

CORPORATION COMMISSION  
1500 SW ARROWHEAD ROAD  
TOPEKA, KS 66604-4027PHONE: 785-271-3100  
FAX: 785-271-3354  
<http://kcc.ks.gov/>

GOVERNOR JEFF COLYER, M.D.

SHARI FEIST ALBRECHT, CHAIR | JAY SCOTT EMLER, COMMISSIONER | DWIGHT D. KEEN, COMMISSIONER

**NOTICE OF PENALTY ASSESSMENT**

19-DPAX-039-PEN

August 7, 2018

Jose A. Solis  
PPJ Construction Inc  
3750 N Old Lawrence Rd  
Wichita, Kansas 67219

This is a notice of penalty assessment against PPJ Construction Inc for violation of the Kansas Underground Utility Damage Prevention Act (KUUDPA) discovered during an investigation conducted on March 22, 2018, by Kansas Corporation Commission Staff. For a full description of the violation and penalty please refer to the Order that is attached to this notice.

**IF YOU ACCEPT THE PENALTY:**

You have been assessed a \$500 penalty. You have twenty (20) days from the date of service of the Penalty Order to pay the fine amount. Checks should be payable to the Kansas Corporation Commission. Payments shall be mailed to the Fiscal Division of the Kansas Corporation Commission, 1500 S.W. Arrowhead Road, Topeka, Kansas 66604, and shall include a reference to the docket number (19-DPAX-039-PEN) of this proceeding.

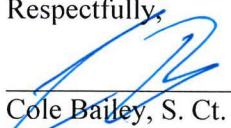
**IF YOU CONTEST THE PENALTY:**

**You have the right to request a hearing.** Requests for hearings must be made in writing, setting forth the specific grounds upon which relief is sought. The company may electronically file its request for hearing within fifteen (15) days from the date of service of this Penalty Order, and e-mail or mail a copy of the request for hearing to the Litigation Counsel listed below. If the company does not have access to the internet, it must submit an original and seven copies of the request for hearing to the Commission's Secretary at 1500 SW Arrowhead Road, Topeka, Kansas 66604, within fifteen (15) days from the date of service of this Penalty Order, and provide a copy to the Litigation Counsel listed below.

**IF YOU FAIL TO ACT:**

Pursuant to K.A.R. 82-14-6(i) and (j), failure to submit a written request for a hearing within fifteen (15) days or, in the alternative, to pay the civil assessment in twenty (20) days from the date of service of this Penalty Order, will be considered an admission of noncompliance and result in the Penalty Order becoming a Final Order and the Commission may order further sanctions.

Respectfully,

  
\_\_\_\_\_  
Cole Bailey, S. Ct. No. 27586  
Litigation Counsel  
(785)271-3186  
[c.bailey@kcc.ks.gov](mailto:c.bailey@kcc.ks.gov)

**THE STATE CORPORATION COMMISSION  
OF THE STATE OF KANSAS**

Before Commissioners:                      Shari Feist Albrecht, Chair  
   Jay Scott Emler  
   Dwight D. Keen

In the Matter of the Investigation of <b>PPJ</b>	)	
<b>Construction Inc, of Wichita, Kansas,</b>	)	
Regarding Violation(s) of the Kansas	)	
Underground Utility Damage Prevention Act	)	Docket No. 19-DPAX-039-PEN
(KUUDPA) (K.S.A. 66-1801, <i>et seq.</i> , and	)	
K.A.R. 82-14-1, <i>et seq.</i> ), and the	)	
Commission's Authority to Impose Penalties	)	
and/or Sanctions (K.S.A. 66-1,151).	)	

**PENALTY ORDER**

The above-captioned matter comes before the State Corporation Commission of the State of Kansas (Commission). The Commission, being duly advised in the premises, and after having examined its files and records, finds and concludes as follows:

**I. JURISDICTION AND BACKGROUND**

1.        The Commission has jurisdiction and authority to administer and enforce the Kansas Underground Utility Damage Prevention Act (KUUDPA), as provided in K.S.A. 66-1801 *et seq.* Likewise, 66-1815 grants the Commission full power and authority to adopt all necessary rules and regulations for carrying out the provisions of K.S.A. 66-1801 through 66-1814, *et seq.*

2.        In its enforcement of KUUDPA, pursuant to K.A.R. 82-14-6, as amended, the Commission may investigate an entity under the Commission's jurisdiction and order a hearing on the Commission's own motion when the Commission believes the entity is in violation of the law or any order of the Commission.

