



NOTICE OF PENALTY ORDER
25-DPAX-311-PEN

March 11, 2025

Christopher Fry
Atmos Energy Corporation
25090 W. 100th Terrace
Olathe, Kansas 66061

This is a notice of a penalty assessment against Atmos Energy Corporation (“Atmos”) for a violation of the Kansas Underground Utility Damage Prevention Act (“KUUDPA”) and pipeline safety regulations adopted by the Kansas Corporation Commission. Atmos has been assessed a civil penalty in the amount of \$8,000. For a full description of the penalty, please refer to the Penalty Order attached to this notice.

IF YOU ACCEPT THE PENALTY: You have twenty (20) days from the date of service of the Penalty Order to pay the penalty. Payments shall be made payable to the Kansas Corporation Commission and mailed to the Fiscal Division of the Kansas Corporation Commission, 1500 S.W. Arrowhead Road, Topeka, Kansas, 66604 and shall include a reference to Docket Number 25-DPAX-311-PEN.

IF YOU CONTEST THE PENALTY: You have the right to request a hearing to challenge the Penalty Order. A request for hearing must be made in writing, setting forth the specific grounds upon which relief is sought. You or an authorized representative of Atmos may electronically file its request for hearing within fifteen (15) days from the date of service of the Penalty Order. A copy of the request for hearing must be provided to the Litigation Counsel listed below.

IF YOU FAIL TO ACT: Pursuant to K.A.R. 82-14-6(j), failure to submit a written request for a hearing within fifteen (15) days from the date of service of the Penalty Order will be considered an admission of noncompliance. **Failing to request a hearing or to pay the civil assessment may result in further penalties.**

Respectfully,
/s/ Madisen K. Hane
Madisen K. Hane, S. Ct. No. 30292
Litigation Counsel
(785) 271-3288
Madisen.Hane@ks.gov

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

Before Commissioners: Andrew J. French, Chairperson
 Dwight D. Keen
 Annie Kuether

In the Matter of the Investigation of Atmos)
Energy Regarding Violations of the Kansas)
Underground Utility Damage Prevention Act)
("KUUDPA") (K.S.A. 66-1801, et seq., and) Docket No. 25-DPAX-311-PEN
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).)

PENALTY ORDER

The above-captioned matter comes before the State Corporation Commission of the State of Kansas ("Commission") for consideration and determination. Having examined its files and records, the Commission finds and concludes:

I. JURISDICTION

1. The Commission has jurisdiction to administer and enforce the Kansas Underground Utility Damage Prevention Act ("KUUDPA"), as provided in K.S.A. 66-1801, *et seq.*¹ The Commission has full power and authority to adopt all necessary rules and regulations for carrying out the provisions of the KUUDPA, including imposing civil penalties and injunctive relief against any person or entity subject to and found in violation of the KUUDPA, or any rule, regulation, or order of the Commission.²

2. Atmos Energy Corporation ("Atmos") operates as a natural gas public utility pursuant to Commission-issued certificates of convenience and necessity.³

¹ See K.S.A. 66-1813.

² See K.S.A. 66-1812 and K.S.A. 66-1815.

³ See K.S.A. 66-1,200.

3. Atmos is a statutorily defined Operator who owns or leases underground Tier 1 facilities, as defined in K.S.A. 66-1802(k) and (q).⁴ Pursuant to K.S.A. 66-1813, which authorizes the Commission to administer and enforce the KUUDPA, Atmos is subject to the Commission's jurisdiction regarding compliance with the KUUDPA's obligations (*e.g.*, K.S.A. 66-1806) and may be subject to penalties and injunctive relief issued pursuant to K.S.A. 66-1812.

II. NONCOMPLIANCE

4. Between March 2024 and December 2024, Commission Staff ("Staff") conducted multiple onsite investigations of the excavation operations of Atmos in Northeast Kansas. Eight (8) instances of damage were discovered in total: one on March 5, 2024, one on July 8, 2024, one on August 22, 2024, one on September 9, 2024, one on October 9, 2024, one on November 20, 2024, one on November 27, 2024, and one on December 26, 2024.

5. Staff subsequently issued Notices of Probable Noncompliance ("PNCs") to Atmos for each of the above-described instances notifying Atmos of the results of Staff's investigation, copies of which are attached hereto and incorporated by reference herein **Exhibit 1**.

6. Atmos responded to all eight of the PNCs as required by K.A.R. 82-14-6(c) which are also included in Exhibit 1 to this order. Atmos's responses did not dispute Staff's allegations as to the violations of the KUUDPA nor the violations of 49 C.F.R. 192.614 as adopted by K.A.R. 82-11-4.

