

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE UNION LIGHT, HEAT)
AND POWER COMPANY)
_____)
ALLEGED VIOLATION)
OF KRS 278.992(1))

CASE NO. 2002-00303

O R D E R

The Union Light, Heat and Power Company, Inc. (ULH&P) is a utility pursuant to KRS 278.010(3)(b) and subject to Commission jurisdiction pursuant to KRS 278.040. ULH&P 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.*; the regulations of 49 CFR 189-199, pursuant to KRS 278.495; and the penalty provisions contained in KRS 278.992.

KRS 278.280(2) directs the Commission to prescribe rules and regulations for the performance of services by utilities.

On June 6, 2002, the Gas Branch of the Commission s Staff was notified of a possible gas-related fire and explosion at the Glenn O. Swing Elementary School, 515 West 19th Street, Covington, Kentucky. David B. Kinman, Gas Utility Investigator of the Commission, arrived at the site about 11:00 a.m., at which time he observed that portions of the school were on fire. Structural damage to a portion of the building was evident.

The Covington Fire Department was on site with numerous firefighting apparatus and would not allow Mr. Kinman access to the meter area at that time. He learned that two ULH&P employees, Lee Williams and Terry Wordlow, had been working on the natural gas meter at the time of the explosion and had been taken to the University of Cincinnati (UC) Hospital for treatment of burns. There were several school maintenance employees in the building at the time of the explosion and fire who were unharmed. No children or teachers were present. Access to the building was allowed at about 2:30 p.m. Upon inspection of the meter location in the boiler room, it was evident that an explosion had occurred. Concrete block interior walls had been knocked down or moved by an explosive force. The fire had been largely confined to the ceiling area. Extensive smoke, fire, and water damage was apparent throughout the boiler room area and adjacent cafeteria.

The two ULH&P employees had arrived at the school about 7:00 a.m. and had notified maintenance personnel that they were there to perform an annual meter test of the gas meter as required by 807 KAR 5:022, Section 8(5)3. While attempting to establish a bypass line around the meter to maintain service to the school, the ULH&P employees discovered a defective wing cock. The ULH&P employees attempted to change this defective valve under pressure without turning off the gas at the curb valve. At the time of the incident, the gas main was operating at 11 pounds per square inch gauge. The ULH&P employees encountered difficulty installing the new valve, and gas escaped into the building. Apparently, the escaping gas reached an explosive level, was ignited, and resulted in an explosion and fire. Photographs taken by ULH&P after the incident show a plug or other fitting missing from a three-way tee after the pipe enters the wall and before

the regulator. Natural gas flowing under pressure from this open tee apparently was the cause of the incident.

Commission Staff has submitted to the Commission an Incident Investigation Report dated July 9, 2002, appended hereto, alleging that:

1. A violation of 49 CFR Part 192.751(a) occurred when a hazardous amount of gas was vented to the atmosphere without a fire extinguisher present.

2. A violation of 49 CFR Part 192.13(c) occurred when each operator failed to maintain, modify as appropriate, and follow the plans, procedures and programs established under this part. The utility's established standards involved herein are GD60.625, GD60.658 and GD45.45.840.1. The employees involved in this incident did not follow the utility's standards and practices for this activity.

Based on its review of the Incident Investigation Report and being otherwise sufficiently advised, the Commission finds *prima facie* evidence that ULH&P failed to comply with 49 CFR Part 192.751(a) and 49 CFR Part 192.13(c).

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

1. ULH&P shall appear before the Commission on November 4, 2002 at 1:30 p.m., Eastern Standard Time, in Hearing Room 1 of the Commission's offices at 211 Sower Boulevard, Frankfort, Kentucky for the purpose of presenting evidence concerning the alleged violation of 49 CFR Part 192.751(a) and 49 CFR Part 192.13(c), and of showing cause why it should not be subject to the penalties prescribed in KRS 278.992(1) for these alleged violations. According to Kentucky law, corporations are required to be represented by an attorney authorized to practice in the Commonwealth of Kentucky in appearances before the Commission.

2. Neither opening statements nor witnesses summaries of pre-filed direct testimony will be permitted.

3. Any motion for continuance of a hearing set by the Commission shall be made only for good cause and sufficiently in advance of the hearing date to allow time for the Commission to rule upon the motion.

4. Within 20 days of the date of this Order, ULH&P shall submit to the Commission a written response to the allegations contained in the Incident Investigation Report.

5. The Incident Investigation Report of July 9, 2002, a copy of which is appended hereto, is made part of the record of this proceeding.

