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**Case Management System - KY Public Service Commission***Regular Cases Before the Commission as of April 26, 2024***2017-00053**

RECEIVED: 02/06/17

FILED: 02/06/17

FINAL: 01/10/23

REOPENED:

SUSPENSION DATE:

CASE NATURE: Alleged Failure to Comply with KRS 278.495 and 49 C.F.R. Part 192

**CASE CODE**

Investigation - Service

**UTILITIES:**

City of Liberty Gas Company

**HEARINGS:**

04/05/17 Formal Hearing  
 03/29/17 Formal Hearing  
 03/29/17 Formal Hearing

**INDEX OF EVENTS:**

01/10/23 Order Entered: 1. The \$50,000 suspended civil penalty assessed in the June 13, 2017 Order is waived. 2. Liberty shall conduct leakage surveys at the period established in 49 C.F.R. Section 192.723. 3. Commission Inspections Staff shall develop an inspection cycle for Liberty based upon a risk ranking matrix followed by Commission Inspections Staff. 4. This case is closed and removed from the Commission's docket.

09/02/22 City of Liberty Gas Company Leakage Survey Report  
 07/05/22 City of Liberty Gas Company Leakage Survey Report  
 08/16/21 City of Liberty Gas Company Leakage Survey Report  
 08/21/20 City of Liberty Gas Company Leakage Survey Report  
 07/02/20 City of Liberty Gas Company Leakage Survey Report  
 11/18/19 City of Liberty Gas Company Leakage Survey Report  
 08/30/19 City of Liberty Gas Company Leakage Survey Report  
 03/06/19 City of Liberty Gas Company Repair Report  
 02/08/19 City of Liberty Gas Company Repair Report  
 08/30/18 City of Liberty Gas Company Leakage Survey Report  
 03/12/18 City of Liberty Gas Company Updated Leakage Repair Report  
 02/26/18 City of Liberty Gas Company Leakage Repair Report  
 02/20/18 City of Liberty Gas Leakage Survey  
 10/16/17 City of Liberty Gas Leakage Survey  
 09/22/17 City of Liberty Repair Report, Policy and Agreement  
 07/12/17 Order Entered: 1. Ordering paragraph 5 of the Commission's June 13, 2017 Order is amended to state as follows: Liberty shall submit to the Commission a copy of a written report for each completed leakage survey within 15 days of Liberty's receipt of the written report. 2. All other provisions of the June 13, 2017 Order that are not in conflict with the terms of this Order shall remain in full force and effect.

07/10/17 Receipt of Payment  
 06/28/17 City of Liberty Motion to Correct Order  
 06/13/17 Final Order Entered: 1. Liberty is assessed a penalty of \$60,000 for violation of 49 C.F.R. Section 192.723(b)(1), 49 C.F.R. Section 192.723(b)(2), and 49 C.F.R. Section 192.605(a) for failure to perform required periodic leakage surveys. 2. Liberty shall pay \$10,000 of the \$60,000 assessed civil penalty within 30 days of the date of this Order by cashier's check or money order payable to the Kentucky State Treasurer, & mailed or delivered to the Office of the General Counsel, Kentucky Public Service Commission, 211 Sower Boulevard, Post Office Box 615, Frankfort, Kentucky 40602. The remaining \$50,000 of the civil penalty shall be suspended on the condition that Liberty complies with the terms of this Order & provides all documentation within the timeframe allowed. The \$50,000 suspended penalty shall be suspended until January 1, 2023, unless otherwise ordered by the Commission. 3. Liberty shall conduct annual leakage surveys both within & outside its business district for the next six years, until December 31, 2022. Pending review and evaluation of the leakage survey reports, the Commission may allow Liberty to return to performing leakage surveys according to regulations. 4. Each leakage survey shall include, at a minimum, the following information: (a) location (address) of each leak discovered; (b) grade of each leak discovered; & (c) repair schedule for each leak discovered.

