



Matthew G. Bevin
Governor

Charles G. Snavely
Secretary
Energy and Environment Cabinet

Commonwealth of Kentucky
Public Service Commission
211 Sower Blvd.
P.O. Box 615
Frankfort, Kentucky 40602-0615
Telephone: (502) 564-3940
Fax: (502) 564-3460
psc.ky.gov

Michael J. Schmitt
Chairman

Robert Cicero
Vice Chairman

Talina R. Mathews
Commissioner

NEWS RELEASE

Contact: Andrew Melnykovich
502-782-2564 or 502-564-3940
502-330-5981 (cell)
Andrew.Melnykovich@ky.gov

Changes Coming to Kentucky's Call-Before-You-Dig Law *PSC to investigate and enforce when natural gas and hazardous liquid pipelines are damaged by excavators who did not call to have lines marked*

FRANKFORT, Ky. (May 18, 2018) – Beginning July 14, the Kentucky Public Service Commission (PSC) will investigate excavation damage to natural gas or hazardous liquid lines to determine whether it was caused by violations of Kentucky's call-before-you-dig law.

Under a change to the law that takes effect July 14, the PSC will be able to impose financial penalties if violations are uncovered.

PSC Chairman Michael Schmitt said that the stepped-up enforcement of the call-before-you-dig statutes and regulations reflects a greater emphasis nationally and at the state level on pipeline safety.

"This new law brings Kentucky into line with federal standards, which the PSC enforces under an agreement with the US Department of Transportation," he said. "More importantly, it is an effort to significantly improve public safety by reducing the unacceptably high number of dangerous dig-in incidents involving natural gas pipelines."

Like every other state, Kentucky has a statewide 811 service that, by law, must be called at least two working days prior to beginning excavation. This advance notification is intended to allow ample time for utility lines to be located and marked so that excavation can proceed safely. Natural gas providers and hazardous liquid pipeline operators are required to provide the location of their lines to the 811 center.

The new law (Senate Bill 104), enacted by the Kentucky General Assembly and signed by Governor Matt Bevin, gives the PSC the authority to enforce existing provisions in Kentucky statutes that are intended to protect natural gas and hazardous liquids pipelines. The PSC will investigate incidents of damage to pipelines to determine whether a location request to 811 was made in a timely manner, whether the pipeline was located accurately and properly, and whether the excavation was conducted safely.

Excavators, including homeowners, could be penalized for not calling 811, ignoring location markers or using improper excavation methods. Operators could be penalized for not responding to requests to locate lines or for improperly or inaccurately locating or marking underground facilities.

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Penalties are up to \$1,250 for a first violation, \$2,000 for a second violation, and \$4,000 for subsequent violations.

“Not every incident in which a gas line is hit will result in a violation being issued and a penalty assessed, especially if 811 has been called,” said John Lyons, director of the PSC division of Inspections, which will investigate incidents. “However, a failure to call 811 will trigger an enforcement action.”

About 240 entities operate natural gas or hazardous liquid pipelines in Kentucky. They include local gas distribution companies fully regulated by the PSC and municipal natural gas providers and other entities such as housing authorities that are regulated by the PSC for safety only.

In 2017, there were more than 1,200 incidents in Kentucky in which a gas line was damaged during an excavation. A PSC review of a sampling of the damage reports indicates that:

- Contractors and other professional excavators were responsible for 85 percent of the incidents, with water and sewer line repairs, building construction, swimming pool installation, and irrigation system installation among the most common causes.
- Homeowners accounted for the remaining 15 percent of incidents. The most common causes were installation of mailboxes or fencing, landscaping work, and water or sewer line repairs.
- Causes of damage included a failure to call 811, improper location by the operator of the pipeline, or careless excavation.

PSC Executive Director Gwen R. Pinson said the PSC has begun making organizational changes in order to fulfill its new responsibilities to investigate and enforce the requirement to call 811 prior to beginning an excavation. The PSC also has launched an extensive public outreach effort, she said.

“We will be meeting with key stakeholder groups, including natural gas providers and the construction industry, to make sure that everyone understands the changes to the law,” Pinson explained. “The PSC also will require natural gas distribution companies to communicate with their customers about these changes.”

The PSC is an independent agency attached for administrative purposes to the Energy and Environment Cabinet. It regulates more than 1,100 gas, water, sewer, electric and telecommunication utilities operating in Kentucky.

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