONG THE  
NORTH SIDE OF

THE ROAD FOR 1000 FEET

:

Boundary: n 37.632900 s 37.629574 w -84.752132 e -84.748171

Work type : DITCH CLEANING

Done for : STATE HIGHWAY DEPARTMENT

Start date: 06/19/2019 Time: 09:15 Hours notice: 48/48 Priority: NORM

Ug/Oh/Both: U Blasting: NO Emergency: N

Duration : N/A Depth: 2 FEET

Company : STATE HIGHWAY DEPARTMENT Type: OTHR

Co addr : 331 STEWARTS LN

City : DANVILLE State: KY Zip: 40422

Caller : RONALD SIVERS Phone: (859)239-7065

Contact : RONALD SIVERS - CELL Phone:

Mobile : (859)209-0400

Fax : (859)239-7047

Submitted date: 06/17/2019 Time: 09:03

Members: 0023 0027 0048 0139 0144 0326 WINKY

**Locator Notes: talk to state dept hold off on marking because of the rain, I told him 4" steel gas main is in the ditch line all the way through where hes dig and not to dig until all the gas has been marked, road frontage, regulator tie ins, long and short side service, I told the HWY DEPT that the gas line is in the ditch line all the way down their dig area and not to dig on it until Atmos cleared them to do so, called Mike Vallet and Brad Burchett and let them now about the digging here.**

----- HISTORY SUMMARY -----

06/17/19 08:15:03: Ticket "1906170526" received.

06/17/19 08:15:03: Contract "0144" received.

06/17/19 08:15:04: Assigned to "dlong". Status updated to "Pending".

06/18/19 15:28:46: CDC "0144" status updated to "RSH: Rescheduled with excavator". CDC "0144" notes updated to "talk to state dept hold off on marking because of the rain, I told him 4" steel gas main is in the ditch line all the way through where hes dig and not to dig until all the gas has been marked".

06/18/19 15:28:50: Notes updated to "talk to state dept hold off on marking because of the rain, I told him 4" steel gas main is

## Ticket ID: 1906170526 (con't)

---



06/19/19 11:41:52: File "DigTix Ticket 1906170526 2019-06-19 12:41:52.245.jpg" attached.

06/19/19 11:44:30: File "Screenshot (14335).png" attached.

06/19/19 11:44:30: File "Screenshot (14336).png" attached.

06/19/19 11:44:31: File "Screenshot (14337).png" attached.

06/19/19 11:44:31: File "Screenshot (14338).png" attached.

06/19/19 11:44:32: File "Screenshot (14339).png" attached.

06/19/19 11:44:32: File "Screenshot (14340).png" attached.

06/19/19 11:44:32: File "Screenshot (14341).png" attached.

06/19/19 11:44:33: File "Screenshot (14333).png" attached.

06/19/19 11:44:33: File "Screenshot (14334).png" attached.

06/19/19 11:48:52: CDC "0144" status updated to "MRK: Marked in the field". CDC "0144" notes updated to "talk to state dept hold off on marking because of the rain, I told him 4" steel gas main is in the ditch line all the way through where hes dig and not to dig until all the gas has been marked, talk to state dept hold off on marking because of the rain, I told him 4" steel gas main is in the ditch line all the way through where hes dig and not to dig until all the gas has been marked, road frontage, regulator tie ins, long and short side service, I told the HWY DEPT that the gas line is in the ditch line all the way down their dig area and not to dig on it until Atmos cleared them to do so, called Mike Vallet and Brad Burchett and let them now about the digging here."

06/19/19 11:48:59: Status updated to "Completed". Notes updated to "talk to state dept hold off on marking because of the rain, I told him 4" steel gas main is in the ditch line all the way through where hes dig and not to dig until all the gas has been marked, road frontage, regulator tie ins, long and short side service, I told the HWY DEPT that the gas line is in the ditch line all the way down their dig area and not to dig on it until Atmos cleared them to do so, called Mike Vallet and Brad Burchett and let them now about the digging here."



Joey Hurst statement:

I met with state highway department on site when I arrived they had already started cleaning out ditch line and requested a depth on gas main I told them I could not tell them that because it could be right and then again it could be 2 foot off (the depth not the location) so I checked marks to make sure locate was right and my marks for the main was same as marks that was there from Heath locate contractors. So I told guy on graded that he was digging over gas main and it needed to be spotted before any dirt was taking out of ditch his response was I've cleaned this ditch out many times before and I'm not going any deeper than the other times and he was doing as told and pointed me in the direction of his leader (boss, Forman, supervisor) so as I was in process to walking over to talk to the man in charge to inform him of the state laws (no mechanized equipment with in 18" of markings and spotting of underground utilitys) the line was struck before I could talk to him and get them stopped. With further investigation they had tore a 2 inch tap off the main line. The service was not marked but they didn't hit the main they hit the service tap which was welded to the top of main. Which also was in the 18 inches of the tolerance zone.

