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NEWS RELEASE

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PSC Investigates Nearly 1,000 Damages to Gas Pipelines in Last 12 Months

Agency using enforcement and education in effort to reduce incidents

FRANKFORT, Ky. (July 19, 2019) – A year after taking over enforcement of the state’s call-before-you-dig statute as it relates to natural gas or hazardous liquid lines, the Kentucky Public Service Commission (PSC) has issued more than 400 citations for violations of the law.

The PSC assumed responsibility for enforcing the law on July 14, 2018. Since then, the PSC has received nearly 1,000 reports of excavation-caused damage to natural gas lines in Kentucky.

“This level of excavation damage to natural gas lines is unacceptable and poses a significant threat to public safety,” PSC Chairman Michael Schmitt said. “The PSC hopes that consistent enforcement, combined with a comprehensive effort at educating stakeholders and the public, will start reducing the number of dig-in incidents in Kentucky.”

Last year’s changes to the underground facility protection statute require operators of natural gas lines to file reports with the PSC on all incidents of excavation damage. The PSC then evaluates the reports, conducts any needed additional investigation, and assesses financial penalties if violations are uncovered.

Of the 966 gas line damage reports filed with the PSC through June 29, 557 have been reviewed and closed, with 146 requiring no further action and penalties imposed in 411 cases. The other incidents remain under review.

About 44 percent of the violations thus far involve contractors who either failed to call 811 to have gas lines located or didn’t follow the statutory requirements for excavation near gas lines; 42 percent involve natural gas operators who did not locate lines accurately or properly; 8 percent involve people doing excavation on their own property and either not calling 811 or not following proper excavation practices; the remaining 6 percent involve a variety of entities.

Jefferson County has had the most damage reports, with 236, followed by Fayette County with 80 and Daviess County with 49. Damage reports have been received from 87 of Kentucky’s 120 counties.

PSC Executive Director Gwen R. Pinson explained that all penalties collected are being used to fund expanded outreach, training and education efforts aimed at excavators, pipeline operators, municipal utilities and the public.

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“This is a statewide problem that requires a statewide effort to inform and educate not just utilities and excavation contractors, but also the general public,” Pinson said.

Members of the PSC staff have made presentations at 40 meetings with various stakeholder groups, interacting face-to-face with nearly 1,800 people. Further training and public outreach activities are being planned, Pinson said.

The changes to the law were made to bring Kentucky into line with federal pipeline safety standards, which the PSC enforces under an agreement with the US Department of Transportation.

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.

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.

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.

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

John Lyons, PSC deputy executive director, noted that the PSC has been reducing penalties for first-time violators who attend a two-hour training session at the PSC. About 120 people in total have attended the first three training sessions, he said. The sessions are held every three months.

“We are planning to expand our training efforts beyond the considerable stakeholder outreach that we have done thus far,” Lyons said. “Although enforcement is important, we would prefer to be able to focus on education and prevention.”

Lyons urged any group or organization that wants to learn more about the state underground facilities protection law or the PSC’s role in natural gas safety to contact the PSC. Agency staff are available to make presentations to interested stakeholders, he said.

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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