

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

SOUTHERN CONTRACTOR OF KY LLC	)	
	)	
_____	)	CASE NO.
	)	2020-00072
ALLEGED VIOLATION OF UNDERGROUND	)	
FACILITY DAMAGE PREVENTION ACT	)	

OPENING ORDER

Southern Contractor of KY LLC (Southern Contractor) 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 Southern Contractor for violation of the following provisions of the Act:

KRS 367.4911(6) – The excavator shall protect and preserve temporary underground facility markers until the scheduled excavation or demolition is completed.

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 Southern Contractor violated the Underground Facility Damage Prevention Act. The Commission further finds that a formal investigation into the excavation damage incident should be conducted.

This proceeding was established on March 17, 2020 with the issuance of an Opening Order. The attempt to perfect service of process for the previously issued Opening Order was unsuccessful. The Opening Order is now being reissued with the intent to perfect service of process on Southern Contractor.

IT IS THEREFORE ORDERED that:

1. Southern Contractor shall submit to the Commission, via email sent to [PSCED@ky.gov](mailto:PSCED@ky.gov) with the case number of this proceeding in the subject line of the message, a written response to the allegations contained in the Staff Incident Report within 20 days of receipt of this Order.

**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. An individual may submit a response to the allegations contained in the Staff Incident Report without the representation of an attorney.

4. The Staff Incident Report 31594 in the Appendix to this Order is made a part of the record in this case.

**5. Please note that notice of a hearing to be held in this matter will be mailed to Southern Contractor 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

ENTERED  
SEP 28 2021 rcs  
KENTUCKY PUBLIC  
SERVICE COMMISSION

ATTEST:

  
Executive Director

Case No. 2020-00072

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE  
COMMISSION IN CASE NO. 2020-00072 DATED SEP 28 2021

SEVEN PAGES TO FOLLOW

# PIPELINE DAMAGE INVESTIGATION REPORT

## Investigation Information

<b>KY PSC Investigator(s)</b> John E. Gowins	<b>Incident ID</b> 31594
<b>Incident Date</b> 5/9/2019 10:35:00 AM	<b>Report Submitted</b> 5/24/2019 7:58:00 AM

## OPERATOR INFORMATION

<b>Operator</b> Columbia Gas of Kentucky, Inc.	<b>Reported By</b> Ryan Twait
<b>Phone</b> (859) 533-4022	<b>Email</b> rmtwait@nisource.com
<b>Incident Location</b> 530 S Queen St Mount Sterling, KY 40353  Montgomery	<b>Locate Ticket Number</b> 1904161167 & 1904161139

## EXCAVATOR INFORMATION

<b>Name of Excavator</b> Gay, Ryan	<b>Organization ID</b> 1035894
<b>Phone</b> 606-260-1838	<b>Email</b>
<b>Excavator Address</b> Southern Contractors of Kentucky LLC 1070 Highmoore Road London, KY 40741	<b>Locate Ticket Number</b>

## INCIDENT

### Locate Ticket Summary

Ticket #	Valid	Initial Date	Expiration Date (21 calendar days from Initial date)	Incident Date	# of Days Expired	Within Scope of Excavation
1904161139	No	4/16/19	5/7/19	5/9/19	2	Yes

### Excavation Summary

Excavation Within Tolerance Zone	Type Of Equipment Used	Cost of Damage (Per Operator)	Amount Billed (Excavator)
Yes	Mechanized	\$500.00	\$500.00

The operator reports that Southern Contractors of Kentucky LLC was excavating an area with a locate ticket. Southern Contractors of Kentucky LLC was digging with mechanized equipment within the tolerance zone of a properly marked service line, and the locate marks were covered

up by the spoil pile. While excavating, Southern Contractors of Kentucky LLC dug into a plastic one-inch natural gas service line.

### **INVESTIGATION**

This will be the company's first violation.

Google has the same telephone number above, but an address of 1080 High Moore Rd.

November 21, 2019

- Called the above number, spoke with Jarrod Gay, he said I should speak with his brother Arvin, who was onsite. Arvin's number is: 606.401.5813. Called this number twice, message was this person has not set up their voicemail box.

December 5, 2019

- Called Arvin Gay at 606.401.5813. He said that this was their responsibility and he agreed to the reduced penalty and remedial measure.

### **VIOLATION**

KRS 367.4911 (6) The excavator shall protect and preserve temporary underground facility markers until the scheduled excavation or demolition is completed.

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.

# Gas Excavation Damage Report

## Columbia Gas of Kentucky, Inc.

Submitted 5/30/2019 Incident ID 31594

[Set back to Edit](#)[Staff Edit](#)[Print \(PDFForm.aspx?Rpt=GasInvestigation&IG=31594\)](#)

### Reported By:

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Name	Ryan Twait
Phone	(859) 533-4022
Email	rmtwait@nisource.com

### Gas Line Incident Occured:

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Date	5/9/2019
Time	10:35 AM

### Details:

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Reported Date	5/24/2019 7:58 AM
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### Incident Location Address:

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Location	
Address	530 S Queen St
City	Mount Sterling
State	KY
County	Montgomery
Zip	40353
Confirm Code	Y
Number of Customers out	1
Locate Request Ticket No.	1904161167 & 1904161139
Excavator	Contractor

### Excavator Address:

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First Name	Ryan
Last Name	Gay
Organization ID	
Company	Southern Contractors of Kentucky LLC
Phone	606-260-1838
Email	
Address	1070 Highmoore Road
City	London
State	KY
Zip	40741

**Confirm Code****Excavation Damage**

Failure to maintain marks

**Description of Incident**

Southern Contractors of Kentucky LLC dug into a plastic one inch natural gas service line with mechanized equipment.

