COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

COLUMBIA GAS OF KENTUCKY, INC.

ALLEGED VIOLATION OF UNDERGROUND FACILITY DAMAGE PREVENTION ACT

CASE NO. 2020-00185

NOTICE OF FILING

Notice is given to all parties that the following materials have been filed into the

record of this proceeding:

- The digital video recording of the evidentiary hearing conducted on September 9, 2020 in this proceeding;

- Certification of the accuracy and correctness of the digital video recording;

- All exhibits introduced at the evidentiary hearing conducted on September 9, 2020 in this proceeding;

- A written log listing, inter alia, the date and time of where each witness' testimony begins and ends on the digital video recording of the evidentiary hearing conducted on September 9, 2020.

A copy of this Notice, the certification of the digital video record, and hearing log

have been served upon all persons listed at the end of this Notice. Parties desiring to

view the digital video recording of the hearing may do so at https://youtu.be/z03cABlpizs.

Parties wishing an annotated digital video recording may submit a written request

by electronic mail to pscfilings@ky.gov. A minimal fee will be assessed for a copy of this

recording.

Done at Frankfort, Kentucky, this 17th day of September 2020.

Kent A. Chandler Acting Executive Director Public Service Commission of Kentucky

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CERTIFICATION

I, Candace H. Sacre, hereby certify that:

1. The attached DVD contains a digital recording of the Formal Hearing conducted in the above-styled proceeding on September 9, 2020. The Formal Hearing Log and Exhibit List are included with the recording on September 9, 2020;

2. I am responsible for the preparation of the digital recording;

3. The digital recording accurately and correctly depicts the Formal Hearing of September 9, 2020; and

4. The Formal Hearing Log attached to this Certificate accurately and correctly states the events that occurred at the Formal Hearing of September 9, 2020, and the time at which each occurred.

Signed this 15th day of September, 2020.

Candace H. Sacre Administrative Specialist III

Stephanie Schweighardt Notary Public State at Large Commission Expires: January 14, 2023 ID#: 614400

Session Report - Detail

JUSTICE STOLUTIONS

2020-00185 09Sept2020

Columbia Gas of Kentucky, Inc. (Columbia Kentucky)

Date:	Туре:	Location:	Department:
9/9/2020	Show Cause Hearing	Hearing Room 1	Hearing Room 1 (HR 1)
	Cooper; John Gowins andler; Talina Mathews; Michael Sc Sacre	hmitt	
Event Time	Log Event		
9:03:18 AM	Session Started		
9:03:26 AM	Video Conference Deactivated		
9:03:27 AM	Video Conference Activated		
9:04:40 AM	Chairman Schmitt		
	Note: Sacre, Candace	Commission. My name is Mic presently serving as the mair also is Vice Chairman Kent C the third member of our Com Mathews, for one reason or a	This is the Kentucky Public Service hael Schmitt. I am Chairman and n Hearing Officer this morning. With us handler and Dr. Talina Mathews, who is nmission. In some previous cases, Dr. another, has recused herself, and, rder, she was listed as not participating, s case.
9:05:22 AM	Chairman Schmitt		
	Note: Sacre, Candace	Counsel about some procedu the microphone, background want to read, Ms.Wancheck,	t, I guess, prepared by one of our Staff and matters in terms of speaking, using noise, and so forth that I, at least, so that you and your witness will know ere is no preliminary hearing or anything occeed.
9:05:50 AM	Chairman Schmitt		
	Note: Sacre, Candace	you are not speaking. Attorn your name so the video reco	e list, it says mute your microphone if eys, when interjecting, please state rd is clear. If you use a phone for the e video, turn off the computer audio. ments.)
9:07:21 AM	Chairman Schmitt		
	Note: Sacre, Candace	we do, somehow if you got c	probably won't have any problems, but if disconnected, let us know or call in or o that nothing will happen that you
9:07:40 AM	Chairman Schmitt		
	Note: Sacre, Candace	Do you have any questions of start, or do you need to do a	or anything, Ms. Wancheck, before we nything to get ready?
9:07:45 AM	Atty Wancheck Columbia Kentuc		
9:07:48 AM	Note: Sacre, Candace Chairman Schmitt Note: Sacre, Candace	No, no questions. Thank you	
9:07:54 AM	Note: Sacre, Candace Chairman Schmitt	Okay. thank you.	
5.07.51 API	Note: Sacre, Candace		rpose of taking evidence in Case No. ation by Columbia Gas of Kentucky, cility Damage Prevention Act.

9:08:12 AM	Chairman Schmitt	
	Note: Sacre, Candace	The Public Service Commission has been authorized by KRS 367.4917(6) to enforce and assess civil penalties provided for in the Act and to seek injunctive relief for any violation that results in damage to an underground facility used to transport gas or hazardous liquid subject to the federal pipeline safety laws set out in 49 U.S. Code Section 60101, et seq.
9:08:46 AM	Chairman Schmitt	
	Note: Sacre, Candace	In this case, it is alleged that, on August 16, 2019, at aproximately 7:45 p.m., at 50 Bellefonte Road in Raceland, Greenup County, Kentucky, Bonzo Excavating, while using mechanized equipment, struck and damaged a one-inch plastic natural gas service line which was mismarked by Columbia Gas of Kentucky due to, at least in part, inaccurate records which stated that the service line was steel. While performing the locate request, the locate technician's locate signal transferred from the steel riser onto a water line that was in, I guess, according to this, proximity of the natural gas line.
9:09:42 AM	Chairman Schmitt	
	Note: Sacre, Candace	Columbia has taken the position that it is not responsible for the damage and is not, basically, liable under the Act.
9:09:56 AM	Chairman Schmitt	
	Note: Sacre, Candace	Although the original Order setting this hearing, Ms. Wancheck, stated that this was a show-cause hearing, it is not. The burden of proof is on the Division of Inspections to basically prove the violation, and so the Division of Inspections will proceed first with the taking of evidence. You'll be entitled to cross examine, and, after your cross examination, any of the Commissioners who choose to ask questions may do so.
9:10:25 AM	Chairman Schmitt	· ,
	Note: Sacre, Candace	When the Division of Inspections has completed its proof, you'll have an opportunity to present your witness, who will be subject to cross examination by Ms. Frederick and be subject to questions by Commissioners.
9:10:44 AM	Chairman Schmitt	
	Note: Sacre, Candace	After the proceeding, I will allow each of you up to five minutes if you'd like to discuss your position or make an oral statement, after which you'll have the opportunity to file a brief if you decide to do so.
9:11:01 AM	Chairman Schmitt	
	Note: Sacre, Candace	At this time, for the record, would counsel for Division of Inspections please identify herself along with the witness?
9:11:10 AM	Staff Atty Frederick PSC	
	Note: Sacre, Candace	Thank you, Your Honor, Tina Frederick for the Commission's Division of Inspections, and our witness today is Mr. John Gowins.
9:11:16 AM	Chairman Schmitt	
	Note: Sacre, Candace	Okay. Counsel for Columbia Gas of Kentucky?
9:11:25 AM	Atty Wancheck Columbia Kentu	cky
	Note: Sacre, Candace	Good morning, I am Brooke Wancheck on behalf of Columbia Gas of Kentucky, and with me today is Mr. James Cooper, who will be serving as our witness.

9:11:33 AM	Chairman Schmitt	
	Note: Sacre, Candace	Okay, thank you, Ms. Wancheck. At this time, is there anything, Ms. Wancheck, that you would like to take up or any matter that you think ought to be heard or discussed before evidence is presented? Do you have any prehearing motions or anything that you think needs to be - any objections to any of the exhibits that were, I guess, identified by Staff Counsel?
9:11:59 AM	Atty Wancheck Columbia Gas Note: Sacre, Candace	No, Mr. Chairman. Thanks.
9:12:02 AM	Chairman Schmitt	·
	Note: Sacre, Candace	Ms. Frederick, I will offer you the same opportunity. Is there anything we need to discuss prior to commencing the testimony?
9:12:08 AM	Staff Atty Frederick PSC	
	Note: Sacre, Candace	No, Mr. Chairman. Thank you.
9:12:09 AM	Chairman Schmitt	
	Note: Sacre, Candace	Okay, if not, then, Division of Inspections, Ms. Frederick, please call your first witness.
9:12:15 AM	Staff Atty Frederick PSC	
	Note: Sacre, Candace	Division of Inspections calls John Gowins.
9:12:25 AM	Chairman Schmitt	
	Note: Sacre, Candace	Witness is sworn.
9:12:36 AM	Chairman Schmitt	
	Note: Sacre, Candace	Ms. Frederick, you may ask.
9:12:37 AM	Staff Atty Frederick PSC	
	Note: Sacre, Candace	Thank you.
9:12:42 AM	Staff Atty Frederick PSC - witness	
	Note: Sacre, Candace	Direct Examination. Please state your name for the record.
9:12:47 AM	Staff Atty Frederick PSC - witness	
	Note: Sacre, Candace	And what is your current employment?
9:12:59 AM	Staff Atty Frederick PSC - witness	
	Note: Sacre, Candace	And, generally speaking, what are your job duties?
9:13:26 AM	Staff Atty Frederick PSC - witness	
	Note: Sacre, Candace	Are you familiar with an incident of damage to an underground natural gas facility that took place on August 16, 2019, at 50 Bellefonte Drive in Raceland, Kentucky?
9:13:38 AM	Staff Atty Frederick PSC - witness	Gowins
	Note: Sacre, Candace	Did you investigate this incident?
9:13:42 AM	Staff Atty Frederick PSC - witness	Gowins
	Note: Sacre, Candace	And can you identify the paper that's in front of you?
9:13:50 AM	Staff Atty Frederick PSC	
	Note: Sacre, Candace	Okay, Ms. Emmons, if you could please bring up what has been submitted as Division of Inspections Exhibit 1, Investigation Report.
9:14:03 AM	Staff Atty Frederick PSC - witness	
	Note: Sacre, Candace	Now, Mr. Gowins, if you could look at the Investigation Report as it appears on the screen -
9:14:09 AM	Staff Atty Frederick PSC	
	Note: Sacre, Candace	And if Ms. Emmons will just briefly scroll through that one page at a time -
9:14:25 AM	Staff Atty Frederick PSC - witness	
	Note: Sacre, Candace	 does this appear to be a true and accurate copy of your investigation of this incident?
9:14:31 AM	Staff Atty Frederick PSC	
	Note: Sacre, Candace	Mr. Chairman, this has previously been filed, and I'll ask that it be admitted as DOI Exhibit 1.

