

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

COLUMBIA GAS OF KENTUCKY, INC.	)	
	)	
_____	)	CASE NO. 99-234
	)	
ALLEGED VIOLATION OF COMMISSION	)	
REGULATION 807 KAR 5:027, SECTION 3(1)(C)	)	

O R D E R

Columbia Gas of Kentucky, Inc. ( Columbia ) is a Kentucky corporation and is a utility pursuant to KRS 278.010(3)(b). As a natural gas utility, Columbia is subject to Commission jurisdiction, pursuant to KRS 278.040 and 278.495(2).

KRS 278.280(2) directs the Commission to prescribe rules and regulations for the performance of services by utilities. Pursuant to this statutory directive, the Commission promulgated 807 KAR 5:027, Section 3(1)(c), which requires utilities to give notice to the Commission at the earliest practicable moment or no later than two (2) hours after the incident of any occurrence that results in gas ignition.

Commission Staff has submitted to the Commission an Incident Investigation Report, dated May 20, 1999, which alleges:

1. On May 19, 1999, at approximately 6:00 p.m., Eastern Daylight Time, an employee of Columbia responded to a reported gas leak at 1414 Bryant Avenue, Lexington, Kentucky. It was discovered that this was a Grade 1 natural gas leak. While exposing the 4-inch, low-pressure steel main with a backhoe, the operator hit a

repair clamp previously installed on the main. An employee of Columbia, using an air grinder to cut a notch in a bolt, cut through the bolt, causing the clamp to release from the main and thereby releasing natural gas. The natural gas then ignited, burning the employee.

2. On May 20, 1999, approximately 15 hours after the incident, the Commission received a notice from Columbia that the incident had occurred.

3. 807 KAR 5:027, Section 3(1)(c), requires that the Commission be notified by the utility at the earliest practicable moment, but no later than two hours following the discovery of gas ignition.

Based on its review of the Incident Investigation Report, and being otherwise sufficiently advised, the Commission finds that *prima facie* evidence exists that Columbia has failed to comply with Administrative Regulation 807 KAR 5:027, Section 3(1)(c).

The Commission, on its own motion, HEREBY ORDERS that:

1. Columbia shall appear before the Commission on July 29, 1999, at 9:30 a.m., Eastern Daylight Time, in Hearing Room 1 of the Commission's offices at 730 Schenkel Lane, Frankfort, Kentucky, for the purpose of presenting evidence concerning the alleged violation of Administrative Regulation 807 KAR 5:027, Section 3(1)(c), and of showing cause why it should not be subject to the penalties prescribed in KRS 278.992(1) for this alleged violation.

2. Columbia shall submit to the Commission within 20 days of the date of this Order a written response to the allegations contained in the Incident Investigation Report.

3. The Incident Investigation Report of May 20, 1999, a copy of which is appended hereto, is made part of the record of this proceeding.

4. Any motion requesting an informal conference with Commission Staff to consider matters which would aid in the handling or disposition of this proceeding shall be filed with the Commission no later than 20 days from the date of this Order.

Done at Frankfort, Kentucky, this 14<sup>th</sup> day of June, 1999.

By the Commission

ATTEST:

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Executive Director