7. On February 3, 2025, Staff submitted a Report and Recommendation ("R&R") which is made a part hereof and incorporated by reference herein as **Attachment A**.⁵ Staff

⁴ K.S.A. 66-1802(k) defines "operator" as "any person who owns or leases underground tier 1 or tier 2 facility..."; K.S.A. 66-1802(q) defines "Tier 1 facility" as "an underground facility used for transporting, gathering, storing, conveying, transmitting, or distributing gas, electricity, communications, crude oil, refined or reprocessed petroleum, petroleum products, or hazardous liquids."

⁵ Report and Recommendation, Utilities Division, Docket No. 25-DPAX-311-PEN (Feb. 3, 2025) ("Staff's R&R" or "R&R").

recommended that the Commission find that Atmos was directly responsible for failing to provide timely and accurate locates as required by K.S.A. 66-1806(a) on eight (8) separate occasions.⁶ Furthermore, Staff recommended that the Commission find that Atmos is responsible for ensuring its staff follows the required Atmos operations and maintenance procedures required by pipeline safety regulations, specifically 49 C.F.R. 192.605(a) and 49 C.F.R. 192.614(a), as adopted in Kansas by K.A.R. 82-11-4.⁷ The relevant Atmos operations and maintenance procedures are attached hereto and incorporated by reference herein as **Exhibit 2**.

III. FINDINGS OF FACT AND CONCLUSIONS OF LAW

8. The Commission finds it has full power and authority under K.S.A. 66-1815(a) to adopt all necessary rules and regulations for carrying out the provisions of the KUUDPA.

9. The Commission finds that during the incidents at issue, Atmos was acting as an Operator of a Tier 1 facility, as defined in K.S.A. 66-1802(k) and (q).

10. The Commission finds that, pursuant to K.A.R. 82-14-6(a), Staff was authorized to serve a PNC after Staff investigate Atmos regarding damage to gas service lines and gas main lines.

11. The Commission finds that Atmos violated Kansas law governing underground utilities, including provisions of the KUUDPA and the Commission's pipeline safety regulations, as described above, and is therefore subject to sanctions or fines imposed by the Commission. Specifically, the Commission finds that Atmos failed to comply with K.S.A. 66-1806(a) for the above-listed incidents.

⁶ *Id.* at p. 1; K.S.A. 66-1802(t) defines "tolerance zone" as "the area not more than 24 inches of the outside dimensions in all horizontal directions of an underground facility...".

⁷ Staff's R&R, p. 3.

12. The Commission finds that Atmos is responsible for ensuring its staff and contractors follow the required operations and maintenance procedures required by federal pipeline safety regulations, specifically 49 C.F.R. 192.605(a) and 49 C.F.R. 192.614(a), as adopted in Kansas by K.A.R. 82-11-4.

13. The Commission finds that the penalty amount recommended by Staff is necessary to correct Atmos' violations.

14. The Commission concludes that Atmos violated K.S.A. 66-1806(a), and that Staff's recommendation that Atmos be assessed a \$8,000 civil penalty is just and reasonable.

IT IS, THEREFORE, BY THE COMMISSION ORDERED THAT:

A. Atmos Energy Corporation is hereby assessed a \$8,000 civil penalty for four (4) violations 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), Atmos may request a hearing by electronically filing its request for hearing within fifteen (15) days from the date of service of this Penalty Order, and emailing or mailing a copy of the request for hearing to the Litigation Counsel listed on the Notice of Penalty Assessment. Hearings will be scheduled only upon written request. Failure to timely request a hearing shall be considered an admission of noncompliance allegations contained herein and result in a waiver of Atmos' right to a hearing. A request for hearing must comply with the provisions of K.A.R. 82-1-232(b). Hearings shall be conducted in accordance with K.A.R. 82-1-230.

C. 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. *See* K.S.A. 77-515(c); K.A.R. 82-1-228(d)(2); K.A.R. 82-1-202(a).

D. Pursuant to K.A.R. 82-14-6, if Atmos does 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 made 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. The payment shall include a reference to the docket number (25-DPAX-311-PEN) of this proceeding.

E. Unless a hearing is requested, failure to pay the \$8,000 civil penalty within twenty (20) days from the date of service of this Penalty Order will result in further enforcement actions against Atmos including all sanctions, requirements, and penalties described above being enforceable without further action by the Commission.

BY THE COMMISSION IT IS SO ORDERED.