9:14:38 AM	Chairman Schmitt	
	Note: Sacre, Candace	Any objection, Ms. Wancheck?
9:14:41 AM	Atty Wancheck Columbia Kentuck	ky
	Note: Sacre, Candace	(Shook head negatively.)
9:14:42 AM	Chairman Schmitt	
	Note: Sacre, Candace	Let it be so filed as DOI Exhibit 1.
9:14:43 AM	PSC DIVISION OF INSPECTION E	EXHIBIT 1
	Note: Sacre, Candace	STAFF ATTY FREDERICK PSC - WITNESS GOWINS
	Note: Sacre, Candace	PIPELINE DAMAGE INVESTIGATION REPORT INCIDENT 31976
9:14:46 AM	Staff Atty Frederick PSC - witness	s Gowins
	Note: Sacre, Candace	Mr. Gowins, can you describe your investigation?
9:16:16 AM	Staff Atty Frederick PSC - witness	
	Note: Sacre, Candace	Okay, and what provision of the Underground Facility Damage Prevention Act did you determine that Columbia Gas had violated?
9:16:30 AM	Staff Atty Frederick PSC - witness	•
	Note: Sacre, Candace	Okay, and I believe that's a pretty brief statutory provision. Can you
		just read that so that we have an idea of the violation?
9:16:56 AM	Staff Atty Frederick PSC - witness	s Gowins
	Note: Sacre, Candace	Thank you, and did Columbia Gas of Kentucky, in fact, locate the
		line that was eventually struck by Bonzo Excavating?
9:17:10 AM	Staff Atty Frederick PSC - witness	
	Note: Sacre, Candace	Thank you, and what penalty, if any, was assessed?
9:17:18 AM	Staff Atty Frederick PSC - witness	
	Note: Sacre, Candace	And why was that penalty?
9:17:30 AM	Staff Atty Frederick PSC	
	Note: Sacre, Candace	Thank you. Mr. Chairman, I'll tender the witness.
9:17:34 AM	Chairman Schmitt	
	Note: Sacre, Candace	Ms. Wancheck, cross examination? You're on mute. I think you're on
9:17:48 AM	Atty Wancheck Columbia Kentuck	mute because we can't hear you.
5.17.40 AN	Note: Sacre, Candace	Thank you. I muted my phone and the computer. Can you hear me
		now?
9:17:54 AM	Chairman Schmitt	
	Note: Sacre, Candace	Yes.
9:17:58 AM	Atty Wancheck Columbia Kentuck	
	Note: Sacre, Candace	Cross Examination. Good morning, Mr. Gowins. I'm sorry. I didn't
	,	even say good morning to you. When investigating a damage, what
		impact does an emergency locate ticket have on your determination
		of ultimate responsibility?
9:18:48 AM	Atty Wancheck Columbia Kentuck	
	Note: Sacre, Candace	All right, and are you aware of when Columbia located this particular line that there was a signal bleed off from the water line?
9:19:04 AM	Atty Wancheck Columbia Kentuck	ky - witness Gowins
	Note: Sacre, Candace	Okay, and have you investigated other damages that involved a locate signal data as being a contributing factor to a mislocate?
9:19:17 AM	Atty Wancheck Columbia Kentuck	ky - witness Gowins
	Note: Sacre, Candace	Okay, and, in that instance, it's actually not an uncommon situation,
		is it?
9:19:34 AM	Atty Wancheck Columbia Kentuck	•
	Note: Sacre, Candace	In those instances, how do you determine who's at fault?
9:19:58 AM	Atty Wancheck Columbia Kentuck	•
	Note: Sacre, Candace	Have you taken any enforcement against the operator since this particular incident?

9:20:14 AM	Atty Wancheck Columbia Kentucky - witness Gowins	
	Note: Sacre, Candace	No, against another operator if there's been an instance of a signal bleed off?
9:20:35 AM	Atty Wancheck Columbia Kentuck	Σ γ
	Note: Sacre, Candace	That's all I have at this moment.
9:20:38 AM	Chairman Schmitt	
	Note: Sacre, Candace	Vice Chairman Chandler, any questions?
9:20:44 AM	Vice Chairman Chandler	
	Note: Sacre, Candace	No questions, Chairman. Thank you.
9:20:48 AM	Chairman Schmitt	
	Note: Sacre, Candace	And Dr. Mathews?
9:20:51 AM	Commissioner Mathews	
	Note: Sacre, Candace	No questions, sir.
9:20:54 AM	Chairman Schmitt - witness Gowi	ns
	Note: Sacre, Candace	Examination. Mr. Gowins, I have a question. The incident in
		question occurred, I guess, or involved a customer service line. Is
		that correct?
9:21:14 AM	Chairman Schmitt - witness Gowi	
	Note: Sacre, Candace	And is a customer service line an underground facility within the definition of the Act?
9:21:25 AM	Chairman Schmitt - witness Gowi	
	Note: Sacre, Candace	Under the terms of the Act, is there any responsibility laid on the
		shoulders of a homeowner or an owner of the service line to
9:22:06 AM	Chairman Schmitt - witness Gowi	basically provide any information in terms of location?
9.22.00 AM	Note: Sacre, Candace	Somewhere in one of the pleadings, maybe it was in one of the DOI
	Note. Sacre, Candace	exhibits and in Columbia's Response, there was a, I guess, a
		statement that the line was believed to be a steel service line. Is
		that correct?
9:22:30 AM	Chairman Schmitt - witness Gowi	ns
	Note: Sacre, Candace	But that it, in fact, was a plastic line?
9:22:34 AM	Chairman Schmitt - witness Gowi	ns
	Note: Sacre, Candace	Did that make any difference insofar as DOI's position in terms of
		damage to the line or responsibility for it or the amount of the
		assessment, penalty assessment?
9:22:57 AM	Chairman Schmitt - witness Gowi	
	Note: Sacre, Candace	Is there anything in the record that indicates how the line was
		marked at all? Now, here's the question, I guess, specifically, under
		KRS 367.4903, subsection (11), there's an (a) and a (b), "Approximate location," and subsection (a) states how, I guess, a
		line - or the parameters of line location if it's a metallic or non-
		metallic but has tracer wire, and another, subsection (b) for non-
		metallic facilities without tracer wire, correct?
9:23:42 AM	Chairman Schmitt - witness Gowi	·
	Note: Sacre, Candace	I take it that, after the damage - and I don't know if it's in the
		report, and so you may not know the answer, after the damage, it
		was determined that the line, the service line, in fact, was non-
		metallic without tracer wire. Do you know if that's accurate? I can
		ask Columbia's witness if you don't.
9:24:13 AM	Chairman Schmitt	
0.04.40.55	Note: Sacre, Candace	Thank you. I have no further questions. Ms. Frederick, any redirect?
9:24:19 AM	Staff Atty Frederick PSC	
	Note: Sacre, Candace	No, Your Honor. Thank you.

9:24:20 AM	Chairman Schmitt	
	Note: Sacre, Candace	Ms. Wancheck, anything after the questioning by Commissioners? Any additional cross?
9:24:29 AM	Chairman Schmitt	<i>,</i>
	Note: Sacre, Candace	May this witness be excused?
9:24:34 AM	Chairman Schmitt	
	Note: Sacre, Candace	Okay. Having heard no response, Mr. Gowins, you may step down, and you're excused.
9:24:38 AM	Chairman Schmitt	
	Note: Sacre, Candace	Ms. Frederick, do you have any other witness?
9:24:41 AM	Staff Atty Frederick PSC	
	Note: Sacre, Candace	No, Your Honor
9:24:44 AM	Chairman Schmitt	
	Note: Sacre, Candace	All right. Ms. Wancheck, you have a witness to present?
9:24:49 AM	Atty Wancheck Columbia Kentuck	y
	Note: Sacre, Candace	Yes, Mr. Chairman, Mr. James Cooper.
9:24:52 AM	Chairman Schmitt	
	Note: Sacre, Candace	Okay.
9:24:53 AM	Atty Wancheck Columbia Kentuck	у
	Note: Sacre, Candace	Mr. James Cooper.
9:24:55 AM	Chairman Schmitt	
	Note: Sacre, Candace	Witness is sworn.
9:25:11 AM	Chairman Schmitt	
	Note: Sacre, Candace	Ms. Wancheck, you may ask.
9:25:14 AM	Atty Wancheck Columbia Kentuck	y .
	Note: Sacre, Candace	Okay, thank you.
9:25:15 AM	Atty Wancheck Columbia Kentuck	
	Note: Sacre, Candace	Direct Examination. Mr. Cooper, can you please state your name and business address for the record?
9:25:29 AM	Atty Wancheck Columbia Kentuck	y - witness Cooper
	Note: Sacre, Candace	Can you please describe your professional background?
9:26:14 AM	Atty Wancheck Columbia Kentuck	y - witness Cooper
	Note: Sacre, Candace	And you said you are the operations center manager currently in Kentucky. What are your responsibilities as the operations center manager?
9:27:08 AM	Atty Wancheck Columbia Kentuck	
	Note: Sacre, Candace	Have you previously testified before the Kentucky Pubilc Service
		Commission?
9:27:16 AM	Atty Wancheck Columbia Kentuck	y - witness Cooper
	Note: Sacre, Candace	And have you had the opportunity to review the exhibits submitted by the Division of Inspections in this case?
9:27:25 AM	Atty Wancheck Columbia Kentuck	y - witness Cooper
	Note: Sacre, Candace	Specifically, have you had the opportunity to review what has been marked as Exhibit 1 for the Division of Inspections, which is the Pipeline Damage Investigation Report?
9:27:40 AM	Atty Wancheck Columbia Kentuck	y - witness Cooper
	Note: Sacre, Candace	I'm going to talk to you a little generally about customer-owned service lines and give the Commission some background. What is meant by customer-owned lines?
9:28:05 AM	Atty Wancheck Columbia Kentuck	y - witness Cooper
	Note: Sacre, Candace	When did Columbia begin taking ownership of the customer-owned service lines?
9:28:15 AM	Atty Wancheck Columbia Kentuck	y - witness Cooper
	Note: Sacre, Candace	Are you aware of how many customer-owned service lines still remain in Columbia's territory?

