

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE UNION LIGHT, HEAT AND POWER COMPANY)
)
_____) CASE NO. 2000-358
)
ALLEGED VIOLATION OF COMMISSION)
REGULATION 807 KAR 5:022, SECTION 13(9))

O R D E R

The Union Light, Heat and Power Company (“ULH&P”) is a utility pursuant to KRS 278.010(3)(b). As a natural gas utility, ULH&P is subject to Commission jurisdiction pursuant to KRS 278.040 and 278.280. Natural gas operators are also jurisdictional to the Commission under KRS 278.495 and through an agreement with the United States Department of Transportation, Office of Pipeline Safety, for the enforcement of 49 U.S.C. 60101, *et seq.*

KRS 278.280(2) directs the Commission to prescribe rules and regulations for the performance of services by utilities and to determine if the practices of any utility are improper, inadequate, or insufficient. Pursuant to this statutory directive, the Commission promulgated 807 KAR 5:022, Section 13(1), which requires utilities to establish and administer written procedures to minimize the hazard resulting from a gas pipeline emergency.

Commission Staff has submitted to the Commission an Incident Investigation Report dated July 6, 2000, appended hereto, alleging that:

1. On May 26, 2000, at approximately 1:20 a.m., the Dry Ridge Water Department (“Dry Ridge”) struck and ruptured a 2-inch plastic gas main operating at approximately 25 pounds per square inch gauge.

2. Dry Ridge had requested that ULH&P locate the line and ULH&P’s locate contractor had marked the line location with yellow paint. However, the actual location of the line was 38 inches from the mark placed on the street.

3. The Dry Ridge maintenance supervisor contacted the Grant County 911 Center (“911”) about 1:22 a.m. and 911 notified ULH&P at 1:22 a.m.

4. ULH&P’s records disclose that the 911 call was received by ULH&P’s Call Center at 1:23 a.m. and thereupon dispatched to Service Mechanic A at 1:26 a.m.

5. However, Service Mechanic A was occupied with another leak at the time and was unable to respond to the Dry Ridge incident.

6. At 2:25 a.m., the Call Center dispatched the report to Service Mechanic B, who arrived at the scene at about 3:25 a.m.

7. Upon arrival Service Mechanic B evaluated the situation and determined that he did not have the required tools or training to attempt to repair the ruptured main.

8. A supervisor was then notified that a repair crew would be needed to repair the leakage. A supervisor reached the site at approximately 5:20 a.m. and shut off the gas. A repair crew arrived at the site about 5:25 a.m. and completed the repair.

9. There was no explosion or fire, and no injury to, or evacuation of nearby residents. The Dry Ridge Volunteer Fire Department was summoned at 3:24 a.m. and remained at the scene until 5:33 a.m.

The Commission's inspection of ULH&P's Plan for Emergencies and Natural Disasters ("Plan") revealed that Section 2 defines an emergency as an actual or threatened unplanned escape of gas from the system that could reasonably be expected to become a hazard to people or property. The Plan further states on pages 2-4 that when any of the situations listed in paragraph 2-1 occur, the emergency plan will be implemented.

Section 3.2.1 of the Plan defines emergency responsibilities by area and requires the dispatch office to ascertain pertinent information regarding the emergency and, immediately upon receiving this information, to determine the seriousness of the emergency. On page 2-7 of the Plan, ¶ 1 requires dispatching a service mechanic immediately in the event of a "red emergency" and within 1 hour for a "red"; however, nowhere in the Plan are these two terms further defined.

Chapter 2, Section 2.2, of ULH&P's Emergency Response Plan lists the criteria for determining a reportable incident. Under these criteria, leaks that affect a public right-of-way (highway, railway, navigable waterway) qualify as an emergency. This is in addition to the initial report of a broken 2-inch plastic line.

Upon review of the above, ULH&P was cited for failure to follow its Emergency Procedures Plan as required by 49 CFR 192.615 and 807 KAR 5:022, Section 13(9).

Based on its review of the Incident Investigation Report and being otherwise sufficiently advised, the Commission finds *prima facie* evidence that ULH&P has failed to comply with Administrative Regulation 807 KAR 5:022, Section 13(9).

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

1. ULH&P shall appear before the Commission in Hearing Room 2 on Tuesday, October 3, 2000, at 9:30 a.m., Eastern Daylight Time, at the Commission's offices at 211 Sower Blvd., Frankfort, Kentucky, for the purpose of presenting evidence concerning an alleged violation of Administrative Regulation 807 KAR 5:022, Section 13(9), and of showing cause why it should not be subject to the penalties prescribed in KRS 278.990(1) and KRS 278.992 for this alleged violation.
2. ULH&P shall submit to the Commission, within 20 days of the date of this Order, a written response to the allegations contained in this show cause Order.
3. The Incident Investigation Report of July 6, 2000, 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 any matter 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 25th day of August, 2000.

By the Commission

ATTEST:


Executive Director