French, Chairperson; Keen, Commissioner; Kuether, Commissioner

Dated: 03/11/2025



Abigail D. Emery
Acting Secretary to the Commission

MKH

ATTACHMENT "A"

1500 SW Arrowhead Road
Topeka, KS 66604-4027



Phone: 785-271-3100
Fax: 785-271-3354
<http://kcc.ks.gov/>

Andrew J. French, Chairperson
Dwight D. Keen, Commissioner
Annie Kuether, Commissioner

Laura Kelly, Governor

REPORT AND RECOMMENDATION UTILITIES DIVISION

TO: Chairperson Andrew J. French
Commissioner Dwight D. Keen
Commissioner Annie Kuether

FROM: Suzanne Balandran, Public Service Administrator
Paul Owings, Chief of Pipeline Safety
Jeff McClanahan, Director of Utilities

DATE: February 3, 2025

SUBJECT: Docket Number: _____
In the Matter of the Investigation of Atmos Energy 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).

EXECUTIVE SUMMARY:

Staff is recommending a civil penalty be issued to Atmos Energy (Atmos) in the amount of \$8,000 for eight violations of the Kansas Underground Damage Prevention Act (KUUDPA) and Kansas pipeline safety regulation that occurred between March and December 2024. The penalty is based on results of Staff investigations following eight damages to Atmos natural gas lines in northeast Kansas.

Failure to provide the excavator with the location of the tolerance zone of the buried facility before excavation begins is a violation of KUUDPA statute, K.S.A. 66-1806 (a). Failure to follow a written procedure as required by pipeline safety regulations is a violation of Federal Pipeline Safety regulations, specifically 49 C.F.R. 192.614 as adopted by K.A.R. 82-11-4. For natural gas utilities, failure to comply with K.S.A.66-1806 is also a violation of Kansas Pipeline Safety Regulations. Staff recommends enforcement of violations of the Pipeline Safety Regulations and KUUDPA to encourage natural gas operators to improve the effectiveness of existing safety procedures and minimize future damages to Kansas pipelines.

BACKGROUND:

Atmos’s failure to provide timely locates when requested resulted in damages to its natural gas facilities, lost work time for the excavators who had to wait for the locates, and lost work time for the excavators that damaged the lines. No injuries or property damage occurred as a result of these damages. The table provides the date of the pipeline damage, the type of facility damaged, the city where the damage occurred, and Staff’s assertion of the cause of the violation.

Upon completing investigations into the damages, Staff issued Notices of Probable Noncompliance (PNC) to Atmos for each of the above listed violations. Atmos has responded to all eight PNCs as required by K.A.R. 82-14-6(c). Atmos does not dispute Staff’s allegations as to the violation of KUUDPA, and the violations of 49 C.F.R. 192.614 as adopted by K.A.R. 82-11-4. A summary description of Staff’s findings, Atmos’s response for each PNC and the actions purportedly taken by Atmos in response to prevent reoccurrence of the violation are included as Attachment 1.

Case #	Date of Damage	Type of Facility Affected	City Damage Occurred	Root Cause	Code Violated	Penalty Amt.
AR-24-OC-1038	7/8/2024	Service	Olathe	not marked	192.614(a)	\$1,000
AR-24-OC-1076	8/22/2024	main	Independence	Not Marked	192.614(a)	\$1,000
AR-24-OC-1085	9/9/2024	service	Eudora	not marked	192.614(a)	\$1,000
AR-24-OC-1107	10/8/2024	Service	Fulton	not marked	192.614(a)	\$1,000
AR-24-OC-1139	11/20/2024	Service	Olathe	not marked	192.614(a)	\$1,000
AR-24-OC-1146	11/27/2024	Service	Olathe	Not Marked	192.614(a)	\$1,000
AR-24-OC-1163	12/26/2024	Service	Marion	Not Marked	192.614(a)	\$1,000
CK-24-OC-1026	3/5/2024	Service	Olathe	Not Marked	192.614(a)	\$1,000
TOTAL						\$8,000

ANALYSIS:

Rationale for Penalties:

A. Gravity of noncompliance:

Once an excavator notifies underground utility operators of a planned excavation, each operator, with facilities buried at that site, must provide surface markings that indicate where the utilities are located within 24 inches of either side of the position of the buried facility. This area is called the “tolerance zone.” In response to the above listed PNCs, Atmos admitted the buried gas service and main lines were not located. Attachment 1 summarizes the nature of each violation and cross references the attachment with Atmos’s specific response. Atmos Damage Prevention Program procedure provides direction for Atmos to receive and handle line locate tickets, locating practices to be followed, and direction for locate performance monitoring. The relevant Atmos procedures are attached hereto as Attachment 2.