9:28:30 AM	Atty Wancheck Columbia Kentuc	ky - witness Cooper
	Note: Sacre, Candace	Does Columbia have a program or a timeframe to replace these facilities?
9:29:12 AM	Atty Wancheck Columbia Kentuc	ky
	Note: Sacre, Candace	Could we pull up Division of Inspections Exhibit 2? And if you could scroll down to page 4 -
9:29:45 AM	Atty Wancheck Columbia Kentuc	ky - witness Cooper
	Note: Sacre, Candace	Okay, Mr. Cooper, do you have a copy of that in front of you?
9:29:48 AM	Atty Wancheck Columbia Kentuc	ky - witness Cooper
	Note: Sacre, Candace	Okay. If you could look down at paragraph 2 and read the sentence in paragraph 2 on page 4 -
9:30:35 AM	Atty Wancheck Columbia Kentuc	ky - witness Cooper
	Note: Sacre, Candace	Does Columbia operate and maintain existing service lines?
9:30:56 AM	Atty Wancheck Columbia Kentuc	ky - witness Cooper
	Note: Sacre, Candace	Okay, and what did Columbia do to operate and maintain the customer-owned service lines?
9:31:31 AM	Atty Wancheck Columbia Kentuc	ky - witness Cooper
	Note: Sacre, Candace	Okay, and, in your professional opinion, can you operate and maintain the customer-owned service lines without knowing the precise location of those lines?
9:31:46 AM	Atty Wancheck Columbia Kentuc	•
	Note: Sacre, Candace	Okay, you mentioned leakage surveys. Is Columbia required to do
		leakage surveys on the customer-owned service lines?
9:32:42 AM	Atty Wancheck Columbia Kentuc	
	Note: Sacre, Candace	Thank you. I'm going to turn to a little bit about location of service lines, generally. Can you please describe what the process is for locating a customer-owned service line?
9:33:43 AM	Atty Wancheck Columbia Kentuc	ky - witness Cooper
	Note: Sacre, Candace	And what resources does Columbia use to determine the approximate location of its facilities and mark them as accurately as possible?
9:34:10 AM	Atty Wancheck Columbia Kentuc	ky - witness Cooper
	Note: Sacre, Candace	If Columbia determines that an accuate locate is not possible, what steps does it take to ensure the service line is not damaged?
9:34:36 AM	Atty Wancheck Columbia Kentuc	ky - witness Cooper
	Note: Sacre, Candace	Is there any difference when locating a Columbia-owned service line versus a customer-owned service line?
9:35:02 AM	Atty Wancheck Columbia Kentuc	ky - witness Cooper
	Note: Sacre, Candace	Does Columbia locate all service lines regardless of ownership?
9:35:13 AM	Atty Wancheck Columbia Kentuc	ky - witness Cooper
	Note: Sacre, Candace	I'm going to move now to the incident at 50 Bellefonte Road. Are you familiar with the events surrounding the locate on August 16, 2019?
9:35:26 AM	Atty Wancheck Columbia Kentuc	ky - witness Cooper
	Note: Sacre, Candace	Can you please describe, based on your knowledge of the facts, what happened with that particular locate?
9:36:18 AM	Atty Wancheck Columbia Kentuc	ky - witness Cooper
	Note: Sacre, Candace	So, just to back up a second, you stated that you thought it was an inch-and-a-quarter steel service line. What led the locator to believe that, if you know?
9:37:20 AM	Chairman Schmitt - witness Coop	per
	Note: Sacre, Candace	Examination. Can I ask a question? Are you saying that plastic had been inserted inside of the steel line?
9:37:52 AM	Chairman Schmitt Note: Sacre, Candace	Thank you.

9:37:57 AM	Atty Wancheck Columbia Kentuck	y - witness Cooper
	Note: Sacre, Candace	Direct Examination (cont'd). Can you describe just how locate equipment works?
9:38:52 AM	Atty Wancheck Columbia Kentuck	y - witness Cooper
	Note: Sacre, Candace	Did you hear me question Mr. Gowins a few minutes ago about a bleed-off signal on this particular locate request?
9:39:59 AM	Atty Wancheck Columbia Kentucky	y - witness Cooper
	Note: Sacre, Candace	So, backing up, if you're able to get a good signal on a locate, is there anything additional that the locator would do in order to locate the line? Say, you've got a good signal; is there anything else to be done?
9:40:31 AM	Atty Wancheck Columbia Kentuck	y - witness Cooper
	Note: Sacre, Candace	Okay, and, based on your knowledge of the facts in this case, would you have done anything else to locate this request?
9:40:46 AM	Atty Wancheck Columbia Kentuck	y - witness Cooper
	Note: Sacre, Candace	You just mentioned a little bit ago about the installation of this particular customer-owned service line. Can you (inaudible) a little bit about whether or not that was a normal, quote-unquote, normal installation method?
9:41:53 AM	Atty Wancheck Columbia Kentucky	
	Note: Sacre, Candace	Okay, and, based on your professional opinion, could Columbia have reasonably anticipated the location of this line?
9:42:07 AM	Atty Wancheck Columbia Kentuck	
	Note: Sacre, Candace	What did Columbia do after this damage occurred to ensure that a damage wouldn't happen again?
9:43:12 AM	Atty Wancheck Columbia Kentucky	
	Note: Sacre, Candace	That's all I have for Mr. Cooper. The witness is available for cross examination.
9:43:17 AM	Chairman Schmitt	
	Note: Sacre, Candace	Thank you. Ms. Frederick, cross examination?
9:43:20 AM	Staff Atty Frederick PSC	
	Note: Sacre, Candace	Thank you, Mr. Chairman.
9:43:23 AM	Staff Atty Frederick PSC - witness	•
	Note: Sacre, Candace	Cross Examination. Why didn't - the plastic that had been inserted into the original steel line, why didn't that show going into the meter?
9:43:52 AM	Staff Atty Frederick PSC - witness	Cooper
	Note: Sacre, Candace	Okay. Now, in your career with Columbia Gas, is this the first time that you have seen a service line that went past the meter and then looped back to it?
9:44:11 AM	Staff Atty Frederick PSC - witness	Cooper
	Note: Sacre, Candace	And, when you have seen that done, is there a general reason why it was done?
9:44:30 AM	Staff Atty Frederick PSC	
	Note: Sacre, Candace	Okay, thank you. I have no further questions, Your Honor.
9:44:34 AM	Chairman Schmitt	
	Note: Sacre, Candace	Vice Chairman Chandler, any questions?
9:44:37 AM	Vice Chairman Chandler	Vach a secola Theologica Chairman
0.44.42 AM	Note: Sacre, Candace	Yeah, a couple. Thank you, Chairman.
9:44:43 AM	Vice Chairman Chandler - witness Note: Sacre, Candace	Cooper Examination. I just want to understand, as a general matter. This location, if you all have been doing leakage inspections on it since 1988, would have had five or six leakage surveys done in that time period, right?

9:45:07 AM	Vice Chairman Chandler - witness	Cooper
	Note: Sacre, Candace	Okay, and so is this one - and have you reviewed the records of those leakage inspections for this address?
9:45:18 AM	Vice Chairman Chandler - witness	Cooper
	Note: Sacre, Candace	Okay, so you're unaware of whether or not, when they did the leakage inspections, they treated it like a line that they knew where it was or one in which they conducted, you know, the survey in a way you explained where they don't know where the line was using crisscross or different methodologies?
9:46:05 AM	Vice Chairman Chandler - witness	•
	Note: Sacre, Candace	Okay. Was any part - of the line that goes past the meter before it loops around, was any part of that metal?
9:46:19 AM	Vice Chairman Chandler - witness	•
	Note: Sacre, Candace	Okay, so, before it got to the meter, how much of it was plastic?
9:46:50 AM	Vice Chairman Chandler - witness	•
	Note: Sacre, Candace	So none of the casing met the meter or - not met the meter but was at the distance of the meter?
9:46:59 AM	Vice Chairman Chandler - witness	•
	Note: Sacre, Candace	Okay, so how far did the casing end before it gets to the meter?
9:47:54 AM	Vice Chairman Chandler - witness	•
0.40.07.004	Note: Sacre, Candace	And, since the incident, have you all come across any records of this plastic being replaced?
9:48:07 AM	Vice Chairman Chandler - witness	•
	Note: Sacre, Candace	Yeah, I mean, I guess I'm trying to ask is, at some point, the plastic was put inside of the metal, right, and, when you all took this over in 1988, do you all have any records or have found any records in this investigation when you all are looking at this internally that would indicate the date of that change?
9:48:42 AM	Vice Chairman Chandler - witness	Cooper
	Note: Sacre, Candace	Okay, and is it Columbia's position that any plastic pipe that is not owned by Columbia and doesn't have a tracer wire that you all shouldn't be held liable for a mismark of any of those facilities?
9:49:05 AM	Chairman Schmitt	
	Note: Sacre, Candace	Well, that's a question for the witness. Now, you can either answer or you can say "I don't know what Columbia's position is," and then counsel can address it later or not at all, if she chooses. You can't ask your lawyer to answer the question, is what I'm saying.
9:49:24 AM	Vice Chairman Chandler - witness	Cooper
	Note: Sacre, Candace	Do you have an opinion on it?
9:50:05 AM	Vice Chairman Chandler - witness	Cooper
	Note: Sacre, Candace	And so you all took over not ownership but responsibility, I guess I would say, for these customer-owned service lines in 1988, and you said there are 34,000 of those still outstanding?
9:50:25 AM	Vice Chairman Chandler - witness	Cooper
	Note: Sacre, Candace	Out of, what? Maybe approximately a hundred and thirty, a hundred and forty thousand customers?
9:50:34 AM	Vice Chairman Chandler - witness	Cooper
	Note: Sacre, Candace	Yeah, we'll say a hundred thousand plus, how many of those have you replaced? What was that 34,000 number before today? I mean, I said - yeah, you took over -
9:50:53 AM	Vice Chairman Chandler - witness	
	Note: Sacre, Candace	And, I guess, the ultimate question on this is, at what point do you all have a responsibility to replace those with service lines that you know the location of?

