

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

COLUMBIA GAS OF KENTUCKY, INC.)	
_____)	
ALLEGED VIOLATION OF UNDERGROUND)	CASE NO.
FACILITY DAMAGE PREVENTION ACT)	2020-00185
)	
)	

NOTICE OF FILING

Notice is given to all parties that the Commission's Division of Inspections' list of witnesses and exhibits has been filed into the record of this proceeding.



Lindsey Flora
Deputy Executive Director
Public Service Commission
P.O. Box 615
Frankfort, KY 40602

DATED AUG 18 2020

cc: Parties of Record

COMMONWEALTH OF KENTUCKY
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ALLEGED VIOLATION OF UNDERGROUND)	CASE NO.
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)	

COMMISSION'S DIVISION OF INSPECTIONS' LIST OF WITNESSES AND EXHIBITS
NOTICE OF FILING

Pursuant to the Commission's August 17, 2020 Order, the Commission's Division of Inspections (DOI) gives notice of its filing of its list of witnesses and exhibits for the hearing scheduled to occur on September 9, 2020.

DOI plans to take testimony from John E. Gowins, the investigator assigned to Incident No. 31976, the subject of this proceeding. Mr. Gowins is expected to provide details of his investigation of this incident and respond to questions concerning facts contained in his Investigation Report.

DOI plans to offer the following documents as exhibits:

- | | |
|---|----------------|
| 1. Pipeline Damage Investigation Report for Incident 31976 | DOI, Exhibit 1 |
| 2. The Commission's final Order in Case No. 10127 | DOI, Exhibit 2 |
| 3. Items 9a and 9b of Columbia Gas of Kentucky, Inc's Response to Staff's First Request for Information in Case No. 10127 | DOI, Exhibit 3 |

Copies of these documents are attached.

Respectfully submitted,

/s/ Tina Carson Frederick

Staff Attorney

Division of Inspections

Kentucky Public Service Commission

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing was served by electronic mail this 18th day of August, 2020 to the following:

/s/ Tina Carson Frederick

Staff Attorney

Division of Inspections

Kentucky Public Service Commission

P.O. Box 615

Frankfort, Kentucky 40602

Brooke Wancheck

Asst. Counsel

Columbia Gas of Kentucky, Inc.

290 W. Nationwide Blvd.

Columbus, Ohio 43215

**Division of Inspections
Exhibit 1**

PIPELINE DAMAGE INVESTIGATION REPORT

Investigation Information

KY PSC Investigator(s) John E. Gowins	Incident ID 31976
Incident Date 8/16/2019 7:45:00 PM	Report Submitted 9/9/2019 2:36:27 PM

OPERATOR INFORMATION

Operator Columbia Gas of Kentucky, Inc.	Reported By Tim McKune
Phone (859) 361-0344	Email tmckune@nisource.com
Incident Location 50 Bellefonte Rd., Raceland Raceland, KY 41169 Greenup	Locate Ticket Number 190816398

EXCAVATOR INFORMATION

Name of Excavator Bonzo, Jim	Organization ID
Phone 606-923-1274	Email none
Excavator Address 107 Wildlife Trl Wurtland, KY 41144	Locate Ticket Number

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
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 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.

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.

Gas Excavation Damage Report

Columbia Gas of Kentucky, Inc.

Submitted 9/9/2019 Incident ID: 31976

[Set back to Edit](#)

[Staff Edit](#)

[Print \(PDFForm.aspx?Rpt=GasInvestigation&IG=31976\)](#)

Reported By:

Name: Tim McKune
 Phone: (859) 361-0344
 Email: tmckune@nisource.com

Gas Line Incident Occured:

Date: 8/16/2019
 Time: 7:45 PM

Details:

Reported Date: 9/9/2019 2:36 PM

Incident Location Address:

Location:
 Address: 50 Bellefonte Rd., Raceland
 City: Raceland
 State: KY
 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: Y
Excavation Damage: Other

Description of Incident Bonzo Excavating dug into a plastic one inch natural gas service line with mechanized equipment.

Summary Information

9/9/2019

Full details such as the cause 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.

Extent of the damage A plastic one inch service line was dug into, and the damaged section was replaced.

Cost of the damage \$447.00

Steps taken to prevent re-occurrence CKY updated the service line record with new measurements, and verified that the locate wire installed with the service line properly toned out the facility.

Amount billed to excavator \$447.00

EMERGENCY SEE REMARKS

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

Gowins, John E (PSC)

From: rmtwait@nisource.com
Sent: Thursday, April 30, 2020 7:52 AM
To: Gowins, John E (PSC)
Subject: 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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From: "Gowins, John E (PSC)" <john.gowins@ky.gov>
To: "rmtwait@nisource.com" <rmtwait@nisource.com>,
Date: 04/29/2020 11:09 AM
Subject: FW: Incident # 31975

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

**Division of Inspections
Exhibit 2**

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF COLUMBIA GAS OF KENTUCKY)	
INC., FOR AN ORDER AUTHORIZING IT TO)	
AMEND ITS TARIFF AND FOR AUTHORITY TO)	CASE NO.
DEVIATE FROM COMMISSION REGULATION 807)	10127
KAR 5:022, SECTION 9(17)(a)1, AND 807)	
KAR 5:022, SECTION 9(17)(a)2)	

O R D E R

On January 12, 1988, Columbia Gas of Kentucky, Inc. ("Columbia"), filed an application with the Commission requesting a deviation from 807 KAR 5:022, Section 9(17)(a)1 and 2. Columbia proposes authority to assume ownership of the service lines of residential and commercial customers and to take responsibility for maintenance of those lines, and also proposes authority for the omission of curb boxes and curb valves.