3. The Commission shall impose civil penalties and injunctive actions against any person or entity subject to and found in violation of the provisions of KUUDPA, or any rule and regulation, or any order of the Commission. Each violation is subject to a civil penalty, not to exceed \$25,000, for each day that the violation persists, with a maximum civil penalty of \$1,000,000 for any related series of violations. *See* K.S.A. 66-1812, 66-1,151 and amendments thereto; and, K.A.R. 82-14-6.

## **II. ALLEGATIONS OF NONCOMPLIANCE**

4. Pursuant to the above authority, on March 22, 2018 Commission Staff (Staff) investigated the activities and operations of PPJ Construction Inc (Respondent). See Report and Recommendation of Staff dated July 18, 2018, a copy of which is attached hereto as Attachment "A". As a result of this investigation, Staff reports the following:

- a. On April 4, 2018, Staff performed an onsite inspection at 147 S Green St in Wichita, Kansas. Staff's investigation discovered the Respondent caused damage to a Kansas Gas Service (KGS) gas service line. No injuries or additional property damage occurred.
- b. Staff learned during its independent investigation that Respondent had not provided Kansas Gas Service (KGS) with a notice of intent to excavate and Kansas One Call had not been called to obtain locate marks.
- c. On April 6, 2018, Staff mailed a Notice of Probable Noncompliance notifying Respondent of the investigation results. The letter instructed Respondent to respond within thirty (30) days and to indicate whether Respondent accepted or disagreed with the findings of Staff's investigation. The notice also requested Respondent to provide written

explanation of the actions taken by Respondent to prevent future KUUDPA violations. In the alternative, the Respondent could provide documentation explaining why Respondent disagreed with the findings, including identification of any errors in the Notice of Probable Noncompliance. The violation cited is as follows:

K.S.A. 66-1804(a) & (e)

**66-1804. Notice of intent of excavation.** (a) Except in the case of an emergency, an excavator shall serve notice of intent of excavation at least two full working days, but no more than 15 calendar days before the scheduled excavation start date, on each operator having underground tier 1 facilities located in the proposed area of excavation.

(e) The notice of intent of excavation shall contain the name, address and telephone number of the person filing the notice of intent, the name of the excavator, the date the excavation activity is to commence and the type of excavation being planned. The notice shall also contain the specific location of the excavation.

d. On June 11, 2018, Staff received a written response from Respondent to the Notice of Probable Noncompliance. In its response, Respondent agreed with the information contained in the Notice of Probable Noncompliance and as a result, also agreed with Staff's finding of fault.

5. Based upon the available facts, Staff recommends the Commission find that at the time of the damage alleged herein, Respondent was an excavator conducting excavation activities as defined in K.S.A. 2017 Supp. 66-1802(c) and (d). Additionally, based upon the available facts, Staff recommends the Commission find Respondent failed to obtain a valid locate ticket and failed to serve notice of intent of excavation as Kansas law requires.

6. Excavating without locates and without ascertaining the location of all underground facilities is considered a high-risk activity with the potential for significant consequences to public safety. KUUDPA requires the excavator to serve notice of intent of excavation at least two full working days before the scheduled excavation start date. Because providing proper and timely notice of intent and waiting the required amount of time is the most fundamental preventative measure an excavator takes, the fact that PPJ Construction Inc failed to comply with this requirement of law warrants the assessment of a civil penalty.

7. Staff recommends the Commission issue PPJ Construction Inc a civil penalty of \$500 for the violation of the Kansas Underground Utility Damage Prevention Act as alleged.

### **III. FINDINGS OF FACT AND CONCLUSIONS OF LAW**

8. Pursuant to K.S.A. 66-1801 *et seq.*, the Commission has jurisdiction and authority to administer and enforce the KUUDPA.

