

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

MIKI THOMPSON AND)	
WINNIE GREER D/B/A)	
MIKE LITTLE GAS COMPANY, INC.)	
_____)	CASE NO. 99-267
)	
INVESTIGATION INTO ALLEGED VIOLATIONS)	
OF 807 KAR 5:022, SECTIONS 10(8); 10(9);)	
13(17)g; 14(12); 14(13); 14(21); 14(21)b; 14(23);)	
AND 14(25) AND 49 CFR 192.463; 192.465;)	
192.625(f); 192.721; 192.723; 192.739; 192.743;)	
AND, 192.747)	

O R D E R

Miki Thompson and Winnie Greer d/b/a Mike Little Gas Company, Inc. (MLG) consists of MLG customers, in addition to customers formerly served by Phelps and Neeley, and is a gas distribution system operating in Floyd County and Pike County, Kentucky and serving approximately 651 total customers. After the death of the owner and manager, Mike Little, the ownership and management was assumed by Miki Thompson and Winnie Greer, daughters of Mike Little. The daughters are doing business as Mike Little Gas Company, Inc. at the business address of Post Office Box 69, Melvin, Kentucky 41650. MLG, as a natural gas distribution system, is subject to the regulatory jurisdiction of the Commission pursuant to KRS 278.495, KRS 278.990, and KRS 278.992(1).

KRS 278.495(2) authorizes the Commission to regulate the safety of natural gas facilities comprising a utility used to distribute natural gas at retail. Administrative

Regulation 807 KAR 5:022 sets, *inter alia*, standards for safety in regard to a natural gas facility. In addition, the Commission enforces the minimum safety standards adopted by the United States Department of Transportation pursuant to the federal pipeline safety laws, 49 U.S.C. Section 60101, *et seq.*, and amendments thereto, pursuant to KRS 278.992(1). On April 15, 1999, Commission Staff conducted an inspection of MLG and, based upon said inspection, Commission Staff issued a Comprehensive Inspection Report (Report) on June 8, 1999. The Report details seven violations of 807 KAR 5:022 and 49 CFR 192 as follows:

1. There are no corrosion controls on the steel sections of the system. 807 KAR 5:022, Sections 10(8) and 10(9) and 49 CFR 192.463 and 192.465.
2. Odorant checks were not made weekly. 807 KAR 5:022, Section 13(17)(g) and 49 CFR 192.625(f).
3. Systems patrolling records for 1998 were not maintained. 807 KAR 5:022, Section 14(12) and 49 CFR 192.721.
4. Records for the system leak survey were not maintained. 807 KAR 5:022, Section 14(13) and 49 CFR 192.723.
5. Records for the annual regulator inspections for 1998 were not maintained. 807 KAR 5:022, Section 14(21) and 49 CFR 192.739.
6. Relief valve capacities were not checked in 1998. 807 KAR 5:022, Sections 14(21) and 14(23) and 49 CFR 192.743 and 192.739.
7. No valve inspections were conducted in 1998. 807 KAR 5:022, Section 14(25) and 49 CFR 192.747.

The Report notes that the violation cited in numerical paragraph 1 is a repeat violation.

Based upon the facts contained in the Report, the Commission finds sufficient evidence to believe that MLG has failed to comply with the above-identified provisions of 807 KAR 5:022 and 49 CFR Part 192.

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

1. MLG shall submit to the Commission within 20 days of the date of this Order a written response to the allegations contained in the Report.

2. MLG shall appear on September 22, 1999 at 10:00 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 regarding the alleged violations and of showing cause, if any, why it should not be subject to the penalties prescribed in KRS 278.990(1) and KRS 278.992(1) for the alleged violations.

3. The Comprehensive Inspection Report dated June 8, 1999, attached hereto, is made a part of the record herein.

4. Any request for an informal conference with Commission Staff to consider any matter which would expedite 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 12th day of July, 1999.

By the Commission

ATTEST:

Executive Director