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04/07/17 City of Liberty Response to Post-Hearing Data Request

04/04/17 Notice of Filing Hearing Documents

03/31/17 Commission Staff's Post-Hearing Data Request for Information to City of Liberty

03/30/17 City of Liberty Notice of Contact Information

03/22/17 City of Liberty Gas Co. List of Anticipated Witnesses

03/21/17 Order Entered: 1. Liberty's motion to reschedule the hearing is granted. 2. The formal hearing scheduled for April 5, 2017, is rescheduled to March 29, 2017, at 2:00p.m. Eastern Daylight Time, in Hearing Room 1 of the Commission's offices at 211 Sower Boulevard, Frankfort, Kentucky. 3. Ordering paragraph 5 of the Order entered on March 9, 2017, is amended to reflect that on or before March 22, 2017, Liberty shall tender a list of exhibits that it intends to offer at the March 29, 2017 hearing in this matter. 4. Ordering paragraph 6 of the Order entered on March 9, 2017, is amended to reflect that on or before March 22, 2017, Liberty shall tender a list of witnesses and a summary of each witness's expected testimony that will be presented at the March 29, 2017 hearing in this matter. 5. All other provisions of the Commission's March 9, 2017 Order shall remain in full force and effect.

03/17/17 City of Liberty Gas Co. Response to Request for Information

03/16/17 City of Liberty Response to Order Dated March 9, 2017

03/13/17 City of Liberty Motion to Reschedule Hearing

03/10/17 Commission Staff's First Request for Information to City of Liberty

03/09/17 Order Entered: 1. Liberty's motion to schedule an informal conference is denied and its motion to continue hearing is granted. 2. The formal hearing scheduled for March 29, 2017, is rescheduled to April 5, 2017, at 9:00 a.m. Eastern Daylight Time, in Hearing Room 1 of the Commission's offices at 211 Sower Boulevard, Frankfort, Kentucky. 3. Ordering paragraph 2 of the Order entered on February 6, 2017, is amended to reflect that Liberty shall appear at a hearing on April 5, 2017, for the purpose of presenting evidence concerning the alleged violations of 49 C.F.R. Section 192.723(b)(1), 49 C.F.R. Section 192.723(b)(2), 49 C.F.R. Section 192.605(a), 49 C.F.R. Section 192.603(b) and 807 KAR 5:022. 4. All other provisions of the Commission's February 6, 2017 Order shall remain in full force and effect. 5. Ordering paragraph 4 of the Order entered on February 28, 2017, is amended to reflect that on or before March 27, 2017, Liberty shall tender a list of exhibits that it intends to offer at the April 5, 2017 hearing in this matter. 6. Ordering paragraph 5 of the Order entered on February 28, 2017, is amended to reflect that on or before March 27, 2017, Liberty shall tender a list of witnesses and a summary of each witness's expected testimony that will be presented at the April 5, 2017 hearing in this matter.

03/08/17 City of Liberty Response

03/08/17 City of Liberty Motion to Schedule IC and Continue Hearing

02/28/17 Order Entered: 1. Liberty Gas shall submit to the Commission a written response to the allegations contained in the February 6, 2017 Order within seven days of the date of this Order. 2. The City of Liberty is made a party to this case. 3. The City of Liberty shall submit to the Commission a written response to the allegations contained in the February 6, 2017 Order. 4. On or before March 20, 2017, Liberty Gas and the City of Liberty shall individually or jointly tender a list of exhibits that they intend to offer at the March 29, 2017 hearing in this matter. 5. On or before March 20, 2017, Liberty Gas and the City of Liberty shall individually or jointly tender a list of witnesses and a summary of each witness's expected testimony that will be presented at the March 29, 2017 hearing in this matter. 6. Liberty Gas and the City of Liberty shall pre-mark all exhibits prior to the March 29, 2017 hearing with their respective names and the exhibit number.

02/06/17 Order Entered: 1. Liberty Gas shall submit to the Commission a written response to the allegations contained in the Staff Report within 20 days of the date of this Order. 2. Liberty Gas shall appear on March 29, 2017, at 2:00p.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 violations of 49 C.F.R. Section 192.723(b)(1), 49 C.F.R. Section 192.723(b)(2), and 49 C.F.R. Section 192.605(a), and showing cause why it should not be subject to the penalties prescribed in KRS 278.992(1) for these alleged violations. 3. The March 29, 2017 hearing shall be recorded by videotape only. 4. At the scheduled hearing in this matter, Liberty Gas shall also present evidence on the adequacy, safety, and reasonableness of its practices related to conducting periodic leakage surveys of its gas distribution system as they relate to the facts of this case and whether such practices require revision as related to this incident.