

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ALICE LLOYD COLLEGE)	
)	
_____)	CASE NO. 99-220
)	
ALLEGED VIOLATIONS OF)	
ADMINISTRATIVE REGULATION)	
807 KAR 5:022)	

O R D E R

Alice Lloyd College (Alice Lloyd) is a master meter system operator that receives natural gas from Columbia Gas of Kentucky and Columbia Transmission.

Alice Lloyd, as a master meter operator, is subject to the safety jurisdiction of the Commission, pursuant to KRS 278.495. Alice Lloyd is also subject to Commission jurisdiction under the authority of and in compliance with federal pipeline safety laws, 49 U.S.C. § 60101, *et seq.*, and the regulations of 49 CFR 189-199 and KRS 278.992(1).

Pursuant to these statutes and 49 CFR 189-199, the Commission promulgated Administrative Regulation 807 KAR 5:022. Commission Staff has submitted to the Commission a Comprehensive Inspection Report, dated April 26, 1999, in which Commission Staff alleges the following four violations:

1. No valve inspection records for the years 1996, 1997 and 1998. 807 KAR 5:022, Section 14(25) and 49 CFR Part 192.747.
2. No regulator inspection records for 1996, 1997 and 1998. 807 KAR 5:022, Section 14(21) and 49 CFR, Part 192.739.

3. No relief value inspection records for 1996, 1997 and 1998. 807 KAR 5:022, Section 14(23) and 49 CFR Part 192.743.

4. No system patrolling records for 1996, 1997 and 1998. 807 KAR 5:022, Section 14(12) and 49 CFR, Part 192.721.

On June 28, 1999, the Commission issued a show cause order to Alice Lloyd and set a date for a hearing on the matter. Pursuant to that Order Alice Lloyd filed a response and requested an informal conference with Commission Staff and said conference was held on July 13, 1999. Subsequent to that conference Alice Lloyd filed a further response on July 27, 1999 to the allegations in which it requested the matter be submitted to the Commission upon the record. This matter now stands submitted.

After reviewing the record herein, the Commission finds as follows:

1. Alice Lloyd has waived its right to a public hearing and there are no additional facts to be submitted to the Commission.

2. Alice Lloyd has violated the federal and state regulations as set out herein.

3. A civil penalty should be assessed against Alice Lloyd pursuant to KRS 278.992(1) for the violations.

4. Alice Lloyd has demonstrated mitigating circumstances for the assessment of penalties under KRS 278.922(1) for the violations.

5. Alice Lloyd has agreed to additional safety testing and surveys for odorization and leakage on an annual basis.

The Commission, having reviewed the entire record herein and having been sufficiently advised, HEREBY ORDERS that:

1. Alice Lloyd is assessed a civil penalty of \$400 for its violations of 807 KAR 5:022, Section 14(25); 807 KAR 5:022, Section 14(21); 807 KAR 5:022, Section 14(23) and 807 KAR 5:022, Section 14(12). However, that penalty is suspended and held in abeyance for three years on the following terms and conditions:

- a. If, upon a re-inspection by Commission staff in six months, there are no repeat violations.
- b. If there are no repeat violations for a period of three years.
- c. If the appropriate personnel of Alice Lloyd attend annually for three years gas safety training seminars such as those sponsored by the Kentucky Gas Association or the United States Department of Transportation/Office of Pipeline Safety.

2. Alice Lloyd shall perform weekly odorization tests and conduct annual leakage inspections both of which are more frequent than minimum Commission regulations.

Done at Frankfort, Kentucky, this 27th day of August, 1999.

By the Commission

ATTEST:

Executive Director