In response to information requests from the Commission and the discussion at the informal conference held on July 20, 1988, Columbia has revised the service cost and the impact of this program (ownership of the customer's service line) on rates.

In its application, Columbia proposes to adopt a program of the installation of the customer's service line which extends from the property line or curb valve to the meter for a potential residential or commercial customer, and thereby Columbia shall own, operate, and maintain the service line. Currently, the customer is responsible for installing the customer service line according

to 807 KAR 5:022, Section 9(17)(a)2. Columbia thereafter inspects the installation of the service line to ensure its compliance with the safety regulations.

Columbia proposes to omit the installation of the curb box and curb valve which is required by Commission Regulation 807 KAR 5:022, Section 9(17)(a)(1).

Columbia proposes to assume responsibility of operating and maintaining residential and commercial customer service lines that are currently in operation. When replacement of such a line is necessary, Columbia will replace the line and shall thereafter own, operate, and maintain the service line.

If Columbia's proposal regarding its ownership of service lines is assumed, Columbia estimates an annual addition of 794 new commercial and residential customers and a retention of 40 customers who normally switch to electric equipment to avoid the cost of repair or replacement of service lines.

Columbia estimates the cost of installation of a service line to a customer is \$500 to \$1000. Columbia estimates a cost savings of 25 percent of the above cost in addition to a reduction in the inspection cost required currently to the constructed service line if the installation is carried out by Columbia.

Columbia estimates an annual cost savings of \$16,173 for the elimination of the inspection of the curb stops and a net annual reduction of \$47,797 in operation and maintenance expenses.

By assuming ownership of the service lines, Columbia estimates an average load increase of 87,906 Mcf per year, resulting in an increase in the annual base revenues. This will recover

most of the cost of service increases related to Columbia's ownership of the service lines. The net annual revenue deficiency is estimated to be \$14,028.

Columbia estimates the annual revenue deficiency will be increased to \$41,615 if the current curb valve and curb box policy is applied according to Commission Regulation 807 KAR 5:022, Section 9(17)(a)1.

The customer is deemed to have granted Columbia an easement across his or her property for the operation and maintenance of the service line.

The customer has to pay for high pressure regulators if the customer is served from high pressure line at a pressure in excess of 60 psig.

Columbia may charge for service line footage in excess of 100 feet; however, this charge may be waived by Columbia in circumstances when there is sufficient economic justification and shall apply to all customers found to have similar service conditions.

The Commission, having reviewed the evidence of record and being advised, is of the opinion and finds that:

1. A safety benefit will result from this program under which Columbia installs, owns, operates, and maintains customer service lines by professional people.

2. Columbia should be authorized to deviate from Commission Regulation 807 KAR 5:022, Section 9(17)(a)2, and assume the responsibility of:

- a. Installing customer service lines (at no cost to the customer) that extend from the property line or curb box to

the meter for a new residential or commercial customer and thereby will own, operate, and maintain the service line.

b. Operating and maintaining existing customer service lines. When the service line needs replacing, Columbia shall replace the line at no cost to the customer and shall thereafter own, operate, and maintain the service line.

3. Columbia should be denied a deviation from Commission Regulation 807 KAR 5:022, Section 9(17)(a)1, and ordered to provide the curb box and curb valve as deemed necessary according to Commission Regulation 807 KAR 5:022, Section 9(17)(a)1, because of overriding safety considerations such as accessibility to the valve.

IT IS THEREFORE ORDERED that:

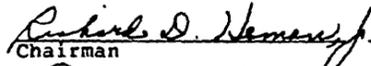
1. Columbia be and it hereby is granted a deviation from 807 KAR 5:022, Section 9(17)(a)2, and is authorized to install customer service lines at no cost to the customer on and after the date of this Order; and thereafter Columbia will own, operate, and maintain the customer service line. For service lines in excess of 100 feet, Columbia shall charge the customer for additional cost except in circumstances where there is sufficient economic justification and shall apply to all customers found to have similar service conditions.

2. Columbia shall operate and maintain existing service lines at no cost to its customers on and after the date of this Order. When a customer's service line is to be replaced, Columbia shall install a new service line at no cost to the customer and thereafter will own, operate, and maintain the service line.

3. Columbia shall install the curb box and curb valve in accordance with 807 KAR 5:022, Section 9(17)(a)1.

Done at Frankfort, Kentucky, this 10th day of November, 1988.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:

Executive Director

**Division of Inspections
Exhibit 3**

Case No. 10127
Staff Data Request No. 9(a)
Respondent: L. K. Lucas

9. With reference to Paragraph II of Columbia's Service Line Proposal, (Attachment I of Application), provide the following information:

A. Upon implementation of the plan, state whether there will be any differences in operation and maintenance services provided to new customers versus operation and maintenance services provided to customers currently connected to the system. If yes, explain these differences.

Response:

There will be no differences.

Case No. 10127
Staff Data Request No. 9(b)
Respondent: L. R. Lucas

9. With reference to Paragraph II of Columbia's Service Line Proposal, (Attachment I of Application), provide the following information:

b. Upon implementation of the plan, state whether there would be any differences in the services provided by Columbia for lines that it will own versus those service lines it will not own. If yes, explain these differences.

Response:

There will be no differences.

*Brooke Wancheck
Asst. Counsel
Columbia Gas of Kentucky, Inc.
2001 Mercer Road
P. O. Box 14241
Lexington, KY 40512-4241

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