9. The Commission finds during the incident described in Staff's Report and Recommendation, Respondent was an excavator conducting excavation activities as defined in K.S.A. 66-1802(c) and (d). Accordingly, the Commission finds it has jurisdiction over Respondent to enforce the KUUDPA.

10. The Commission concludes Respondent violated Kansas law governing underground utilities, including various provisions of KUUDPA, and is therefore subject to sanctions or fines imposed by the Commission. Specifically, the Commission finds Respondent violated K.S.A. 66-1804(a) & (e) by failing to obtain a locate ticket and failing to provide a notice of intent of excavation. As a result of this failure, Respondent damaged underground facilities of Kansas Gas Service (KGS).

11. The Commission concludes Respondent shall be assessed a civil penalty, pursuant to K.S.A. 66-1812, in the amount of \$500 for violation of the Kansas Underground Utility Damage Prevention Act. .

12. The Commission finds and concludes Respondent shall be afforded an opportunity to request a hearing on the assessment of this civil penalty. Pursuant to K.A.R. 82-14-6(j), the Commission finds and concludes Respondent shall have 15 days from the date of service of this Penalty Order to request a hearing on the matter. To ensure uniformity and consistency among Commission proceedings, the Commission finds and concludes any hearing on this matter before the Commission shall be conducted in a manner consistent with the Kansas Administrative Procedure Act, K.S.A. 77-501 *et seq.*

13. Pursuant to K.A.R. 82-14-6(i), and (j), the Commission finds and concludes Respondent's failure to pay the assessed civil penalty within 20 days or request a hearing within 15 days from the date of service of this Penalty Order shall be considered an admission of noncompliance.

**THE COMMISSION THEREFORE ORDERS THAT:**

A. PPJ Construction Inc, of Wichita, Kansas, is hereby assessed a \$500 civil penalty for the violation of the Kansas Underground Utility Damage Prevention Act, K.S.A. 66-1801 *et seq.*

B. Pursuant to K.A.R. 82-14-6(j) and amendments thereto, any party may request a hearing by electronically filing its request within fifteen (15) days from the date of service of this Penalty Order, and e-mail or mail a copy of the request for hearing to the Litigation Counsel listed on the Notice of Penalty Assessment. If the company does not have access to the internet, it must submit an original and seven copies of the request for hearing to the Commission's

Secretary to the Commission at 1500 SW Arrowhead Road, Topeka, Kansas 66604, within fifteen (15) days from the date of service of this Penalty Order, and provide a copy to Litigation Counsel. Hearings will be scheduled only upon written request. Failure to timely request a hearing shall be considered an admission of noncompliance and result in a waiver of Respondent's right to a hearing. Any hearing on this matter before the Commission shall be conducted in a manner consistent with the Kansas Administrative Procedure Act, K.S.A. 77-501, *et seq.* Furthermore, if a request for hearing is not filed, this Penalty Order will become a Final Order assessing a \$500 civil penalty against Respondent.

C. On August 7, 2018, this Penalty Order was mailed via certified mail, return receipt number 70161970000105745698. Service of this Order is complete upon the date delivered shown on the Domestic Return Receipt.

D. Attorneys for all parties shall enter their appearances in Commission proceedings by giving their names and addresses for the record. For civil penalties exceeding \$500, a corporation shall appear before the Commission by its attorney, unless waived by the Commission for good cause shown and a determination that such waiver is in the public interest. K.S.A. 77-515(c); K.A.R. 82-1-228(d)(2); K.A.R. 82-1-202(a).

E. Pursuant to K.A.R. 82-14-6, if you do not request a hearing, the payment of the civil penalty is due in twenty (20) days from the date of service of this Order. Checks shall be payable to the Kansas Corporation Commission. Payments shall be mailed to the Fiscal Division of the Kansas Corporation Commission, 1500 S.W. Arrowhead Road, Topeka, Kansas 66604. Credit card payments can be made by calling the Fiscal Office at 785-271-3351. The payment shall include a reference to the docket number (19-DPAX-039-PEN) of this proceeding.