9:51:40 AM	Vice Chairman Chandler - witnes	s Cooper
	Note: Sacre, Candace	And do you all inform excavators - for these locations that you don't have adequate records for, do you inform them of that?
9:51:59 AM	Vice Chairman Chandler - witnes	s Cooper
	Note: Sacre, Candace	So, I mean, if the purpose of the Act is a safety - if the basis of it is safety, right, that we don't, as Kentucky, don't want people to be digging with mechanical use into lines, you know, underground facilities, with gas in them, is there any written policy for Columbia to inform the excavator if you all have marked, that even though you may have marked, that, you know, don't have adequate records, that they can proceed with due care?
9:52:55 AM	Vice Chairman Chandler - witnes	s Cooper
	Note: Sacre, Candace	But do you have any specific policy if you don't have a map, right, of the home, and you don't where the line is. It may be a wastewater line, or it may be a water line, or it may be something else, right, but you don't know. You think you've gotten a good locate, you still - I'm just asking, do you have a policy that you inform them, "We made a locate but just letting you know we don't have maps of this area; we're depending exclusively, you know, on our locate equipment, so you should exercise a little care here?"
9:53:46 AM	Vice Chairman Chandler	
	Note: Sacre, Candace	Okay. that's all I have, Chairman.
9:53:52 AM	Chairman Schmitt	
0 50 56 444	Note: Sacre, Candace	Dr. Mathews, questions?
9:53:56 AM	Commissioner Mathews	Ver Thirthere - courts
0.52.50 414	Note: Sacre, Candace	Yes, I just have a couple.
9:53:58 AM	Commissioner Mathews - witness Note: Sacre, Candace	Examination. On your 34,000 service lines that haven't been replaced, what is - you said there were - you know, you replace them if they're leaking, correct?
9:54:25 AM	Commissioner Mathews - witness	s Cooper
	Note: Sacre, Candace	Okay, and do you have - I mean, are these lines higher in priority with regards to the program, the pipeline replacement program, how do you - you know, how are you prioritizing these lines that you took ownership of in 1988 and haven't seen, how are you prioritizing those lines in that larger service line replacement program?
9:55:24 AM	Commissioner Mathews - witness	•
	Note: Sacre, Candace	So the service line program that you're taking about is if you're going down the street and replacing the main line, you're going to replace the service lines associated?
9:55:51 AM	Commissioner Mathews - witness	s Cooper
	Note: Sacre, Candace	Okay, and there's no extra priority to these 34,000 service lines that you took ownership on 30-something years ago?
9:56:17 AM	Commissioner Mathews Note: Sacre, Candace	Okay, thank you. That's all I have.
9:56:22 AM	Chairman Schmitt - witness Coop	ber
	Note: Sacre, Candace	Examination. Mr. Cooper, I'm not sure I exactly understand the area where the break in the line occurred with respect to the meter. There was a picture, a photograph, but, quite frankly, it was so bad I couldn't - vague or blurred or something - I couldn't understand what it purported to show. I don't know if you can -

9:56:56 AM	Chairman Schmitt - witness Cooper		
	Note: Sacre, Candace	Yeah, I was going to suggest that, perhaps, if you could, if you could draw it large enough so that we could see it, or maybe even your attorney, you could file it here or something, I would try to understand how this happened or where the plastic line extended beyond the steel line and so forth, so, if you would do that, I think we'd all appreciate it.	
9:57:44 AM	Chairman Schmitt - witness Co	•	
	Note: Sacre, Candace	The square, does the square - does that represent the building or the home or something?	
9:58:08 AM	Chairman Schmitt - witness Co		
	Note: Sacre, Candace	Looking at the - is the meter the described - is shown as a circle, there, up against the building?	
9:58:20 AM	Chairman Schmitt - witness Co	•	
	Note: Sacre, Candace	Okay, so if you could point to where the excavator severed the line, could you do that?	
9:58:31 AM	Chairman Schmitt - witness Co		
	Note: Sacre, Candace	Could you maybe mark that with an X? Could you with your pencil or a pen make an X?	
9:58:41 AM	Chairman Schmitt - witness Co	•	
	Note: Sacre, Candace	Now, as I understand it, at some point in time, a repair was made on this line, and that repair was that a plastic pipe was inserted into the steel which was in existence, and that was the repair, but, at some point, the plastic extended beyond where the steel line was. Is that what happened?	
9:59:17 AM	Chairman Schmitt - witness Cooper		
	Note: Sacre, Candace	All right, and, for the record, so that we can get this clear, the steel line on your drawing is represented by a rectangle that goes around what you had shown on the original drawing as the pipe, correct?	
9:59:38 AM	Chairman Schmitt - witness Co		
	Note: Sacre, Candace	Now, if what you're telling us is that it doesn't matter whether the technician, in performing the location work, whether the signal jumped from the steel line to a water line, he couldn't have measured beyond the area where the steel line was located anyway, isn't that correct?	
10:00:15 AM	Chairman Schmitt - witness Co	ooper	
	Note: Sacre, Candace	So, I mean, the plastic apparently extended beyond the point pehaps where the meter was originally located, or they just cut steel pipe out altogether beyond that point perhaps because that's where the leak was and replaced it with all - with plastic?	
10:00:57 AM	Chairman Schmitt - witness Co	ooper	
	Note: Sacre, Candace	Now, to the extent the technician attempted to locate the line, what I'm trying to undertand is, did the technician - where was the line the technician actually located. You know, I suppose that the technician located a line, and it said somewhere in some of the pleadings that basically the signal jumped from the steel line to a water line. Do you know what area that was in?	
10:01:34 AM	Chairman Schmitt - witness Co	ooper	
	Note: Sacre, Candace	Yeah, was the area that the technician located, did it accurately locate the steel line that used to be the gas line to this premises?	
10:02:24 AM	Chairman Schmitt - witness Co	•	
	Note: Sacre, Candace	All right, so let me - correct me if I'm wrong, so the technician went to the meter, basically hooked on or did something to get a signal, and, based on that signal, marked the location, the believed location, of the gas service line, correct?	

10:02:49 AM	Chairman Schmitt - witness Coo	oper
	Note: Sacre, Candace	Okay, now, but, actually, the technician, the machine, located, instead of the gas service line beause the service line at that location was, in fact, plastic, it located the water line, and do you know or have - if you don't please tell us - where the area that was actually marked was? In other words, where did the water line run beyond the house? Did it run in the same ditch or exactly the same location as the old gas line had run, the steel gas line, or not?
10:03:53 AM	Chairman Schmitt - witness Coo	pper
	Note: Sacre, Candace	All right. Given the limits of what we can do here today in terms of a drawing, is it your testimony that your drawing, as best you can, fairly and accurately represents the location of the gas line where the plastic pipe left the steel pipe, the meter, the building, and the location where the damage occurred?
10:04:57 AM	Chairman Schmitt - witness Coo	•
	Note: Sacre, Candace	I'm not sure I can see your picture. Can we get the picture?
10:05:06 AM	Chairman Schmitt - witness Coo	•
	Note: Sacre, Candace	You're looking at it there. I don't know if you can hold it up in front of the camera or if that's possible. It's probably small.
10:05:18 AM	Chairman Schmitt - witness Coo	•
	Note: Sacre, Candace	Okay, all right, well, we can see something, so, if you can, could somebody point out what's supposed to be seen on there?
10:05:25 AM	Chairman Schmitt	
	Note: Sacre, Candace	Ms. Wancheck, I want to give you time. If you want to object or say something, please get on the record and avail yourself of the opportunity.
10:05:35 AM	Atty Wancheck Columbia Kentu	
	Note: Sacre, Candace	Oh, no. My screen's just frozen right now.
10:05:40 AM	Chairman Schmitt	
	Note: Sacre, Candace	Okay. Is that - the photo that was actually in the record now, is that the same photo?
10:05:44 AM	Staff Atty Frederick PSC	
	Note: Sacre, Candace	I can't tell, Your Honor.
10:05:49 AM	Chairman Schmitt - witness Coo	pper
	Note: Sacre, Candace	All right, okay, well, we have it. It was just really dark.
10:06:12 AM	Chairman Schmitt - witness Coo	•
	Note: Sacre, Candace	Examination. Well, I'm going to conclude by asking you to file, or your counsel to file into evidence, the Commission didn't file an exhibit list, that's where we decide the case instead of being a part of the prosecution or the defense.
10:06:23 AM	Chairman Schmitt	
	Note: Sacre, Candace	But, Ms. Wancheck, would you be able to at some point file Mr. Cooper's drawing as an exhibit to his testimony in this case?
10:07:34 AM	Atty Wancheck Columbia Kentu	cky
	Note: Sacre, Candace	I apologize. Can you all hear me now? I got disconnected. I do apologize.
10:07:38 AM	Chairman Schmitt	
	Note: Sacre, Candace	That's all right. Ms. Wancheck, you're back on the line, correct?
10:07:42 AM	Atty Wancheck Columbia Gas	
10:07:45 AM	Note: Sacre, Candace Chairman Schmitt	Yes, I'm back on. I apologize for that, what happened.
	Note: Sacre, Candace	There were two things. One, I asked that you file on behalf of Columbia Mr. Cooper's drawing as Columbia Exhibit 2. Would you be willing to do that? Well, I'm going to direct you to do it. I think you will.