# Attachment 7

## Tout, Eric V (PSC)

---

**From:** McGaha, Tony T (KYTC-D07)  
**Sent:** Wednesday, March 18, 2020 12:57 PM  
**To:** Tout, Eric V (PSC)  
**Subject:** RE: Boyle County

You can send it to:

Kelly Baker  
Chief District Engineer, District 7  
800 Newtown Ct  
Lexington, KY 40511

Thanks

Tony McGaha  
Transportation Engineer Branch Manager  
Project Delivery & Preservation  
KYTC District 7  
(859) 246-2355

-----Original Message-----

**From:** Tout, Eric V (PSC)  
**Sent:** Wednesday, March 18, 2020 12:43 PM  
**To:** McGaha, Tony T (KYTC-D07) <Tony.McGaha@ky.gov>  
**Subject:** RE: Boyle County

Mr. McGaha,

I have reviewed the information provided by KYTC and Atmos and have come to the conclusion that KYTC has violated the below noted KRS.

KYTC has two options to resolve this matter:

1. Pay a penalty of \$4,000.00. KYTC 's third or subsequent offence (Incident date of last offence 04/23/19 and Incident #31541) or 2. Request a hearing before the Commission in writing.

I will need to know to whom and where to send the letter outlying the above.

KRS 367.4911 (10) - When excavation or demolition is necessary within the approximate location of the underground facility, the excavator shall hand-dig or use nonintrusive means to avoid damage to the underground facility.

Respectfully  
Eric V. Tout  
Kentucky Public Services Commission  
Division of Inspections / Damage Prevention  
211 Sower Blvd., Frankfort, KY 40601  
Office: 502-782-2622

Fax: 502-564-1582

-----Original Message-----

From: McGaha, Tony T (KYTC-D07) <Tony.McGaha@ky.gov>  
Sent: Wednesday, March 4, 2020 8:21 AM  
To: Tout, Eric V (PSC) <ericv.tout@ky.gov>  
Cc: Sivers, Ron (KYTC-D07) <Ron.Sivers@ky.gov>; Lester, Charles W (KYTC-D07) <Charles.Lester@ky.gov>; Baker, Kelly A (KYTC-D07) <KellyA.Baker@ky.gov>; Simpson, Matt P (KYTC) <Matt.Simpson@ky.gov>  
Subject: FW: Boyle County

**\*\*CAUTION\*\*** PDF attachments may contain links to malicious sites. Please contact the COT Service Desk [ServiceCorrespondence@ky.gov](mailto:ServiceCorrespondence@ky.gov) for any assistance.

---

Mr Tout,

According to my guys in the field, the attached statement by Mr. Hurst appears to be incorrect. According to my foreman and assistant foreman, prior to any digging, the lines were marked and Mr Hurst was standing next to my foreman and told him to proceed. Once the line was hit, Mr Hurst's exact words were "well, I guess I missed that line, didn't I?" The conversation in Mr. Hurst's statement with the foreman about the state laws regarding equipment over lines never occurred, and Mr. Hurst never attempted to stop them.

I am not sure that this can be entirely the fault of KYTC, when the representative of the gas company is telling my foreman to proceed with digging.

Thanks, and if you need any further information, please let me know.

Tony McGaha  
Transportation Engineer Branch Manager  
Project Delivery & Preservation  
KYTC District 7  
(859) 246-2355

-----Original Message-----

From: Winters, Tara M (KYTC-D07)  
Sent: Tuesday, March 03, 2020 3:43 PM  
To: Simpson, Matt P (KYTC) <Matt.Simpson@ky.gov>; McGaha, Tony T (KYTC-D07) <Tony.McGaha@ky.gov>  
Subject: Boyle County

**\*\*CAUTION\*\*** PDF attachments may contain links to malicious sites. Please contact the COT Service Desk [ServiceCorrespondence@ky.gov](mailto:ServiceCorrespondence@ky.gov) for any assistance.

---

Eric Tout called Ron and said, we have determined that the rupture of the gas line was the Highway Department fault and that the fine will be \$4000.00.

Tara M. Winters  
Administrative Specialist II  
KYTC Dep. of HWY'S  
Danville Section Office  
(859)239-7403

\*William H. Fogle  
Office of Legal Services  
Kentucky Department of Transportation  
200 Mero St. 6th Floor  
Frankfort, KENTUCKY 40622