F. Unless a hearing is requested, failure to pay the \$500 civil penalty within twenty (20) days from the date of service of this Penalty Order will result in enforcement action against Respondent, including all sanctions, requirements, and penalties described above being enforceable without further action by the Commission.

G. The Commission retains jurisdiction over the subject matter and the parties for the purpose of entering such further order or orders as it may deem necessary.

**BY THE COMMISSION IT IS SO ORDERED.**

Albrecht, Chair; Emler, Commissioner; Keen, Commissioner

Dated: 08/07/2018



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Lynn M. Retz  
Secretary to the Commission

CB/vj



## **ATTACHMENT “A”**

# STATE OF KANSAS

CORPORATION COMMISSION  
UTILITIES DIVISION  
1500 SW ARROWHEAD ROAD  
TOPEKA, KS 66604-4027



PHONE: 785-271-3220  
FAX: 785-271-3357  
<http://kcc.ks.gov/>

GOVERNOR JEFF COLYER, M.D.

SHARI FEIST ALBRECHT, CHAIR | JAY SCOTT EMLER, COMMISSIONER | DWIGHT D. KEEN, COMMISSIONER

**TO:** Chair Shari Feist Albrecht  
Commissioner Jay Scott Emler  
Commissioner Dwight D. Keen

**FROM:** Robert Jackson, Damage Prevention Special Investigator  
Leo Haynos, Chief of Pipeline Safety  
Jeff McClanahan, Director of Utilities

**DATE:** July 18, 2018

**SUBJECT:** **Docket Number:** 19-DPAX-039-PEN  
In the Matter of the Investigation of PPJ Construction Regarding Violations of the Kansas Underground Utility Damage Prevention Act (KUUDPA) (K.S.A. 66-1801, *et seq.*, and K.A.R. 82-14-1 through 82-14-5) and the Commission's Authority to Impose Penalties and/or Sanctions (K.S.A. 66-1,151) / RJ-18-OC-1034

## **EXECUTIVE SUMMARY:**

Staff is recommending a civil penalty be issued to PPJ Construction (PPJ) in the amount of \$500 for violation of KUUDPA. PPJ did not provide a notice of intent to excavate prior to excavating on March 22, 2018, in Wichita, Kansas. Failure to provide proper notice of intent before excavating is a violation of K.S.A. 66-1804(a). A Notice of Probable Noncompliance (PNC) was issued to PPJ on April 6, 2018. PPJ responded to the PNC on June 11, 2018, as required by K.A.R. 82-14-6(c). A copy of the PNC is included as Attachment I.

## **BACKGROUND:**

PPJ hit and damaged a Kansas Gas Service (KGS) 3/4" PE service line at 147 S. Green Street. Staff received notification of the damage via email from Kansas Gas Service. Staff was unable to respond to this damage on the day it occurred. KGS requested KCC investigate the damage because there was not a valid One-Call ticket filed prior to excavation. KGS provided a report with photographs to KCC documenting the damage.

## **ANALYSIS:**

### **Rationale for Penalties:**

#### **A. Gravity of noncompliance:**

Staff was able to confirm through investigation that PPJ did not have a valid One-Call ticket for the work. Excavating without locates and without ascertaining the location of all underground facilities is considered a high-risk activity. KUUDPA requires the excavator to serve notice of intent of excavation at least two full working days before the scheduled excavation start date. PPJ failed to comply with this requirement of the law and warrants the assessment of a civil penalty.

#### **B. Culpability:**

PPJ is directly responsible for its actions in failing to acquire a One-Call ticket as Kansas law requires.

#### **C. History of noncompliance:**

Staff has issued no other KUUDPA Notice of Probable Noncompliance to PPJ in the past two years.

#### **D. Response of excavator regarding noncompliance(s):**

PPJ did not respond to the PNC by the due date of May 8, 2018. A second copy of the PNC with a letter requesting response within five days was emailed to PPJ on May 31, 2018. PPJ responded to the PNC on June 11, 2018, agreeing with staff's findings. The response is included as Attachment II.

#### **E. Aggravating/Mitigating Circumstances:**

Staff has not determined any circumstances that would cause modification of the \$500 recommended penalty amount.

## **RECOMMENDATION:**

Staff recommends a civil penalty be issued to PPJ in the amount of \$500 for violation of K.S.A. 66-1804(a).