6. 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 29th day of August, 2002.

By the Commission

ATTEST:


Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE
KENTUCKY PUBLIC SERVICE COMMISSION

IN CASE NO. 2002-00303

DATED August 29, 2002

COMMONWEALTH OF KENTUCKY
PUBLIC SERVICE COMMISSION

INCIDENT INSPECTION REPORT

THE UNION LIGHT, HEAT AND POWER COMPANY
COVINGTON, KENTUCKY

July 9, 2002

BRIEF

Mr. David B. Kinman conducted an incident investigation of the natural gas facilities of the Union Light Heat, and Power Company (ULH&P) on June 6-7, 2002 in Covington, Kentucky. This inspection was conducted in accordance with the Public Service Commission's (PSC) policy of inspecting all jurisdictional operators. Natural gas operators are jurisdictional to the PSC under KRS 278.040, 278.495, 278.992 and also through a 5(a) Agreement with the United States Department of Transportation, Office of Pipeline Safety, for the enforcement of the federal pipeline safety laws, 49 U.S.C. § 60101 et seq. and regulations promulgated thereunder.

INVESTIGATION

An incident investigation was conducted on June 6-7, 2002. At approximately 8:30 A.M. on June 6, 2002, the PSC Gas Branch was notified of a possible gas related fire and explosion at the Glenn O. Swing Elementary School, 515 W. 19th. Street, Covington, Kentucky. Mr. Kinman was in the Louisville, Kentucky area when notified of this event and asked to return to the northern Kentucky area by Gas Branch Manager, Eddie B. Smith.

Upon arrival at the site at about 11:00 A.M. it was observed that portions of the school were still on fire and structural damage to a portion of the building was evident. The Covington Fire Department was on site with numerous firefighting apparatus and would not allow access to the meter area. It was learned that two ULH&P employees, Lee Williams and Terry Wordlow, had been working on the natural gas meter at the time of the explosion and had been taken to

The University of Cincinnati (UC) Hospital for treatment of burns. There were several school maintenance employees in the building at the time who were unharmed by the explosion and fire. No children or teachers were present.

Access to the building was allowed at about 2:30 P.M. by the fire department. Upon visiting the meter location in the boiler room it was evident that an explosion had occurred. Concrete block interior walls had been knocked down or moved by an explosive force, the fire had largely confined to the ceiling area, extensive smoke, fire and water damage was apparent through the boiler room area and adjacent cafeteria.

It was learned that the two ULH&P employees had arrived at the school about 7:00 A.M. and notified maintenance personnel that they were there to perform an annual meter test of the gas meter. This test is required by 807 KAR 5:022, Section 8(5)3, which states that positive displacement meters above 1,500 cubic feet per hour be tested for accuracy at least annually.

Detective Richard Webster of the Covington Police Department and Deputy State Fire Marshall Ken Johnson interviewed the injured ULH&P employees at UC Hospital. The interview states that both men were alert and oriented. ULH&P employee Wordlow stated that while attempting to establish a bypass line around the meter, in order to maintain service to the school, a defective wing cock was discovered. The ULH&P employees attempted to change this defective valve under pressure without turning off the gas at the curb valve. At the time of the incident the gas main was operating at 11 pounds per square inch gauge. The ULH&P employees encountered difficulty installing the new valve and gas escaped into the building. Apparently, the escaping gas reached an explosive level and was ignited, resulting in an explosion and fire.

Drug and alcohol tests were performed on both employees after the incident and all tests

were returned negative. Leakage surveys conducted around the school post accident were negative, odorant tests showed an adequate level of odorant, and cathodic protection readings for the area were adequate. Photographs taken by ULH&P after the incident show a plug or other fitting missing from a three-way tee after the pipe enters the wall and prior to the regulator. Natural gas flowing under pressure from this open tee apparently was the cause of the incident.

FINDINGS AND RECOMMENDATIONS

The following deficiencies were found during the investigation:

1. A violation of 49 CFR Part 192.751(a) occurred when a hazardous amount of gas was vented to the atmosphere without a fire extinguisher present.
2. The employees involved in this incident did not follow the utility's standards and practices for this activity. The utility's standards involved are GD60.625, GD60.658 and GD45.45.840.1. This is a violation of 49 CFR 192.13(c) which states that each operator shall maintain, modify as appropriate, and follow the plans, procedures and programs it is required to establish under this part.

It is recommended that a hearing be held to allow ULH&P to show cause why it should not be penalized for allowing its employees to perform duties in an unsafe manner.

Respectfully submitted,

David B. Kinman
Gas Utility Investigator