Based on the evidence, Staff concludes the failure by Atmos to provide timely and accurate locates demonstrates a failure of Atmos to follow its Damage Prevention Program, Chapter

3, which directs Atmos to locate its gas facilities within two full working days after being notified on an intent to excavate.

B. Culpability:

Atmos is directly responsible for its actions in failing to provide accurate and timely locates as required in K.S.A. 66-1806(a). Furthermore, Atmos is responsible for ensuring its staff follow the required Atmos operations and maintenance procedures required by pipeline safety regulations specifically 49 C.F.R. 192.605(a) as adopted by Kansas in K.A.R. 88-11-4.

C. History of noncompliance:

Staff has issued a total of 62 KUUDPA PNCs to Atmos in the years 2021, 2022 and to the present. These violations were for failure to locate or failure to provide accurate locates.

D. Response of the utility operator regarding noncompliance(s):

Atmos responded to each of the PNCs as required by K.A.R. 82-14-6(c) and agreed with Staff's allegations as to the causes of the damages. Atmos personnel failed to follow the procedures provided by the excavator and Atmos, which resulted in the facilities not being located. Atmos has reviewed each PNC and agrees with Staff's assessment of the cause of the damage.

E. Aggravating/Mitigating Circumstances:

Staff has not determined any circumstances that would cause modification of the recommended penalty amount of \$8,000.

RECOMMENDATION:

Staff recommends a civil penalty be issued to Atmos Energy in the amount of \$8,000 for eight violations of 49 C.F.R. 192.614 as adopted by K.A.R. 82-11-4.

Attachments

EXHIBIT 1



Leo Haynos
Chief of Pipeline Safety
Kansas Corporation Commission
1500 SW Arrowhead Road
Topeka, KS 66604

Dear Leo,

This letter is in response to Probable Noncompliance Investigation No. AR-24-OC-1038. Atmos Energy has conducted an internal investigation of this third-party damage and worked onsite with the Commission Staff in that investigation. The following are the facts and determinations of that investigation.

On July 8, 2024, an experienced and operator-qualified Atmos Energy service technician completed locate ticket number 24340273 which was for fiber main install. The service line involved went to a maintenance building and this line was not shown on our electronic mapping. The service technician failed to recognize that this building had a meter and cleared the location of work for the contractor.

The technician was coached on site to do a visual walk around all structures to verify that no buildings have a service line. The service technician was also advised to call additional resources or dispatch to see if we have an active account on unknown structures. We have added this service line to our electronic mapping, and additional GPS points were collected to identify the existing pipe/fittings as well for future locating accuracy.

Sincerely,

A handwritten signature in black ink, appearing to read "C. Fry", written over a light blue horizontal line.

Christopher Fry
Damage Prevention Manager

PROBABLE NONCOMPLIANCE

Investigation: AR-24-OC-1038

Company: Atmos Energy

Division: One Call

Regulation:


192.614 Damage prevention program.

(a) Except as provided in paragraphs (d) and (e) of this section, each operator of a buried pipeline must carry out, in accordance with this section, a written program to prevent damage to that pipeline from excavation activities. For the purpose of this section, the term "excavation activities" includes excavation, blasting, boring, tunneling, backfilling, the removal of aboveground structures by either explosive or mechanical means, and other earthmoving operations.

PROBABLE NONCOMPLIANCE DESCRIPTION:

On 07/08/2024, Lincoln Underground damaged a Atmos 1" PE natural gas service line near the intersection of 108th Street and South Elm Street. One Call ticket #24340273 had a work to begin date of 07/06/2024. The Atmos facilities were not marked according to the requested area and the ticket indicated the area was marked as "Clear/No Conflict". Atmos did not follow the procedure Atmos O&M 3.4.1 which directs Atmos to locate its gas facilities within the time allowed by the state damage prevention laws (2 full business days). Failure to follow the written procedure is a violation of 49 CFR 192.614 as adopted by K.A.R. 82-11-4.

OPERATOR'S RESPONSE: (Attach verification if needed)

Operator's Authorized Signature:  Date: 7/15/24

PIPELINE SAFETY USE ONLY:
Date reviewed: _____ Date reviewed: _____
Chief: _____ Inspector: _____

Inspection Type: One Call Inquiry/Complaint
Date Inspected: 07/08/2024
Inspected By: AR



Paul Owings
Chief of Pipeline Safety
Kansas Corporation Commission
1500 SW Arrowhead Road
Topeka, KS 66604

Dear Paul,

This letter is in response to Probable Noncompliance Investigation No. AR-24-OC-1076 Atmos Energy has conducted an internal investigation of this third-party damage. The following are the facts and determinations of that investigation.