Attachment

**PROBABLE NONCOMPLIANCE****Investigation: RJ-18-OC-1034****Company: PPJ Construction****Division:****Regulation:****66-1804 (a) & (e) Notice of intent of excavation.**

(a) Except in the case of an emergency, an excavator shall serve notice of intent of excavation at least two full working days, but not more than 15 calendar days before the scheduled excavation start date, on each operator having underground tier 1 facilities located in the proposed area of excavation.

(e) The notice of intent of excavation shall contain the name, address and telephone number of the person filing the notice of intent, the name of the excavator, the date the excavation activity is to commence and the type of excavation being planned. The notice shall also contain the specific location of the excavation.

**PROBABLE NONCOMPLIANCE DESCRIPTION:**

On 4/4/18, KCC Staff investigated a Kansas Gas Service (KGS) gas service line damaged at 147 S. Green St. in Wichita KS. PPJ Construction (PPJ) hit the service drop installing new curb & gutter, road work with a mini excavator. PPJ did not have a valid One Call ticket for the work. The line damaged did not have any locate marks present when it was hit. PPJ failed to obtain a valid Onecall ticket as required prior to starting work. This is a violation of 66-1804 (a) & (e) above.

**OPERATOR'S RESPONSE: (Attach verification if needed)**

Operator's Authorized Signature: \_\_\_\_\_ Date: \_\_\_\_\_

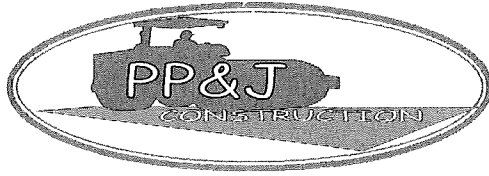
**PIPELINE SAFETY USE ONLY:**

Date reviewed: \_\_\_\_\_ Date reviewed: \_\_\_\_\_  
 Chief: \_\_\_\_\_ Inspector: \_\_\_\_\_

Inspection Type: One Call Inquiry/Complaint

Date Inspected: 04/04/2018

Inspected By: RJ



3750 N OLD LAWRENCE RD  
WICHITA KS 67219  
TEL. (316) 871-3335  
FAX (316) 831 03 57

MAY 08 2018

**KANSAS CORPORATION COMMISSION  
Attn Pipeline Safety 1500 Arrowhead Rd  
Topeka KS**

**Dear Leo Haynos:**

**I am writing this letter to give the explanation about the KCC investigation # RJ-18 OC-1034.**

**Long ago we establish the policy of no excavation on any job where require it to proceed without location ticket issued.**

**On the event of this incident we assume the full responsibility.**

**On this particular week, our main foreman of the crew was on permit.**

**The owner of the job, order the crew to skip one of the streets and move to other location on the same neighborhood, this is due to their own reasons.**

**The temporary foreman thought the location was already located what is not correct.**

**That is the way this happen, I am following all the locations real close and this just slipped of mi view due to miscommunication.**

**We have the commitment to avoid as best we can future incidents.**

**In our monthly safety meetings we always take  
Time to remind the crews about the importance of  
being safe on this kind of matter, not only for us but for  
all the public.**

**As I said we take the responsibility as this come and  
will take steps to avoid future incidents..**

**RESPECTFULLY**

**Jose A Solis**

**316 871 3335**

**CERTIFICATE OF SERVICE**

19-DPAX-039-PEN

I, the undersigned, certify that the true copy of the attached Order has been served to the following parties by means of first class mail/hand delivered on 08/08/2018.

COLE BAILEY, LITIGATION COUNSEL  
KANSAS CORPORATION COMMISSION  
1500 SW ARROWHEAD RD  
TOPEKA, KS 66604  
Fax: 785-271-3354  
c.bailey@kcc.ks.gov

JOSE A SOLIS, PRESIDENT  
PPJ CONSTRUCTION INC  
3750 N OLD LAWRENCE RD  
WICHITA, KS 67219  
Fax: 316-831-0357

/S/ DeeAnn Shupe  
\_\_\_\_\_  
DeeAnn Shupe