



CITY OF DRAKESBORO

P.O. Box 129 • Mose Rager Blvd. • Drakesboro, KY 42337
270-476-8986
(888) 662-2406 (Voice/TTY): (866) 577-5762 (Español)

10/27/2025

Melissa Holbrook & KY PSC Staff
Assistant Director DOI/Gas pipeline Safety Program Manager

This letter is being written in response to the deficiencies on Drakesboro Natural Gas Company for inspection performed on August 7th, 8th, 19th, 22nd, and September 2nd, 2025.

1. 49 CFR & 192.491 (c), 192.465 (d) Correction of Corrosion Control Deficiencies

Drakesboro Natural Gas Company has spoken with USDI regarding this matter and will be taking readings again on bare pipe instead of the wire attached for locating purposes. If we find the readings to still be out of compliance, we will further work with USDI to bring readings into compliance.

2. CFR 49 Part 192.605 (a) Class 2 Leaks

Drakesboro Natural Gas Company has spoken with USDI regarding this matter and will be taking readings of gas concentration and excavating this section of roadway to make appropriate repairs. We believe that when test stations were placed inside city years ago by Martin Contracting, there could be small pits in piping. Drakesboro Natural Gas Company has plans to excavate in the next couple of weeks, weather permitted, to repair this leak, and bring back to compliance.

Drakesboro Natural Gas Company continues to make improvements to our natural gas system to keep up with compliance requirements and deliver safe natural gas to our customers.

X *Eddie Brake*

Eddie Brake, Mayor
City of Drakesboro

X *Brian Jones*

Brian Jones, Utilities Superintendent
City of Drakesboro



Andy Beshear
Governor

Rebecca W. Goodman
Secretary
Energy and Environment Cabinet

Commonwealth of Kentucky
Public Service Commission
211 Sower Blvd.
P.O. Box 615
Frankfort, Kentucky 40602-0615
Telephone: (502) 564-3940
psc.ky.gov

Angie Hatton
Chair

Mary Pat Regan
Commissioner

Andrew W. Wood
Commissioner

September 9, 2025

Mayor Eddie Brake
Drakesboro Natural Gas
PO Box 129
Drakesboro, KY 42337

Re: Periodic Regulatory Compliance Inspection
Drakesboro Natural Gas

Dear Mayor Eddie Brake:

The Kentucky Public Service Commission Division of Inspections (Commission) regulates the safety of jurisdictional natural gas facilities in the Commonwealth of Kentucky pursuant to KRS 278.495 and 49 CFR Parts 190, 191, 192 and 195. The Commission may exercise this authority in conjunction with, and pursuant to, 49 U.S.C. secs. 60101 et seq.

Commission Staff performed a Standard inspection of Drakesboro Natural Gas's System on August 7, 8, 19, 22, and September 2, 2025, reviewing utility operations and management practices pursuant to Commission regulations. Commission Staff prepared an Inspection Report dated September 2, 2025. Please find enclosed a copy of the Inspection Report. The Inspection Report cited Drakesboro Natural Gas System for two (2) violations of minimum federal pipeline safety standards:

1. 49 CFR § 192.491(c), 192.465(d); Correction of Corrosion Control Deficiencies

Staff Finding: Operator did not take corrective action to address corrosion control deficiencies. Low CP reading was not addressed on CP survey at Union Ridge site on 6/12/2023 reading -0.81, 7/9/2024 reading -0.79 & 7/2025 reading -0.76.

2. Drakesboro Natural Gas failed to follow their procedural manual, Section 13, page 4 Class 2 Leaks – These leaks should be reevaluated every 6 months and should be repaired or cleared within 12 months from the date the leak was reported.: CFR 49 Part 192.605(a).

Staff Finding: Class 2 leak on Drake & Frazier St. was not cleared as required for 6/15/2023, 7/11/2024, and 7/15/2025.

For the two (2) deficiencies listed above, Drakesboro Natural Gas System will need to provide Commission Staff with a detailed explanation regarding each deficiency. Drakesboro Natural Gas System will need to address each deficiency in the letter and

state why the deficiency occurred, what is being done to correct the deficiency, and what action is being taken to prevent the deficiency from occurring in the future.

Drakesboro Natural Gas System's response will be used by Commission Staff in determining whether a penalty will be assessed and, if so, the amount of the penalty to be assessed against Drakesboro Natural Gas System. Drakesboro Natural Gas System will have the ability to contest any proposed penalty at a hearing in front of the Commission where the Commission will make a final determination, if Drakesboro Natural Gas System so desires.

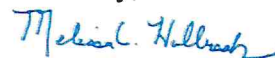
Drakesboro Natural Gas System's response regarding the deficiencies should be submitted by October 13, 2025, via email to PSCED@ky.gov.

If Drakesboro Natural Gas System does not respond by October 13, 2025, the Commission will institute an administrative proceeding against Drakesboro Gas System. The Administrative Proceeding will include a formal hearing in front of the Kentucky Public Service Commission during which Drakesboro Gas System will have an opportunity to show cause as to why Drakesboro Natural Gas System should not be subject to penalties under KRS 278.992(1) for the pipeline safety violations cited herein.

Commission Staff recommends that the Drakesboro Natural Gas System consider contracting with a qualified third party to assist with its pipeline safety compliance activities. This recommendation is based on recent observations indicating the need for enhanced support to ensure adherence to federal and state safety regulations. Engaging external expertise will help strengthen compliance efforts by Drakesboro Natural Gas System and promote public safety.

If you have any questions regarding this matter, please contact John Gallimore, Division of Inspections, at john.gallimore@ky.gov or 502-791-0237.

Sincerely,



Assistant Director DOI /
Gas Pipeline Safety Program Manager
Public Service Commission

Enclosure:
Inspection Report