On August 20, 2024, an experienced and operator-qualified Atmos Energy service technician completed locate ticket number 24428346 which was 275 feet along E. Laurel Street. This was part of an ongoing fiber project. The technician marked 170 feet of main going from N. 4th street east down the south side of Laurel Street. After the damage investigation, it was determined that the technician did not locate the full scope of the dig boundary. This resulted in a 3-inch main being hit and damaged.

The technician was coached on site to verify the locate parameters and to make sure the technician locates the entire scope of the ticket. A plus delta discussion was also completed on August 30, 2024, to discuss the damage with leadership and employees involved with damage. We have also gathered additional GPS information for our electronic mapping. The 3-inch main can now be located from both the regulator setting and the meter coming off the main

Sincerely,

A handwritten signature in black ink, appearing to read "Chris Fry", with a long horizontal flourish extending to the right.

Chris Fry
Damage Prevention Manger

PROBABLE NONCOMPLIANCE

Investigation: AR-24-OC-1076

Company: Atmos Energy

Division: One Call

Regulation:

192.614 Damage prevention program.

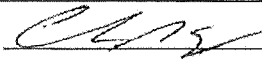
(a) Except as provided in paragraphs (d) and (e) of this section, each operator of a buried pipeline must carry out, in accordance with this section, a written program to prevent damage to that pipeline from excavation activities. For the purpose of this section, the term "excavation activities" includes excavation, blasting, boring, tunneling, backfilling, the removal of aboveground structures by either explosive or mechanical means, and other earthmoving operations.

PROBABLE NONCOMPLIANCE DESCRIPTION:

On 08/22/2024, Martin Underground damaged a Atmos 3" PE natural gas main line near the intersection of North 4th Street and East Laurel Street. One Call ticket #24393202 had a work to begin date of 08/05/2024. The Atmos 3" natural gas main was not located prior to the damage. Atmos did not follow the procedure Atmos O&M 3.4.1 which directs Atmos to locate its gas facilities within the time allowed by the state damage prevention laws (2 full business days). Failure to follow the written procedure is a violation of 49 CFR 192.614 as adopted by K.A.R. 82-11-4.

OPERATOR'S RESPONSE: (Attach verification if needed)

Operator's Authorized Signature: _____



Date: _____

9-17-24

PIPELINE SAFETY USE ONLY:

Date reviewed: _____

Date reviewed: _____

Chief: _____

Inspector: _____

Inspection Type: One Call Inquiry/Complaint

Date Inspected: 08/23/2024

Inspected By: AR



Paul Owings
Chief of Pipeline Safety
Kansas Corporation Commission
1500 SW Arrowhead Road
Topeka, KS 66604

Dear Paul,

This letter is in response to Probable Noncompliance Investigation No. AR-24-OC-1085. Atmos Energy has conducted an internal investigation of this third-party damage and worked onsite with the Commission Staff in that investigation. The following are the facts and determinations of that investigation.

On September 9, 2024, an experienced and operator-qualified Atmos damage prevention technician completed locate ticket number 24450203 which was 1100 feet for fiber install. This is a small portion of tickets called in for fiber installation for the whole town of Eudora. The service line involved went to a duplex and the gate was locked. The damaged prevention technician failed to gain access and also failed to let the contractor know, this resulted in the service line being damaged.

The technician was coached on site to verify that all mains and services are marked prior to closing a ticket out. If we have issues gaining access to locate our facilities, we need to document properly and take escalated actions. Additional GPS points were collected to identify the existing pipe/fittings as well for future locate accuracy. Our electronic mapping has been updated.

Sincerely,

A handwritten signature in black ink, appearing to read "Chris Fry", with a long horizontal stroke extending to the right.

Christopher Fry
Damage Prevention Manager

PROBABLE NONCOMPLIANCE

Investigation: AR-24-OC-1085

Company: Atmos Energy

Division: One Call

Regulation:

192.614 Damage prevention program.

(a) Except as provided in paragraphs (d) and (e) of this section, each operator of a buried pipeline must carry out, in accordance with this section, a written program to prevent damage to that pipeline from excavation activities. For the purpose of this section, the term "excavation activities" includes excavation, blasting, boring, tunneling, backfilling, the removal of aboveground structures by either explosive or mechanical means, and other earthmoving operations.