10:08:07 AM	Atty Wancheck Columbia Kentud	sky
	Note: Sacre, Candace	Yes, Your Honor.
10:08:09 AM	Chairman Schmitt	
	Note: Sacre, Candace	Now, although you identified exhibits that were filed in response to the Commission's order asking for a witness and exhibit list, I assume that you would like to have introduced the exhibits that you filed along with your exhibit and witness list, is that correct?
10:08:34 AM	Atty Wancheck Columbia Kentud	
	Note: Sacre, Candace	Exhibit 1, we do not need to file that into the record. We did not use it, so we do not need to file that into the record.
10:08:42 AM	Chairman Schmitt	
	Note: Sacre, Candace	Well, I think I'm going to go ahead and ask that they be filed into evidence as a result of the testimony of Mr. Cooper collectively as Exhibit 1 and the drawing as Exhibit 2 as soon as you can make yourself a copy and send it in along with a copy to Ms. Frederick.
10:08:51 AM	PSC DIVISION OF INSPECTIONS	S EXHIBIT 2
	Note: Sacre, Candace	CHAIRMAN SCHMITT - CLOSING REMARKS
	Note: Sacre, Candace	CASE NO. 10127 COMMISSION ORDER DATED NOVEMBER 10, 1988
10:08:52 AM	PSC DIVISION OF INSPECTIONS	
	Note: Sacre, Candace	CHAIRMAN SCHMITT - CLOSING REMARKS
	Note: Sacre, Candace	CASE NO. 10127 COLUMBIA KENTUCKY RESPONSE TO STAFF DATA REQUEST NO. 9(a) AND 9(b)
10:08:56 AM	COLUMBIA KENTUCKY COLLECT	
	Note: Sacre, Candace	CHAIRMAN SCHMITT - CLOSING REMARKS
	Note: Sacre, Candace	COLUMBIA KENTUCKY NOTICE OF WITNESSES AND DOCUMENTS and UTILISPHERE ARCHIVED TICKET 1908161398 DATED 08/16/2019
10:08:58 AM	COLUMBIA KENTUCKY COLLECT	TIVE EXHIBIT 2
	Note: Sacre, Candace	DRAWING BY JAMES COOPER AND PHOTOGRAPH OF DAMAGE SITE
	Note: Sacre, Candace	CHAIRMAN SCHMITT - WITNESS COOPER
10:09:05 AM	Chairman Schmitt	
	Note: Sacre, Candace	Now, is there anything else, Ms. Frederick? Do you have any further cross examination of this witness?
10:09:10 AM	Staff Atty Frederick PSC	
	Note: Sacre, Candace	No, Your Honor, thank you.
10:09:11 AM	Vice Chairman Chandler	
	Note: Sacre, Candace	Chairman, may I ask a couple of questions?
10:09:13 AM	Chairman Schmitt	
10.00.10 AM	Note: Sacre, Candace	Yes, Mr. Chandler, sure.
10:09:16 AM	Vice Chairman Chandler	Theologic
10.00.10 AM	Note: Sacre, Candace Vice Chairman Chandler	Thank you.
10:09:19 AM	Note: Sacre, Candace	Can we get the investigation report brought up by staff?
10:09:26 AM	Staff Atty Frederick PSC	can we get the investigation report brought up by starry
10.09.20 AM	Note: Sacre, Candace	Ms. Emmons, can you pull up that investigation report again? It's Divison of Inspections Exhibit 1.
10:09:39 AM	Vice Chairman Chandler	
	Note: Sacre, Candace	Thank you, and then, on page 6 of that investigation report,
10:09:49 AM	Vice Chairman Chandler - witnes	
	Note: Sacre, Candace	Examination. And, Mr. Cooper, can you zoom in on that on your side
		on your computer? You should have a button on the top that says "Zoom."

10:10:20 AM	Vice Chairman Chandler - witness	Cooper
	Note: Sacre, Candace	Yeah, you have this picture though. I want to ask, there's two pictures, technically, and the one on the right shows - do you see the ditch on the far right part of the picture, on the second picture?
10:10:42 AM	Vice Chairman Chandler - witness	•
	Note: Sacre, Candace	Okay, is that the ditch that the gas line was in?
10:10:58 AM	Vice Chairman Chandler - witness	•
	Note: Sacre, Candace	Okay, so that's what I'm trying to figure out, so there's a yellow mark or a white mark or what appears to maybe be a white mark. What's the yellow mark represent?
10:11:09 AM	Vice Chairman Chandler - witness	•
	Note: Sacre, Candace	Okay, and then is that the actual gas or the water line where you thought the gas was?
10:11:22 AM	Vice Chairman Chandler - witness	•
	Note: Sacre, Candace	Well, I see both of those white marks, but then I see the ditch a couple of feet to the right of that.
10:11:32 AM	Vice Chairman Chandler - witness	•
	Note: Sacre, Candace	Okay, and so I'm trying to make sure, so the yellow makes a hard left across the white mark towards the meter, right?
10:11:50 AM	Vice Chairman Chandler - witness	•
	Note: Sacre, Candace	Okay, but I'm trying to figure out if the water meter went straight, right? Did anything actually go towards the meter, or was it marked that way?
10:12:20 AM	Vice Chairman Chandler - witness	
	Note: Sacre, Candace	Did Columbia Gas actually mark up to the meter?
10:12:29 AM	Vice Chairman Chandler - witness	Cooper
	Note: Sacre, Candace	But the water line didn't go up to the meter, so if there was a bleed, it shouldn't have led them to the meter, right?
10:12:57 AM	Vice Chairman Chandler - witness	Cooper
	Note: Sacre, Candace	I guess what I'm asking, if the bleed was onto the water meter or onto the water pipe, then it would have led them past the meter, right?
10:13:13 AM	Vice Chairman Chandler - witness	Cooper
	Note: Sacre, Candace	Okay, explain that to me. The mismark for the gas was because you were actually marking the water, and you struck the gas but didn't strike the water, then what were you marking?
10:14:18 AM	Vice Chairman Chandler - witness	Cooper
	Note: Sacre, Candace	But, if you had bled onto the water line that's what the reading would have indicated?
10:14:33 AM	Vice Chairman Chandler - witness	•
	Note: Sacre, Candace	Okay, so I'm confused. If the only part of the line that is exclusively plastic, right, is the part that got struck, that would have been the part that, if you actually bled onto the water line, you would have been reading the water line, right?
10:15:34 AM	Vice Chairman Chandler - witness	•
	Note: Sacre, Candace	So your initial read went on the water line?
10:15:48 AM	Vice Chairman Chandler - witness	•
	Note: Sacre, Candace	But you wouldn't have located the gas at the meter because you said at the meter it's plastic?
10:16:52 AM	Vice Chairman Chandler - witness	•
10.17.49 AM	Note: Sacre, Candace Vice Chairman Chandler - witness	So but you - go ahead. Sorry, Mr. Cooper.
10:17:48 AM	Note: Sacre, Candace	This is not the first time you've seen a loop, right?

10:18:15 AM	Vice Chairman Chandler - witness	Cooper
	Note: Sacre, Candace	And, if that loop would have been metal in this instance, it still would not have been found, right?
10:18:31 AM	Vice Chairman Chandler - witness	•
	Note: Sacre, Candace	Okay, well, so if there's a plastic with tracer wire, it wouldn't have been found in this instance based on the way you explained you all do the marking? You start at the meter and go towards the riser?
10:19:10 AM	Vice Chairman Chandler - witness	Cooper
	Note: Sacre, Candace	But, if you didn't have that record and you were just depending on the equipment, right? You would not have - the way you described how you all do it, you would have never found the loop?
10:19:42 AM	Vice Chairman Chandler - witness	Cooper
	Note: Sacre, Candace	Okay, and do you believe that you all accurately marked the gas line in this instance?
10:19:51 AM	Vice Chairman Chandler	
	Note: Sacre, Candace	That's all I have, Chairman. Thank you.
10:19:55 AM	Chairman Schmitt	
	Note: Sacre, Candace	Dr. Mathews, questions?
10:19:59 AM	Commissioner Mathews	
	Note: Sacre, Candace	I don't have any.
10:20:02 AM	Chairman Schmitt - witness Coope	
	Note: Sacre, Candace	Examination. Mr. Cooper, at the time the line was damaged by Bonzo Excavation, did it contain natural gas?
10:20:18 AM	Chairman Schmitt - witness Coope	
	Note: Sacre, Candace	One thing in the various caes that we've heard that I've never completely understood is, if there's some doubt about location of a line, why the operator doesn't avail itself of subsection 11(a) and (b) of the definition portion of the statutes which says that if you don't know - of course, it says it's plastic pipe without tracer wire. If you had known this was plastic pipe without tracer wire in whole or in part, what would you have done?
10:22:04 AM	Chairman Schmitt	
	Note: Sacre, Candace	All right, thank you. I know, Ms. Wancheck, you've cited and so has Counsel the 1988, November 10, 1988 Order in Case No. 10127. I expect that sometime during the course of whatever the outcome of this case is, that Order will be cited. You, obviously, have a complete copy of it, is that correct?
10:22:31 AM	Atty Wancheck Columbia Kentucy	
	Note: Sacre, Candace	That's correct.
10:22:36 AM	Chairman Schmitt	
	Note: Sacre, Candace	Okay, thank you. Anything further, Ms. Frederick?
10:22:37 AM	Staff Atty Frederick PSC	
	Note: Sacre, Candace	Nothing futher, Your Honor.
10:22:44 AM	Chairman Schmitt	
	Note: Sacre, Candace	Ms. Wancheck, anything futher in terms of evidence? Do you have another witness or anything else you'd like to put on?
10:22:49 AM	Atty Wancheck Columbia Kentuck	
	Note: Sacre, Candace	Nothing, Chairman, nothing else.
10:22:52 AM	Chairman Schmitt	AU
	Note: Sacre, Candace	All right, now, the cases - I guess the evidence has been completed. Mr. Cooper, you may be excused. You can stay on the line, if you like, but you won't be questioned. You won't be subject to examination any more after this.

