

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

FAILURE OF SALYERSVILLE GAS)
COMPANY TO COMPLY WITH THE) CASE NO. 9695
COMMISSION'S REGULATIONS)

O R D E R

On January 12, 1987, the Commission issued an Order which required Salyersville Gas Company ("Salyersville") to submit certain information within 20 days, additional information within 30 days, and to remit a fine in the amount of \$2500 within 30 days. This action was necessary due to Salyersville's persistent disregard of the Commission's regulations. During the hearing on October 22, 1986, Salyersville admitted that records have not been kept as prescribed by 807 KAR 5:022, the Commission's gas safety regulations, deficiencies for which Salyersville has been cited previously.

On February 9, 1987, Salyersville filed a motion requesting an extension of time to comply with the Order issued on January 12, 1987. The Commission granted the motion, requiring the information to be filed no later than March 2, 1987. Salyersville filed information on March 2, 1987, and requested that a conference be scheduled to discuss its problems. The Commission staff reviewed the information and found it to comply with the regulations. However, the Operating and Maintenance Plan and copy of a

completed map of the system were not filed, Salyersville stating that "these will be coming soon." As of the date of this Order, the Commission has not received this information.

Regarding the \$2500 fine, no mention was made in Salyersville's motion for an extension of time nor in its subsequent filing of information. However, the Commission has received correspondence from counsel for Salyersville on January 22, 1987, and February 4, 1987. In each instance counsel states that payment of the fine would work a hardship on Salyersville. The Order issued by the Commission on January 12, 1987, found that a fine should be levied against Salyersville in the amount of \$5000, with \$2500 to be remitted within 30 days and assessment of the remaining \$2500 contingent upon Salyersville's compliance with the Order. As of the date of this Order, the Commission has not received the initial \$2500 of the fine.

On the matter of the conference requested by Salyersville, the Commission concludes that a motion may be filed by Salyersville to request a conference if it feels such will be beneficial. If such a motion is filed, Salyersville should specifically state the issues it wishes to discuss. However, the Commission advises Salyersville that the scope of such a conference will be limited to issues of compliance with the Commission's regulations. The fine will stand as assessed.

After reviewing the record and being advised, the Commission is of the opinion and hereby finds that:

1. On January 12, 1987, an Order was issued which required Salyersville to submit certain information and to remit \$2500 of a

\$5000 fine for violations of the Commission's regulations. Assessment of the remaining \$2500 of the fine was contingent upon compliance with the Order.

2. Salyersville has failed to remit the \$2500 fine and provide all the information required to comply with the January 12, 1987, Order. Therefore, Salyersville will be assessed the remaining \$2500 of the \$5000 fine.

3. Salyersville should issue a check to the Commission in the amount of \$5000 payable to the State Treasurer and submit its revised Operating and Maintenance Plan and a copy of the completed map of the system.

4. Salyersville should file a motion if it wishes a conference to discuss the issues herein, but the scope of such a conference will not include assessment of the fine or its amount.

IT IS THEREFORE ORDERED that:

1. Within 15 days of the date of this Order, Salyersville shall file with the Commission a revised Operating and Maintenance Plan and a copy of the completed map of the system.

2. Within 15 days of the date of this Order, Salyersville shall remit to the Commission the sum of \$5000 for its failure to comply with the Commission's regulations.

3. The scope of any conference held between Salyersville and the Commission, or Commission's staff, shall be limited to the issues discussed herein but shall not include assessment of the fine or its amount.

Done at Frankfort, Kentucky, this 2nd day of April, 1987.

PUBLIC SERVICE COMMISSION

Richard D. Herman
Chairman

[Signature]
Vice Chairman

[Signature]
Commissioner

ATTEST:

Executive Director