PROBABLE NONCOMPLIANCE DESCRIPTION:

On 09/09/2024, We Work LLC damaged an Atmos 3/4" PE natural gas service line at 410 East 13th Street. One Call ticket #24450230 had a work to begin date of 09/05/2024. The Atmos 3/4" natural gas service line was not located prior to the damage. Atmos did not follow the procedure Atmos O&M 3.4.1 which directs Atmos to locate its gas facilities within the time allowed by the state damage prevention laws (2 full business days). Failure to follow the written procedure is a violation of 49 CFR 192.614 as adopted by K.A.R. 82-11-4.

OPERATOR'S RESPONSE: (Attach verification if needed)

Operator's Authorized Signature:  Date: 9-25-24

PIPELINE SAFETY USE ONLY:	
Date reviewed: _____	Date reviewed: _____
Chief: _____	Inspector: _____

Inspection Type: One Call Inquiry/Complaint
Date Inspected: 09/11/2024
Inspected By: AR



Paul Owings
Chief of Pipeline Safety
Kansas Corporation Commission
1500 SW Arrowhead Road
Topeka, KS 66604

Dear Paul,

This letter is in response to Probable Noncompliance Investigation No. AR-24-OC-1107. Atmos Energy has conducted an internal investigation of this third-party damage and worked onsite with the Commission Staff in that investigation. The following are the facts and determinations of that investigation.

On October 8, 2024, an experienced and operator-qualified Atmos Distribution Operator completed locate ticket number 24511833 which was 2400 feet for fiber installation. This is a small portion of tickets called in for fiber installation for the whole town of Fulton. The service line involved in the damage did not currently supply gas to any structure and was not on our electronic mapping. This resulted in the service line not being marked and being damaged.

Since the damage occurred, we have had the service line killed at the main. Additional GPS points were collected to identify the existing pipe/fittings as well for future locate accuracy. Our electronic mapping has been updated.

Sincerely,

A handwritten signature in black ink, appearing to read "C. Fry".

Christopher Fry
Damage Prevention Manager

PROBABLE NONCOMPLIANCE

Investigation: AR-24-OC-1107

Company: Atmos Energy

Division: One Call

Regulation:

192.614 Damage prevention program.

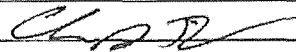
(a) Except as provided in paragraphs (d) and (e) of this section, each operator of a buried pipeline must carry out, in accordance with this section, a written program to prevent damage to that pipeline from excavation activities. For the purpose of this section, the term "excavation activities" includes excavation, blasting, boring, tunneling, backfilling, the removal of aboveground structures by either explosive or mechanical means, and other earthmoving operations.

PROBABLE NONCOMPLIANCE DESCRIPTION:

On 10/08/2024, Plus 3 LLC damaged an Atmos 3/4" PE natural gas service line at 222 Cedar Street. One Call ticket #24511833 had a work to begin date of 10/04/2024. The Atmos 3/4" natural gas service line was not located prior to the damage. Atmos did not follow the procedure Atmos O&M 3.4.1 which directs Atmos to locate its gas facilities within the time allowed by the state damage prevention laws (2 full business days). Failure to follow the written procedure is a violation of 49 CFR 192.614 as adopted by K.A.R. 82-11-4.

OPERATOR'S RESPONSE: (Attach verification if needed)

Operator's Authorized Signature: _____



Date: _____

10-9-24

PIPELINE SAFETY USE ONLY:

Date reviewed: _____

Date reviewed: _____

Chief: _____

Inspector: _____

Inspection Type: One Call Inquiry/Complaint

Date Inspected: 10/08/2024

Inspected By: AR



Paul Owings
Chief of Pipeline Safety
Kansas Corporation Commission
1500 SW Arrowhead Road
Topeka, KS 66604

Dear Paul,

This letter is in response to Probable Noncompliance Investigation No. AR-24-OC-1139. Atmos Energy has conducted an internal investigation of this third-party damage and worked onsite with the Commission Staff in that investigation. The following are the facts and determinations of that investigation.

On November 20, 2024, an experienced and operator-qualified Atmos damage prevention technician completed locate ticket number 24577099 which was for patio installation. The damage prevention technician marked the yard line from the meter to the back of the house. The technician's tone stopped 1 foot from foundation wall, and the technician assumed it was below grade entry and marked it going into foundation. The yard line had been replaced at some point and turned at the wall and ran around to the side of the house to the entry point. This resulted in a portion of the yard line not being marked and resulted in the line being damaged.

The technician was coached to reach out to damage prevention specialists if they have issues or questions on a difficult locate. The technician was also coached on making sure if it is a below or above grade entry. The meter has been moved to the house with a new service line and tracer wire. Our electronic mapping has been updated.

Sincerely,

A handwritten signature in black ink, appearing to read "Chris Fry", with a long horizontal flourish extending to the right.

