COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:		
UNDERGROUND AMERICA, INC)	CASE NO. 2019-00338
ALLEGED VIOLATION OF UNDERGROUND FACILITY DAMAGE PREVENTION ACT)	

ORDER

A hearing in the above matter was held before the Kentucky Public Service Commission (PSC) on February 28, 2020, at the offices of 211 Sower Boulevard, Frankfort, Kentucky concerning the allegation that Underground America, Inc. violated KRS 367.4911(10) on January 10, 2019 at 17209 Ash Hill Drive, Louisville, Kentucky 40245 when it failed to hand dig or use nonintrusive means to avoid damage to an underground natural gas pipeline owned and operated by Louisville Gas and Electric Company. Underground America, Inc. was served with process and provided notification of the date and time of the hearing but failed to appear to contest the allegations against it. PSC investigator John Gowins testified that he conducted an investigation which established that Louisville Gas and Electric Company had properly marked its underground natural gas pipeline at the above location but that Underground America, Inc. in violation of KRS 367.4911(10) conducted excavation activities within the approximate location of the underground facility without hand digging and without the use of nonintrusive means. Underground America, Inc.'s mechanical equipment came in contact with the Louisville Gas and Electric Company pipeline and caused damage to it.

The natural gas pipeline contained natural gas at the time of the damage and natural gas escaped into the environment. At the time of the damage, Underground America, Inc. was conducting boring operations to install telecom fiber on behalf of AT&T, Inc.

FINDINGS OF FACT

The testimony presented at the hearing as well as the exhibits filed in the record stand unrebutted and establish that:

- 1. Underground America, Inc. was at the time the damage occurred on January 10, 2019 an excavator as defined by KRS 367.4903(4) who caused damage to a natural gas pipeline by means of excavation as defined by KRS 367.4903(6).
- 2. The natural gas service line was an underground facility owned and operated by Louisville Gas and Electric Company to serve the public. The service line contained natural gas at the time it was damaged by Underground America, Inc. and such natural gas escaped into the environment.
- 3. Underground America, Inc. violated KRS 367.4911(10) when it conducted excavation operations with mechanized equipment within the approximate location of the underground pipeline when it was in fact required to hand dig or use nonintrusive means to avoid damage to such pipeline.
- 4. There are no known mitigating factors which would merit the imposition of a fine less than the maximum provided by law. This is Underground America, Inc.'s first offense.

CONCLUSIONS OF LAW

- Underground America, Inc. violated the requirements of KRS 367.4911(10)
 by using mechanized equipment to excavate within the approximate location of an underground natural gas pipeline owned and operated by Louisville Gas and Electric Company when it was required to hand dig or use nonintrusive means to avoid damage to the pipeline.
- 2. KRS 367.4917(1) provides that an excavator who fails to comply with any provision of KRS 367.4911 shall be guilty of endangering underground facilities and may be subject to a fine of two hundred and fifty dollars (\$250) for the first offense.
- 3. KRS 367.4917(4) provides that any person who violates any provision of the act that involves damage to a facility containing any flammable, toxic, corrosive, or hazardous material or results in the release of any flammable, toxic, corrosive, or hazardous material shall be subject to a fine not to exceed one thousand dollars (\$1,000) for each offense.
- 4. Underground America, Inc. is, by reason of its failure to comply with the applicable provisions of the Underground Facility Damage Prevention Act as hereinbefore set out, subject to the maximum fine of one thousand two hundred and fifty dollars (\$1,250).

IT IS THEREFORE ORDERED that:

 Underground America, Inc. is assessed a fine of one thousand two hundred fifty dollars (\$1,250) for violation of KRS 367.4911(10). 2. Underground America, Inc. shall pay one thousand two hundred fifty dollars (\$1,250) within thirty (30) days of the date of this order by cashier's check or money order payable to the Kentucky State Treasurer and mailed or delivered to the office of the Kentucky Public Service Commission at 211 Sower Boulevard, Frankfort, KY 40602.

THIS IS A FINAL AND APPEALABLE ORDER OF THE PUBLIC SERVICE COMMISSION.

An application for a rehearing may be filed with the Commission within 20 days after service of this Order as provided by KRS 278.400. Any appeal of this Order must be filed with the Franklin Circuit Court within 30 days after service of this Order or within 20 days after an application for rehearing has been denied by failure of the Commission to act or, within 20 days after service of the final Order, as set out in KRS 278.410(1)(a).

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By the Commission

Commissioner Talina Mathews did not participate in this case.

ENTERED

MAR 0 4 2020

KENTUCKY PUBLIC SERVICE COMMISSION

ATTEST:

For Kent A. Chamle

Michael Tarabula 700 White Road white, GEORGIA 30184