10:23:07 AM	Chairman Schmitt	
	Note: Sacre, Candace	Now, the evidence has been completed, exhibits are all in the record except for the exhibit that Mr. Cooper prepared for us that you'll send to us, Ms. Wancheck. Is there anything you'd like to say? I'll give you five minutes if you'd like to kind of sum up Columbia's position. Don't feel that you have to do that, but, if you'd to, you can avail yourself of that opportunity.
10:23:37 AM	Atty Wancheck Columbia Kentu	
	Note: Sacre, Candace	Thanks, Mr. Chairman, and, again, I appreciate the opportunity to present our case today. I think that this is a very unique situation in this case, both with the method of installation and the fact that there was a bleed off. You know, it's Columbia's position that it did everything that it could, you know, that is reasonable to locate the service line just given the facts of this case. You know, unfortunately, it was an inaccurate locate based on the method of installation and the type it was.
10:24:12 AM	Atty Wancheck Columbia Kentu	
	Note: Sacre, Candace	You know, there are 34,000 customer-owned service lines, and, you know, Columbia receives so many locate requests, if we had to just in every 34,000 customer service lines let someone know simply because it's a customer-owned service line that we can't locate it, that's a lot of locate stops that aren't going to be completed simply because they're customer-owned service lines.
10:24:38 AM	Attorney Wancheck Columbia k	Kentucky
	Note: Sacre, Candace	But, again, you know, I think that Columbia exercised due care in locating this line and as Mr. Cooper explained, you know, they felt confident in the locate signal, and they wouldn't have done anything different.
10:24:52 AM	Atty Wancheck Columbia Kentu	
	Note: Sacre, Candace	I would like to ask if we could file a post-hearing brief in this matter that would be great.
10:25:01 AM	Chairman Schmitt	
10:25:05 AM	Note: Sacre, Candace Staff Atty Frederick PSC	Okay, Ms. Frederick, would you like to respond?
	Note: Sacre, Candace	Thank you, Mr. Chairman, yes, I would. Columbia's responsibility under the Act is very clear. KRS 367.4909(6) indicates that it is Columbia's responsibility to locate the line and provide temporary markings if permanent facility markers are not there, and Columbia made a valiant attempt to locate this line, but, for a variety of reasons, the line was not located. Columbia is in the best position of any party involved in this excavation to know where the line is, and it is their responsibility to protect the safety of the public by marking that line and, if they can't mark it, to notify the excavator of the approximate location. That was not done in this case, and the line was damaged.
10:25:59 AM	Staff Atty Tina Frederick PSC	
	Note: Sacre, Candace	Therefore, it is the position of the Division of Inspections that the assessment of the penalty is appropriate.
10:26:06 AM	Chairman Schmitt	
	Note: Sacre, Candace	Now, Ms. Sacre is our reporter, but, Ms. Wancheck, unfortunately, what happens most of the time in court, we don't have a complete transcript but have a sort of a summary of questions that were asked, and then you can go on the video, you can get a video free of charge, and it, you know, syncs up so you can find testimony if you want to cite it.

10:26:37 AM	Chairman Schmitt	
	Note: Sacre, Candace	And the reason that I say that is because you may or may not want to wait until that's done and you have the opportunity to see the summary and compare it so you can get testimony from the witness.
10:26:56 AM	Chairman Schmitt	
	Note: Sacre, Candace	So I want to ask Ms. Sacre, our reporter, about how long will it take, do you think, before this transcript could be filed and Ms. Wancheck could get a copy of it?
10:27:12 AM	Chairman Schmitt	
	Note: Sacre, Candace	She says she can probably have it done by Tuesday. We have a hearing that may take a day or two starting tomorrow, so let's look at this way, if next Tuesday - let's give Ms. Sacre a couple of days, till the 18th, so if you had - how many days would you like, how much time would you like in order to prepare your brief, Ms. Wancheck? (Click on link for further comments.)
10:27:49 AM	Atty Wancheck Columbia Kentu	ıcky
	Note: Sacre, Candace	I think October 2nd, if that would be okay with the Commission.
10:27:54 AM	Chairman Schmitt	
	Note: Sacre, Candace	That's two weeks, all right. Your brief then would be due on - well, I guess the burden of proof is on the Division of Inspections, so they'd have to go first. Is two weeks sufficient?
10:28:08 AM	Staff Atty Frederick PSC	
	Note: Sacre, Candace	That's sufficient.
10:28:09 AM	Chairman Schmitt	
	Note: Sacre, Candace	All right, so the Division of Inspections would then be October 2nd, and that would then mean that your brief would be due, Ms. Wancheck, on the 16th, October 16th, so you'd have some additional time to look at the record and so forth, and then, I guess, since the burden is on - obviously, Division ought to have three or four days for a potential reply brief, so if we had two weeks, two weeks, and then one week for a possible reply brief, so any reply brief the Division on Inspections might file would be due October 23rd, okay?
10:28:47 AM	Staff Atty Frederick PSC	
	Note: Sacre, Candace	Thank you.
10:28:48 AM	Chairman Schmitt	
	Note: Sacre, Candace	Okay, and, at that point in time, midnight or something, on Saturday, the 24th, the case will stand submitted, and we'll try to get an opinion.
10:28:59 AM	Chairman Schmitt	
	Note: Sacre, Candace	Okay, we'll get an order out, a scheduling order, on the briefing, this morning, in an hour or two.
10:29:06 AM	Chairman Schmitt	
	Note: Sacre, Candace	All right. Is there anything else, Ms. Frederick?
10:29:09 AM	Staff Atty Frederick PSC	
	Note: Sacre, Candace	Nothing further, Your Honor. Thank you.
10:29:10 AM	Chairman Schmitt	
	Note: Sacre, Candace	Ms. Wancheck?
10:29:11 AM	Atty Wancheck Columbia Kentu	ıcky
	Note: Sacre, Candace	Just a quick question as far as procedure goes and submitting the Exhibit 2, would you like me to file that into the record as well as sending Ms. Frederick a copy of it?
10:29:43 AM	Chairman Schmitt	
_001107011	Note: Sacre, Candace	Yes.
10:29:45 AM	Atty Wancheck Columbia Kentu	
	Note: Sacre, Candace	Great, thank you.

10:29:47 AM	Chairman Schmitt	
	Note: Sacre, Candace	Yes, you can send her a copy, file it into the record, and that ought to do it then. The record will be complete with the exception of your briefs.
10:29:58 AM	Vice Chairman Chandler	
	Note: Sacre, Candace	Chairman, can I ask - our website and our regulations allow for uploading of photos directly to the PSC website, and the regulations lay out exactly what format they have to be in. Can I ask if, since the version that's in the record is an uploaded, then printed, then scanned version of the two pictures that were referenced throughout this, if Columbia would also upload the original version of those pictures into the record?
10:30:33 AM	Atty Wancheck Columbia Kent	ucky
	Note: Sacre, Candace	Yes, so long as I can locate the original copies of them.
10:30:38 AM	Vice Chairman Chandler	
	Note: Sacre, Candace	Thank you.
10:30:41 AM	Chairman Schmitt	
	Note: Sacre, Candace	And you could probably get those done, the exhibits, the photos uploaded, and Mr. Cooper's drawing in by, I guess, the 18th of September, which would be the date, I guess, a week from this Friday, when Ms. Sacre's record will be due. Is that doable, Ms. Wancheck?
10:31:04 AM	Atty Wancheck Columbia Kent	ucky
	Note: Sacre, Candace	Absolutely.
10:31:05 AM	Chairman Schmitt	
	Note: Sacre, Candace	Okay, thank you. All right, anything further, Ms. Frederick?
10:31:09 AM	Chairman Schmitt	
	Note: Sacre, Candace	Ms. Wancheck? Commissioners?
10:31:09 AM	Staff Atty Frederick PSC	
	Note: Sacre, Candace	Nothing further, Your Honor. Thank you.
10:31:12 AM	Atty Wancheck Columbia Kent	ucky
	Note: Sacre, Candace	No.
10:31:14 AM	Chairman Schmitt	
	Note: Sacre, Candace	All right, if there is nothing further, then this hearing is adjourned. Thank you all very much.
10:31:25 AM	Session Ended	

2020-00185 09Sept2020



Columbia Gas of Kentucky, Inc. (Columbia Kentucky)

Name:	Description:				
Columbia Kentucky Collective Exhibit 1	Notice of Witnesses and Documents and Utilisphere Archive Ticket 1908161398				
Columbia Kentucky Collective Exhibit 2	Drawing by James Cooper and photograph of damage site.				
PSC Division of Inspections Exhibit 1	Pipeline Damage Investigation Report Incident 31976				
PSC Division of Inspections Exhibit 2	Case No. 10127 Commission Order entered on November 10, 1988				
PSC Division of Inspections Exhibit 3	Case No. 10127 Responses to Staff Data Request Nos. 9(a) and 9(b)				

COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISSION

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)	1	Case No. 2020- 00185
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COLUMBIA GAS OF KENTUCKY, INC.'S NOTICE OF WITNESSES AND DOCUMENTS

Now comes Columbia Gas of Kentucky, Inc., ("Columbia"), pursuant to the Commission's August 17, 2020 Order, and hereby gives notice that it intends to call James Cooper, Operations Manager, as a witness at the hearing in the above-captioned matter. Mr. Cooper will testify to Columbia's procedures related to locate requests, provide background of customer owned service lines, and will provide specific facts of the locate request that is the subject of this hearing.

In addition to the documents identified by the Division of Inspections, Columbia plans to introduce Utilisphere Archive Ticket and Notes attached herein as Exhibit A.

1

Respectfully submitted,

COLUMBIA GAS OF KENTUCKY, INC.

COLUMBIA KENTUCKY COLLECTIVE EXHIBIT 1

By:

Manchick. Wanchick

Brooke E. Wancheck Assistant General Counsel

Brooke E. Wancheck, Asst. General Counsel 290 W. Nationwide Blvd. Columbus, Ohio 43215 Telephone: (614) 460-5558 Email: bwancheck@nisource.com