**Summary Information**

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5/30/2019

<b>Full details such as the cause</b>	Southern Contractors of Kentucky LLC was excavating an area with a locate ticket. Southern Contractors of Kentucky LLC was digging with mechanized equipment within the tolerance zone of a properly marked service line, and the locate marks were covered up by the spoil pile. While excavating, Southern Contractors of Kentucky LLC dug into a plastic one inch natural gas service line.
<b>Extent of the damage</b>	A plastic one inch service line was punctured, and the service line was repaired.
<b>Cost of the damage</b>	\$500.00
<b>Steps taken to prevent re-occurrence</b>	CKY's Damage Prevention Specialist setup and conducted a safety tailgate with Southern Contractors of Kentucky LLC following the damage to educate them on the 811 dig law. The Damage Prevention Specialist also provided excavator pocket manuals and pocket color code reference cards to Southern Contractors of Kentucky LLC.
<b>Amount billed to excavator</b>	\$500.00

NORMAL NOTICE

Ticket : 1904161139 Date: 04/16/2019 Time: 11:34 Oper: DCONLEY Chan:000

State: KY Cnty: MONTGOMERY City: MOUNT STERLING  
Subdivision:

Address :

Street : S QUEEN ST  
Cross 1 : CAMARGO RD

Location: FROM THE INTERSECTION - TRAVEL NORTH APPROX 500 FEET TO THE CHURCH ON  
THE LEFT SIDE OF THE ROAD - LOCATE NORTH APPROX 3/4 MILE ON THE WEST SIDE OF THE  
ROAD - ENDING TO RAPID XING

:

Boundary: n 38.051586 s 38.044990 w -83.937643 e -83.934670

Work type : INSTALL WATER MAIN

Done for : MT STERLING WATER COMPANY

Start date: 04/18/2019 Time: 11:45 Hours notice: 48/48 Priority: NORM

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

Duration : N/A Depth: 4 FEET

Company : SOUTHERN CONTRACTOR OF KY Type: CONT

Co addr : 1080 HIGHMOORE RD

City : LONDON State: KY Zip: 40741

Caller : JARED GAY Phone: (606)260-1838

Contact : RICK FLECHER - OFFICE Phone:

Mobile : (859)498-0166

Email : SOUTHERNCONTRACTOROFKY@GMAIL.COM

Submitted date: 04/16/2019 Time: 11:34

Members: 0023 0026 0139 0166 0326

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**SOUTHERN CONTRACTORS OF KENTUCKY LLC**


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**General Information**


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<b>Organization Number</b>	1035894
<b>Name</b>	SOUTHERN CONTRACTORS OF KENTUCKY LLC
<b>Profit or Non-Profit</b>	P - Profit
<b>Company Type</b>	KLC - Kentucky Limited Liability Company
<b>Status</b>	I - Inactive
<b>Standing</b>	B - Bad
<b>State</b>	KY
<b>File Date</b>	10/11/2018
<b>Organization Date</b>	10/11/2018
<b>Last Annual Report</b>	N/A
<b>Principal Office</b>	1080 High Moore Rd London, KY 40741
<b>Managed By</b>	Members
<b>Registered Agent</b>	CHRISTY GAY 1080 High Moore Rd London, KY 40741

**Current Officers**


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**Individuals / Entities listed at time of formation**


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<b>Organizer</b>	<a href="#">GARY BOWLIN</a>
<b>Organizer</b>	<a href="#">ARVIN GAY</a>

**Images available online**


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Documents filed with the Office of the Secretary of State on September 15, 2004 or thereafter are available as scanned images or PDF documents. Documents filed prior to September 15, 2004 will become available as the images are created.

<a href="#">Administrative Dissolution</a>	10/16/2019	1 page	<a href="#">PDF</a>
<a href="#">Registered Agent name/address change</a>	2/3/2019 10:52:59 PM	1 page	<a href="#">PDF</a>
<a href="#">Principal Office Address Change</a>	2/3/2019 10:52:56 PM	1 page	<a href="#">PDF</a>
<a href="#">Articles of Organization (LLC)</a>	10/11/2018	1 page	<a href="#">tiff</a> <a href="#">PDF</a>
<a href="#">Certificate of Assumed Name</a>	10/11/2018	1 page	<a href="#">tiff</a> <a href="#">PDF</a>

**Assumed Names**


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<a href="#">SOUTHERN CONTRACTORS OF KENTUCKY</a>	Inactive
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**Activity History**


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Filing	File Date	Effective Date	Org. Referenced
Admin Dis. A. report not in	10/16/2019	10/16/2019	
Registered agent address change	2/3/2019 10:53:00 PM	2/3/2019	
Principal office change	2/3/2019 10:52:57 PM	2/3/2019	
Added assumed name	10/11/2018 9:50:47 AM	10/11/2018	<a href="#">SOUTHERN CONTRACTORS OF KENTUCKY</a>
Add	10/11/2018 9:49:31 AM	10/11/2018	

**Microfilmed Images**


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\*Southern Contractor of Kentucky LLC  
1080 Highmoore Road  
London, KENTUCKY 40741

\*Jared Gay  
Southern Contractor of Kentucky LLC  
1080 Highmoore Road  
London, KENTUCKY 40741