Christopher Fry
Damage Prevention Manager

PROBABLE NONCOMPLIANCE

Investigation: AR-24-OC-1139

Company: Atmos Energy

Division: One Call

Regulation:

192.614 Damage prevention program.

(a) Except as provided in paragraphs (d) and (e) of this section, each operator of a buried pipeline must carry out, in accordance with this section, a written program to prevent damage to that pipeline from excavation activities. For the purpose of this section, the term "excavation activities" includes excavation, blasting, boring, tunneling, backfilling, the removal of aboveground structures by either explosive or mechanical means, and other earthmoving operations.

PROBABLE NONCOMPLIANCE DESCRIPTION:

On 11/20/2024, the Lillis Outdoors damaged an Atmos 1" PE natural gas service line at 15608 West 126th Terrace in Olathe, Kansas. The natural gas service line was hit with a grader while doing a patio installation. One Call ticket #24577099 had a work to begin date of 11/11/24. Marks were present but were off approximately 15 feet. Atmos did not follow the procedure Atmos O&M 3.4.1 and is in violation of 49 CFR 192.614 as adopted by K.A.R. 82-11-4.

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

Operator's Authorized Signature:  Date: 12-4-24

PIPELINE SAFETY USE ONLY:	
Date reviewed: _____	Date reviewed: _____
Chief: _____	Inspector: _____

Inspection Type: One Call Inquiry/Complaint
 Date Inspected: 11/20/2024
 Inspected By: AR



Paul Owings
Chief of Pipeline Safety
Kansas Corporation Commission
1500 SW Arrowhead Road
Topeka, KS 66604

Dear Paul,

This letter is in response to Probable Noncompliance Investigation No. AR-24-OC-1146. Atmos Energy has conducted an internal investigation of this third-party damage and worked onsite with the Commission Staff in that investigation. The following are the facts and determinations of that investigation.

On November 27, 2024, an experienced and operator-qualified Atmos service technician completed locate ticket number 24605541 which was for foundation repair. The service technician did not locate the yard line due to marking the wrong address and closing out the incorrect ticket, this resulted in the yard line being damaged. The technician verified that the incorrect ticket was closed out and that the location for the ticket was not marked.

The technician was coached to verify the location of every ticket before and after completion to ensure that the job was marked correctly and correct location. After the damage occurred, we relocated the meter to the house and installed a new service line and our electronic mapping has been updated.

Sincerely,

A handwritten signature in black ink, appearing to read "Chris Fry", written in a cursive style.

Christopher Fry
Damage Prevention Manager



Paul Owings
Chief of Pipeline Safety
Kansas Corporation Commission
1500 SW Arrowhead Road
Topeka, KS 66604

Dear Paul,

This letter is in response to Probable Noncompliance Investigation No. AR-24-OC-1163 Atmos Energy has conducted an internal investigation of this third-party damage. The following are the facts and determinations of that investigation.

On December 26, 2024, an experienced and operator-qualified Atmos Energy service technician completed locate ticket number 24651521 for an ongoing fiber project which was 305 feet East along Weldon Street and 253 feet South along Lincoln Street. The technician marked all of the mains within the scope of the ticket but failed to mark the service line going to 211 South Lincoln Street. The fiber crew hit the unmarked service line.

The technician was coached on site to verify all locating hook up points, service/yard lines and to make sure they locate all underground lines within the scope of the ticket. We have a plus delta discussion scheduled for January 13, 2024, to discuss the damage with leadership and employees involved with damage prevention. We also gathered additional GPS information for our electronic mapping.

Sincerely,

A handwritten signature in black ink, appearing to read "Chris Fry".

Chris Fry
Damage Prevention Manger

PROBABLE NONCOMPLIANCE

Investigation: AR-24-OC-1163

Company: Atmos Energy

Division: One Call

Regulation:

192.614 Damage prevention program.

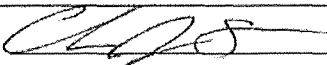
(a) Except as provided in paragraphs (d) and (e) of this section, each operator of a buried pipeline must carry out, in accordance with this section, a written program to prevent damage to that pipeline from excavation activities. For the purpose of this section, the term "excavation activities" includes excavation, blasting, boring, tunneling, backfilling, the removal of aboveground structures by either explosive or mechanical means, and other earthmoving operations.