ATTORNEY FOR COLUMBIA GAS OF KENTUCKY, INC 9/2/2020

ArchivedTicket

00015 KUPIa 08/16/2019 15:57:53 1908161398-00A EMER NEW GRID 0165 EMERGENCY SEE REMARKS Ticket : 1908161398 Date: 08/16/2019 Time: 15:47 Oper: JGUTERMUTH Chan:000 State: KY Cnty: GREENUP City: RACELAND Subdivision: Address : Street : BELLEFONTE RD Cross 1 : OAKLAND CT Location: THIS IS AT A DUPLEX APARTMENT BUILDING THIS WILL BE AT 48 B BELLFONTE ROAD - WHEN VIEWING FROM THE ROAD LOCATE THE FRONT AND LEFT SIDES OF THE PROPERTY Boundary: n 38.526745 s 38.524457 w -82.731925 e -82.729791 Work type : REPAIR WATER LINE Done for : RICHARD BURKS Start date: 08/16/2019 Time: 15:50 Hours notice: 0/0 Priority: EMER Ug/Oh/Both: U Blasting: NO Emergency: Y Duration : N/A Depth: 3 FEET Company : BONZO EXCAVATING Type: HOME Co addr : 107 WILDLIFE TRAIL City : GREENUP State: KY Zip: 41144 Caller : RICHARD BURKS Phone: (606)923-1274 Contact : BONZO EXCAVATING Phone: Mobile : (606)923-1274 Remarks : CREW IN ROUTE : Submitted date: 08/16/2019 Time: 15:47 Members: 0023 0165 0367 WINKY **Audit History:** 8/16/2019 3:57:53 PM: Received DETAILS: Ticket received for registration code 0165 8/16/2019 3:57:53 PM: Ticket Score Calculated DETAILS: Risk Percentile calculated. Score value: 0 8/16/2019 3:57:53 PM: Auto Process DETAILS: Ticket Folder Recommended: CKY BLASTING 8/16/2019 3:57:53 PM: Ticket Oueued DETAILS: Ticket queued for delivery 8/16/2019 3:58:03 PM: Ticket Delivered DETAILS: Ticket successfully sent to a web request device at https://integrator-ns.optimainxdr.com/ticket 8/16/2019 3:58:06 PM: Smart Score Saved DETAILS: Risk Percentile saved. Score value: 79 8/16/2019 4:18:53 PM: Put in Folder DETAILS: Put in **Ashland- In House Locates by Elaine Teague NOTE: 2631 -- Emergency KUPI#1908161398 -- Bellefonte Rd -- Raceland Ky sent to ic assigner emaurice 8/16/2019 4:18:53 PM: Ticket Queued

https://cl.irth.com/Utilisphere/TicketManager/ViewArchivedTicket.aspx?ID=2019/08/16*40154011

9/2/2020

ArchivedTicket

DETAILS: Ticket queued for delivery

8/16/2019 4:18:56 PM: Ticket Delivered

DETAILS: Ticket successfully sent to a web request device at https://integrator-ns.optimainxdr.com/ticket

8/16/2019 5:14:11 PM: Responded

- DETAILS: CKY (1) MARKED: added by Brandon Meek, Locate Time: 8/16/2019 5:10:56 PM, Units of Work: 1.00
- *NOTE:* marked CKY GAS in scope of the dig ticket with paint. Owner was on site and he said they would stay on the house next doors property as to avoid crossing CKY GAS service.

8/16/2019 5:14:11 PM: Ticket Queued

DETAILS: Ticket queued for delivery

8/16/2019 5:14:15 PM: Ticket Delivered

DETAILS: Ticket successfully sent to a web request device at https://integrator-ns.optimainxdr.com/ticket

Columbia Exhibit 2



COLUMBIA KENTUCKY COLLECTIVE EXHIBIT 2



PIPELINE DAMAGE INVESTIGATION REPORT

Investigation Information

KY PSC Investigator(s) John E. Gowins		Incident ID 31976			
ncident Date	8/16/2019 7:45:00 PM	Report Submitted 9/9/2019 2:36:27 PM			
	OPERATOR INFO	RMATION			
Operator	Columbia Gas of Kentucky, Inc.	Reported By Tim McKune			
Phone	(859) 361-0344	Email tmckune@nisource.com			
Incident Location 50 Bellefonte Rd., Raceland, KY 41 Greenup	Raceland	Locate Ticket Number 190816398			
	EXCAVATOR INFO	RMATION			
Name of Excavat	or Bonzo, Jim	Organization ID			
Phone	606-923-1274	Email none			
Francisco Andrea	SS	Locate Ticket Number			
Excavator Addre 107 Wildlife Trl					

INCIDENT

		Loc	ate Ticket Sum	mary		
Ticket #	Valid	Initial Date	Expiration Date (21 calendar days from Initial date)	Incident Date	# of Days Expired	Within Scope of Excavation
190816398	Yes	8/16/19	9/6/19	8/16	N/A	Yes

	Excavation Summary		
Excavation Within Tolerance Zone	Type Of Equipment Used	Cost of Damage (Per Operator)	Amount Billed (Excavator)
Yes	Mechanized	\$447.00	\$447.00

The operator reports that Bonzo Excavating was excavating an area with a locate ticket. While digging, Bonzo Excavating struck a plastic one inch natural gas service line with mechanized equipment. The line was mismarked by CKY due to inaccurate records showing that the service

line material was steel. While performing the locate request, the locate technician's locate signal transferred from the steel riser onto a water line that was in the proximity

INVESTIGATION

April 30, 2020

Columbia provided the following by email: Columbia Gas of Kentucky does not feel it . should be held responsible for the damage that occurred on August 16, 2019 at 50 Bellefonte Drive, Raceland Kentucky. The portion of the service line that was damaged was still considered "customer owned" per the guidelines of Case No. 10127. Within this order it states, "Columbia should be authorized to deviate from Commission Regulation 807 KAR 5:022, Section 9(17)(a)2, and assume the responsibility of:.... b. Operating and maintaining existing customer service lines. When the service lines needs replacing, Columbia shall replace the line at no cost to the customer and shall thereafter own, operate and maintain the service line." This order went into effect in 1989, and our records show that we have not replaced this line after this date. Therefore, we did not have ownership of this line until 2019. When the homeowner had their portion of the service line installed, prior to 1989, the plumber ran the service line past the meter, and then looped it backwards. The records indicated that the service line was 1 1/4" bare steel, and the locate technician's locate signal transferred from the steel riser onto a water line that was in the proximity. While Bonzo Excavating was digging, they struck the portion of the service line that went past the meter. Following the damage, the service line was entirely replaced, and the records were updated to show the proper material and location of the service line.

May 8, 2020

• After review of case 19010127 by commission counsel the determination was that it is clear that Columbia was responsible for maintaining the service line as of the date of the final order in that case. They were responsible for locating that line regardless of the fact that it was installed by a private plumber at a time before Columbia was granted an easement. Not technically owning the service line does not relieve Columbia of responsibility for locating the line since they were responsible for operating it and maintaining it. At the time of the Commission's Order in 19010127, operators were also already responsible via federal regulation for doing leak surveys on service lines, regardless of whether they were owned by the customer or by the operator, so (on a federal level) the responsibility for maintaining and operating had been separated from ownership long before the Commission decided this case.

VIOLATION

KRS 367.4909 (6) (a) An operator shall, upon receiving an emergency locate request or a normal excavation locate request inform the excavator of the approximate location and description of any of the operator's facilities that may be damaged or pose a safety concern because of excavation or demolition.

Gas Incident - Excavation Damage Notification

Page 1 of 2

Print (PDFForm.aspx?Rpt=GasInvestIgation&IG=31976)

Gas Excavation Damage Report

Columbia Gas of Kentucky, Inc.

Submitted 9/9/2019 Incident ID: 31976 Set back to Edit Staff Edit

Reported By:	
Name:	Tim McKune
Phone:	(859) 361-0344
Email:	tmckune@nisource.com
Gas Line Incid	ent Occured:
Date:	8/16/2019
Time:	7 45 PM

Details:

Reported Date: 9/9/2019 2:36 PM

Incident Location Address:

Location:		
Address:	50 Bellefonte Rd., Raceland	
City:	Raceland	
State:	KY	
County:	Greenup	
Zip:	41169	
Confirm Code:		
Number of Customers ou	t: 1	
Was gas or hazardous liquids contained in the underground facility?		
Was gas or hazardous liquids released into the atmosphere?		3⁄2020
Locate Request Ticket No	.: 190816398	
Excavator:	Contractor	
Excavator Address:		
First Name:	Jim	
Last Name:	Bonzo	

Organization ID: Company 606-923-1274 Phone:

Email: none

https://psc.ky.gov/ORS/GasIncident.aspx?IG=31976&U=3900

4/24/2020

Gas Incident - Excavation Damage Notification

Address:	107 Wildlife Trl
City:	Wurtland
State:	KY
Zip:	41144
Confirm Code:	Y
Excavation Damage:	Other

Description of Incident Bonzo Excavating dug into a plastic one inch natural gas service line with mechanized equipment.

Summary Information

9/9/2019

Full details such as the	Bonzo Excavating was excavating an area with a locate ticket. While digging, Bonzo Excavating struck a plastic one inch natural gas service line with mechanized equipment. The line was mismarked by CKY due to
cause	inaccurate records showing that the service line material was steel. While performing the locate request, the locate technician's locate signal transferred from the steel riser onto a water line that was in the proximity.
Extent of the damage	A plastic one inch service line was dug into, and the damaged section was replaced.
Cost of the damage	\$447.00
Steps taken to prevent re-occurance	CKY updated the service line record with new measurements, and verified that the locate wire installed with the service line property toned out the facility.
Amount billed to excavator	\$447.00

https://psc.ky.gov/ORS/GasIncident.aspx?IG=31976&U=3900

4/24/2020

EMERGENCY SEE REMARKS

Ticket : 1908161398 Date: 08/16/2019 Time: 15:47 Oper: JGUTERMUTH Chan:000

State: KY Cnty: GREENUP City: RACELAND
Subdivision:

Address : Street : BELLEFONTE RD Cross 1 : OAKLAND CT Location: THIS IS AT A DUPLEX APARTMENT BUILDING THIS WILL BE AT 48 B BELLFONTE ROAD - WHEN VIEWING FROM THE ROAD LOCATE THE FRONT AND LEFT SIDES OF THE PROPERTY

Boundary: n 38.526745 s 38.524457 w -82.731925 e -82.729791

Work type : REPAIR WATER LINE Done for : RICHARD BURKS Start date: 08/16/2019 Time: 15:50 Hours notice: 0/0 Priority: EMER Ug/Oh/Both: U Blasting: NO Emergency: Y Duration : N/A Depth: 3 FEET

Company : BONZO EXCAVATING Type: HOME Co addr : 107 WILDLIFE TRAIL City : GREENUP State: KY Zip: 41144 Caller : RICHARD BURKS Phone: (606)923-1274 Contact : BONZO EXCAVATING Phone: Mobile : (606)923-1274

Remarks : CREW IN ROUTE :

Submitted date: 08/16/2019 Time: 15:47 Members: 0023 0165 0367 WINKY

Gowins, John E (PSC)

From: Sent: To: Subject: rmtwait@nisource.com Thursday, April 30, 2020 7:52 AM Gowins, John E (PSC) RE: FW: Incident # 31975

Hi John,

Please see our response below:

Columbia Gas of Kentucky does not feel it should be held responsible for the damage that occurred on August 16, 2019 at 50 Bellefonte Drive, Raceland Kentucky. The portion of the service line that was damaged was still considered "customer owned" per the guidelines of Case No. 10127. Within this order it states, "Columbia should be authorized to deviate from Commission Regulation 807 KAR 5:022, Section 9(17)(a)2, and assume the responsibility of.... b. Operating and maintaining existing customer service lines. When the service lines needs replacing, Columbia shall replace the line at no cost to the customer and shall thereafter own, operate and maintain the service line." This order went into effect in 1989, and our records show that we have not replaced this line after this date. Therefore, we did not have ownership of this line until 2019. When the homeowner had their portion of the service line installed, prior to 1989, the plumber ran the service line past the meter, and then looped it backwards. The records indicated that the service line was 1 ¼" bare steel, and the locate technician's locate signal transferred from the steel riser onto a water line that was in the proximity. While Bonzo Excavating was digging, they struck the portion of the service line that went past the meter. Following the damage, the service line was entirely replaced, and the records were updated to show the proper material and location of the service line.

