

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN INVESTIGATION TO DETERMINE COMPLIANCE)
TO 807 KAR 5:022 BY KENTUCKY OHIO GAS) CASE NO.
COMPANY REGARDING CONSTRUCTION OF A GAS) 95-023
TRANSMISSION PIPELINE)

O R D E R

In Case No. 93-144¹ the Commission granted a certificate to Kentucky Ohio Gas Company ("KOG") to construct a natural gas pipeline subject to the requirements of 807 KAR 5:022. KOG began construction in late 1993 and continues to the present date.

The Commission is concerned about the general pattern of behavior of KOG since construction of the pipeline began. Commission staff has conducted random safety inspections since construction began and has noted several violations of the safety regulation. While many of the violations to 807 KAR 5:022 discovered at the time of any inspection appear to have been corrected, the Commission notes that Staff has not been present during construction on a continuous basis. Accordingly, the Commission finds a proceeding should be opened to investigate the construction of this pipeline.

On September 27, 1994, the Boyd County Fiscal Court and the Boyd County Judge/Executive ("Complainants") filed a complaint with

¹ Case No. 93-144, The Petition of Kentucky Ohio Gas Company for Approval of a Certificate of Convenience and Necessity to Construct Pipeline Facilities, Approval of Financing and Approval of Special Contract.

this Commission² naming KOG as defendant. Their complaint included general allegations that KOG has installed the pipeline in violation of Commission regulations regarding construction of transmission lines and mains. On December 9, 1994, a motion for full intervention in Case No. 94-363 was filed by several individuals ("property owners"),³ through counsel, who own property in the general vicinity of and in some cases, along the proposed route of the pipeline.

IT IS THEREFORE ORDERED that:

1. This proceeding is hereby established to investigate the construction of the KOG pipeline in Boyd and Greenup counties, Kentucky.

2. Complainants in Case No. 94-363 and the property owners who requested intervention in that proceeding shall be granted intervention in this proceeding.

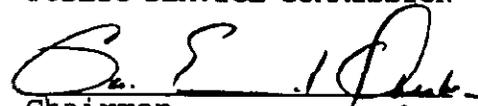
3. A hearing shall be held on February 24, 1995, at 10:00 a.m., Eastern Standard Time, in Hearing Room 1 of the Commission's offices at 730 Schenkel Lane, Frankfort, Kentucky.

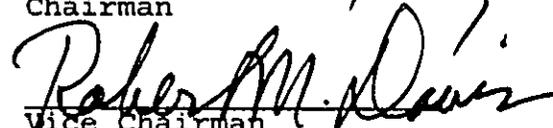
² Case No. 94-363, Boyd County Fiscal Court, Complainant, vs. Kentucky Ohio Gas Acquisition Corporation (AKA Kentucky Ohio Gas Company, Defendant.

³ The individuals are: Kathryn Taylor; Shirl Sutton; Robert A. Calhoun; Kathy Williams; Audrey Blair; Joe Bowling; Donald E. Smith; Debbi Caudill; Randy Smith; Patty Smith; J.P. Reed; Geneveve Reed; Richard Stai; and, Sharon Stai.

Done at Frankfort, Kentucky, this 19th day of January, 1995.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director