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NEWS RELEASE

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PSC: Damage to Gas Pipelines Is at Unacceptable Levels

PSC working to lower number of dig-in incidents

FRANKFORT, Ky. (Apr. 19, 2019) – Just over nine months ago, the Kentucky Public Service Commission (PSC) assumed responsibility for enforcing the state’s call-before-you-dig law as it relates to natural gas or hazardous liquid lines.

Since that date – July 14, 2018 – the PSC has received more than 700 reports of excavation-caused damage to natural gas lines in the state.

“Excavation damage to natural gas lines poses a significant threat to public safety,” PSC Chairman Michael Schmitt said. “The PSC is making a concerted effort to reduce the unacceptably high number of dig-in incidents in Kentucky.

“April is National Safe Digging Month and the beginning of the busiest time of year for excavation work, so it is appropriate to refocus attention on the need to call 811 to have underground utilities located before beginning to dig,” Schmitt said.

Last year’s changes to the underground facility protection statute require operators of natural gas lines to file reports with the PSC on all incidents of excavation damage. The PSC then evaluates the reports, conducts any needed additional investigation, and assesses financial penalties if violations are uncovered.

About 48 percent of the violations thus far involve professional excavators who either failed to call 811 to have gas lines located or didn’t follow the statutory requirements for excavation near gas lines; 45 percent involve natural gas operators who did not locate lines accurately or properly; the remaining 7 percent involve people doing excavation on their own property and either not calling 811 or not following proper excavation practices.

“What those numbers tell us is that there is still a great deal of public education that needs to be done in order to bring excavation damage down to a minimal level,” Schmitt said.

Of the 701 reports filed with the PSC through March, 264 have been reviewed and closed, with 77 requiring no further action and penalties imposed in 187 cases.

PSC Executive Director Gwen R. Pinson explained that the penalties collected are being used to fund expanded outreach, training and education efforts aimed at excavators, pipeline operators, municipal utilities and the public.

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In the months after the law was changed and before it took effect, and in the months since, the PSC has conducted extensive outreach to stakeholders to explain the enforcement program.

“In the last year, members of the PSC staff have made presentations at 36 meetings with various stakeholder groups, interacting face-to-face with more than 1,600 people,” she said. “We have focused on explaining both the requirements in the law and the changes that have made the PSC the agency responsible for enforcing it with respect to natural gas lines.”

The PSC also is working to process damage reports more quickly, beginning with the more than 400 reports awaiting final determinations, she said.

The changes to the law were made to bring Kentucky into line with federal pipeline safety standards, which the PSC enforces under an agreement with the US Department of Transportation.

Like every other state, Kentucky has a statewide 811 service that, by law, must be called at least two working days prior to beginning excavation. This advance notification is intended to allow ample time for utility lines to be located and marked so that excavation can proceed safely. Natural gas providers and hazardous liquid pipeline operators are required to provide the location of their lines to the 811 center.

Excavators, including homeowners, could be penalized for not calling 811, ignoring location markers or using improper excavation methods. Operators could be penalized for not responding to requests to locate lines or for improperly or inaccurately locating or marking underground facilities.

About 240 entities operate natural gas or hazardous liquid pipelines in Kentucky. They include local gas distribution companies fully regulated by the PSC and municipal natural gas providers and other entities, such as housing authorities, that are regulated by the PSC for safety only.

Penalties are up to \$1,250 for a first violation, \$2,000 for a second violation, and \$4,000 for subsequent violations.

John Lyons, PSC deputy executive director, noted that the PSC has been reducing penalties for first-time violators who attend a two-hour training session at the PSC. About 80 people in total attended the first two training sessions, he said. The sessions are held every three months.

“We are looking at several options for expanding our training efforts beyond the considerable stakeholder outreach that we have done thus far,” Lyons said. “Although enforcement is important, we would prefer to be able to focus on education and prevention.”

Lyons urged any group or organization that wants to learn more about the state underground facilities protection law or the PSC’s role in natural gas safety to contact the PSC. Agency staff are available to make presentations to interested stakeholders, he said.

The PSC is an independent agency attached for administrative purposes to the Energy and Environment Cabinet. It regulates more than 1,100 gas, water, sewer, electric and telecommunication utilities operating in Kentucky.

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