Here are the damage pictures:



1

Thank you,

Ryan Twait Manager, Operations Compliance Columbia Gas of Kentucky Cell: 859-533-4022 Office: 859-288-0234 Kentucky 811

Call before you dig.

DISCLAIMER: The information contained in this e-mail may be confidential and is intended solely for the named addressee. Access, copying or re-use of the e-mail or any information contained herein by any other person is not authorized. If you are not the intended recipient please notify me immediately by returning the e-mail to the originator.

 From:
 "Gowins, John E (PSC)" <john.gowins@ky.gov>

 To:
 "rmtwai@nisource.com" <rmtwai@nisource.com>,

 Date:
 04/29/2020 11:20 AM

 Subject:
 RE: F/V: Incident # 31975

Okay, no problem! Just going back thru week-old stuff before giving myself new and exciting incidents...

From: rmtwait@nisource.com <rmtwait@nisource.com> Sent: Wednesday, April 29, 2020 11:14 AM To: Gowins, John E (PSC) <john.gowins@ky.gov> Subject: Re: FW: Incident # 31975

Well, I've drafted my response, and it is being reviewed internally. I expect to be able to release that to you by EOD. In the meantime, the correct locate number was: 1908161398

Also, I sent an email to our billing department for 31929, and awaiting to hear back from that one.

Hopefully have both of these answered for you soon!

Ryan Twait Manager, Operations Compliance Columbia Gas of Kentucky Cell: 859-533-4022 Office: 859-288-0234



DISCLAIMER: The information contained in this e-mail may be confidential and is intended solely for the named addressee. Access, copying or re-use of the e-mail or any information contained herein by any other person is not authorized. If you are not the intended recipient please notify me immediately by returning the e-mail to the originator.

From: "Gowins, John E (PSC)" <<u>john.gowins@ky.gov></u> "<u>mtwail@nisource.com</u>" <<u>mtwail@nisource.com</u>>, Date: 04/29/2020 11:09 AM Subject: FW: Incident # 31975

USE CAUTION: This email was sent from an external source. Think before you click links or open attachments. If suspicious, please forward to <u>security@nisource.com</u> for review.

3

Just a reminder... I don't think you got back with me, but I have been known to be wrong in the past. At least my wife says so....

From: Gowins, John E (PSC) Sent: Wednesday, April 22, 2020 7:44 AM To: <u>rmtwait@nlsource.com</u> Subject: Incident # 31975

Good morning kind sir, Do you have any additional documentation on this one? Also, do you know if he paid for the repairs? Thanks.

John E. Gowins Consumer Complaints Investigator II Division of Inspections Kentucky Public Service Commission 502.782.2656

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF COLUMBIA GAS OF KENTUCKY INC., FOR AN ORDER AUTHORIZING IT TO AMEND ITS TARIFF AND FOR AUTHORITY TO DEVIATE FROM COMMISSION REGULATION 807 KAR 5:022, SECTION 9(17)(a)1, AND 807 KAR 5:022, SECTION 9(17)(a)2

CASE NO. 10127

)

ORDER

On January 12, 1988, Columbia Gas of Kentucky, Inc. ("Columbia"), filed an application with the Commission requesting a deviation from 807 KAR 5:022, Section 9(17)(a)1 and 2. Columbia proposes authority to assume ownership of the service lines of residential and commercial customers and to take responsibility for maintenance of those lines, and also proposes authority for the omission of curb boxes and curb valves.

In response to information requests from the Commission and the discussion at the informal conference held on July 20, 1988, Columbia has revised the service cost and the impact of this program (ownership of the customer's service line) on rates.

In its application, Columbia proposes to adopt a program of the installation of the customer's service line which extends from the property line or curb valve to the meter for a potential residential or commercial customer, and thereby Columbia shall own, operate, and maintain the service line. Currently, the customer is responsible for installing the customer service line according

> PSC DIVISION OF INSPECTIONS EXHIBIT 2

to 807 KAR 5:022, Section 9(17)(a)2. Columbia thereafter inspects the installation of the service line to ensure its compliance with the safety regulations.

Columbia proposes to omit the installation of the curb box and curb valve which is required by Commission Regulation 807 KAR 5:022, Section 9(17)(a)(1).

Columbia proposes to assume responsibility of operating and maintaining residential and commercial customer service lines that are currently in operation. When replacement of such a line is necessary, Columbia will replace the line and shall thereafter own, operate, and maintain the service line.

If Columbia's proposal regarding its ownership of service lines is assumed, Columbia estimates an annual addition of 794 new commercial and residential customers and a retention of 40 customers who normally switch to electric equipment to avoid the cost of repair or replacement of service lines.

Columbia estimates the cost of installation of a service line to a customer is \$500 to \$1000. Columbia estimates a cost savings of 25 percent of the above cost in addition to a reduction in the inspection cost required currently to the constructed service line if the installation is carried out by Columbia.

Columbia estimates an annual cost savings of \$16,173 for the elimination of the inspection of the curb stops and a net annual reduction of \$47,797 in operation and maintenance expenses.

By assuming ownership of the service lines, Columbia estimates an average load increase of 87,906 Mcf per year, resulting in an increase in the annual base revenues. This will recover

-2-

most of the cost of service increases related to Columbia's ownership of the service lines. The net annual revenue deficiency is estimated to be \$14,028.

Columbia estimates the annual revenue deficiency will be increased to \$41,615 if the current curb valve and curb box policy is applied according to Commission Regulation 807 KAR 5:022, Section 9(17)(a)1.

The customer is deemed to have granted Columbia an easement across his or her property for the operation and maintenance of the service line.

The customer has to pay for high pressure regulators if the customer is served from high pressure line at a pressure in excess of 60 psig.

Columbia may charge for service line footage in excess of 100 feet; however, this charge may be waived by Columbia in circumstances when there is sufficient economic justification and shall apply to all customers found to have similar service conditions.

The Commission, having reviewed the evidence of record and being advised, is of the opinion and finds that:

 A safety benefit will result from this program under which Columbia installs, owns, operates, and maintains customer service lines by professional people.

2. Columbia should be authorized to deviate from Commission Regulation 807 KAR 5:022, Section 9(17)(a)2, and assume the responsibility of:

a. Installing customer service lines (at no cost to the customer) that extend from the property line or curb box to

-3-

the meter for a new residential or commercial customer and thereby will own, operate, and maintain the service line.

b. Operating and maintaining existing customer service lines. When the service line needs replacing, Columbia shall replace the line at no cost to the customer and shall thereafter own, operate, and maintain the service line.

3. Columbia should be denied a deviation from Commission Regulation 807 KAR 5:022, Section 9(17)(a)1, and ordered to provide the curb box and curb valve as deemed necessary according to Commission Regulation 807 KAR 5:022, Section 9(17)(a)1, because of overriding safety considerations such as accessibility to the valve.

IT IS THEREFORE ORDERED that:

1. Columbia be and it hereby is granted a deviation from 807 KAR 5:022, Section 9(17)(a)2, and is authorized to install customer service lines at no cost to the customer on and after the date of this Order; and thereafter Columbia will own, operate, and maintain the customer service line. For service lines in excess of 100 feet, Columbia shall charge the customer for additional cost except in circumstances where there is sufficient economic justification and shall apply to all customers found to have similar service conditions.

2. Columbia shall operate and maintain existing service lines at no cost to its customers on and after the date of this Order. When a customer's service line is to be replaced, Columbia shall install a new service line at no cost to the customer and thereafter will own, operate, and maintain the service line.

-4-

3. Columbia shall install the curb box and curb valve in accordance with 807 KAR 5:022, Section 9(17)(a)1.

Done at Frankfort, Kentucky, this 10th day of November, 1988.

PUBLIC SERVICE COMMISSION

Lut D. Semen f. Chairman Chairman Sure Millerins f.

ATTEST:

Executive Director

Lase No. 10127 Staff Data Request No. 9(a) Respondent: L. K. Lucas

 \cap

 9. With reference to Paragraph II of Columbia's Service Line Proposal, (Attachment I of Application), provide the following information:

a. Upon implementation of the plan, state whether there will be any differences in operation and maintenance services provided to new customers versus operation and maintenance services provided to customers currently connected to the system. If yes, explain these differences.

- 13 -

Response: There will be no differences.

> PSC DIVISION OF INSPECTIONS EXHIBIT 3

Case No. 10127 Staff Data Request No. 9(b) Respondent: L. K. Lucas

and a

9, With reference to Paragraph II of Columbia's Service Line Proposal, (Attachment I of Application), provide the following information:

b. Upon implementation of the plan, state whether there would be any differences in the services provided by Columbia for lines that it will own versus those service lines it will not own. If yes, explain these differences.

Response: There will be no differences.

*Brooke Wancheck Asst. Counsel Columbia Gas of Kentucky, Inc. 2001 Mercer Road P. O. Box 14241 Lexington, KY 40512-4241

*Columbia Gas of Kentucky, Inc. 290 W Nationwide Blvd Columbus, OH 43215

*Columbia Gas of Kentucky, Inc. Columbia Gas of Kentucky, Inc. 290 W Nationwide Blvd Columbus, OH 43215