

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PREMIER UNDERGROUND LLC. – ALLEGED	)	CASE NO.
VIOLATION OF UNDERGROUND FACILITY	)	2019-00162
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 from an operator of excavation damage to its underground gas pipeline, 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 Premier Underground, LLC, 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 Premier Underground, LLC, 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. Premier Underground, LLC, 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. Premier Underground, LLC, shall appear on August 9, 2019, at 9 a.m., Eastern Daylight 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. The August 9, 2019 hearing shall be recorded by videotape only.
4. A person shall not file a paper or appear at a hearing on behalf of, or otherwise represent, a partnership, corporation, business entity or other person unless the person is an attorney licensed to practice law in Kentucky.

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

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By the Commission

ENTERED  
JUL 08 2019  
KENTUCKY PUBLIC  
SERVICE COMMISSION

ATTEST:

  
Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE  
COMMISSION IN CASE NO. 2019-00162 DATED **JUL 08 2019**

ONE PAGE TO FOLLOW

# PIPELINE DAMAGE INVESTIGATION REPORT

## Investigation Information

<b>KY PSC Investigator(s)</b> John Lyons	<b>Incident ID</b> 20812
<b>Incident Date</b> 8/15/2018 9:40:00 AM	<b>Report Submitted</b> 8/16/2018 7:28:46 AM

## OPERATOR INFORMATION

<b>Operator</b> Atmos Energy Corporation <b>Phone</b> (270) 779-4849 <b>Incident Location</b> 819 Paris Rd - Mayfield 819 Paris Rd Mayfield, KY 42066  Graves	<b>Reported By</b> Anthony Stallins <b>Email</b> anthony.stallins@atmosenergy. <b>Locate Ticket Number</b> 1808100784
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## EXCAVATOR INFORMATION

<b>Name of Excavator</b> Tim Dunn <b>Phone</b> 270-445-0422 <b>Excavator Address</b> PREMIER UNDERGROUND LLC 1395 State Route 1022 W Bardwell, KY 42023	<b>Organization ID</b> 0932109 <b>Email</b> N/A <b>Locate Ticket Number</b>
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Operator reports that excvator, Premier Underground, was boring at 819 Paris Rd in Mayfield, and struck 3/4" PE service. Premier did have a locate ticket (1808100784) which was located correctly and had dug a small hole over the service but had not exposed the line. Hit line in boring process.

Company is active and in good standing with the Secretary of State.

Investigator Lyons called Mr. Tim Dunn on November 19, 2018, to discuss the report of damage. Mr. Dunn confimed Atmos' report and agreed to first time offender option of attending the February 4, 2019 Damage Prevention Training and a \$250 penalty.

Violation(s)

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.

Tim Dunn  
Premier Underground LLC  
1395 ST RT 1022W  
Bardwell, KENTUCKY 42023