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## NEWS RELEASE

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### **PSC Alleges Violations in Waddy Water Tank Collapse** *US 60 Water District Was Warned About Corrosion Problems*

**FRANKFORT, Ky. (April 2, 2015)** – A Kentucky Public Service Commission (PSC) investigation into the collapse last August of a water tank in Waddy has led to allegations that that U.S. 60 Water District failed to heed warnings that the structure had corrosion problems.

In an order issued today, the PSC opened a proceeding to determine whether U.S. 60 Water District violated three regulations – two regarding inspection and maintenance of facilities and the third related to timely reporting of serious accidents.

The 177,000-gallon water tank collapsed at about 5:30 p.m. on Sat., Aug. 9, 2014. There were no injuries, but the resulting flood of water destroyed an outbuilding at the Waddy Baptist Church and damaged several other buildings, including the church itself.

Today's order, known as a show-cause, opens a formal proceeding and directs U.S. 60 Water District to respond in writing to the allegations.

In the order, the PSC noted that a 2011 inspection of the tank's interior, using a remotely controlled video camera detected "fairly aggressive" corrosion inside the structure. The inspection was performed by Liquid Engineering Corp., a contractor hired by U.S. 60 Water District.

The tank was a glass-lined cylinder known as a stand pipe. It was made of steel panels that were bolted together.

An analysis of the collapse found that the tank split along the bolted seams near its base. The top portion of the tank separated, falling off the base and away from the nearby buildings. The tank was full at the time of the collapse.

The PSC review also alleges that U.S. 60 Water District did not notify the commission as required. PSC staff learned of the collapse from news reports.

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When U.S. 60 Water filed its written report on the collapse, the utility acknowledged the 2011 inspection, but said it “did not indicate any significant issues that indicated this type of problem.”

U.S. 60 Water District has 20 days in which to respond to today’s order.

A hearing in the case has been scheduled for June 30, 2015.

Today’s order and documents in the case are available on the PSC website, [psc.ky.gov](http://psc.ky.gov). The documents include the video inspection recording. The case number is 2015-00037.

The PSC is an independent agency attached for administrative purposes to the Energy and Environment Cabinet. It regulates more than 1,500 gas, water, sewer, electric and telecommunication utilities operating in Kentucky and has approximately 85 employees.

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