PROBABLE NONCOMPLIANCE DESCRIPTION:

On 12/26/2024, RLM Underground damaged an Atmos 1.25" PE natural gas service line at 211 South Lincoln in Marion, Kansas. The natural gas service line was hit with a directional while installing fiber for Ideatek. One Call ticket #24651521 had a work to begin date of 12/25/24. The Atmos service line was not marked. Atmos did not follow the procedure Atmos O&M 3.4.1 and is in violation of 49 CFR 192.614 as adopted by K.A.R. 82-11-4.

OPERATOR'S RESPONSE: (Attach verification if needed)

Operator's Authorized Signature: _____



Date: _____

1-13-25

PIPELINE SAFETY USE ONLY:

Date reviewed: _____

Date reviewed: _____

Chief: _____

Inspector: _____

Inspection Type: One Call Inquiry/Complaint

Date Inspected: 12/30/2024

Inspected By: AR



Leo Haynos
Chief of Pipeline Safety
Kansas Corporation Commission
1500 SW Arrowhead Road
Topeka, KS 66604

Dear Leo,

This letter is in response to Probable Noncompliance Investigation No. CK-24-OC-1026. Atmos Energy has conducted an internal investigation of this third-party damage and worked onsite with the Commission Staff in that investigation. The following are the facts and determinations of that investigation.

On March 5, 2023, an experienced and operator-qualified Atmos Energy service technician completed locate ticket number 24076451 which was one of several tickets relating to a fiber installation project. The service technician was updating the marks for this project. The service line that was damaged went to a commercial building and was missed in the process of updating the marks for this project.

The technician was coached on site to identify all services and mains on our mapping prior to marking for projects. The technician was also coached on the process of updating tickets, that we are required to remark and flag all of our facilities within the scope of the locate ticket. Since the damage occurred, the service line has been added to our electronic mapping. Additional GPS points were collected to identify the existing pipe/fittings as well for future locate accuracy.

Sincerely,

A handwritten signature in black ink, appearing to read "Chris Fry", written over a white background.

Christopher Fry
Damage Prevention Manager

PROBABLE NONCOMPLIANCE

Investigation: CK-24-OC-1026

Company: Atmos Energy

Division: One Call

Regulation:

192.614 Damage prevention program.

(a) Except as provided in paragraphs (d) and (e) of this section, each operator of a buried pipeline must carry out, in accordance with this section, a written program to prevent damage to that pipeline from excavation activities. For the purpose of this section, the term "excavation activities" includes excavation, blasting, boring, tunneling, backfilling, the removal of aboveground structures by either explosive or mechanical means, and other earthmoving operations.

PROBABLE NONCOMPLIANCE DESCRIPTION:

On 3/5/2024, KCC Staff was notified of excavation work resulting in a damage to an Atmos gas line around the area of 15707 S Mahaffie St in Olathe, Kansas. KCC alleges YM Paradise, LLC damaged an Atmos 1-1/4" PE gas service line while directional drilling conduit for ATT. There was a valid One-Call ticket #24076451 with a due date of 2/23/2024. There were locates present; however, there were no marks on this service line. Atmos did not follow the procedure Atmos O&M 3.4.1 and is in violation of 49 CFR 192.614 as adopted by K.A.R. 82-11-4.

OPERATOR'S RESPONSE: (Attach verification if needed)

Operator's Authorized Signature:

Date:

4/4/2024

PIPELINE SAFETY USE ONLY:

Date reviewed: _____

Date reviewed: _____

Chief: _____

Inspector: _____

Inspection Type: One Call Inquiry/Complaint

Date Inspected: 03/05/2024

Inspected By: CK

EXHIBIT 2



OPERATION AND MAINTENANCE

Reference: 192.614, 2020 PIPES Act Section 114

OSHA Link: N/A

Chapter 3: Damage Prevention Program

IV. Pipeline Marking

3.4.1 Pipeline Location Marking

Underground pipelines and facilities shall be located within the time allowed by the state damage prevention laws. Any locating equipment used should be used in accordance with the manufacturer’s instructions.

The location will be marked by spraying with yellow paint, or the installation of stakes, flags or other approved marking methods.

It will be stated in annual letters and personal contacts with excavators that the markings represent only approximate horizontal positions of the facility. To verify the precise location, the pipeline and facilities should be exposed by hand digging within a tolerance zone as required by state damage prevention laws.

The American Public Works Association (APWA) Uniform Color Code (ANSI Standard Z535.1, Safety Color Code marking colors for utilities are as follows:

Safety Yellow	Gas or Oil Pipelines
Safety Blue	Water Systems
Safety Green	Sewer Systems
Safety Red	Electrical Power
Safety Orange	Communications Systems
Safety White	Excavation

Each appropriate supervisor or manager is responsible for maintenance of records.

State Specific - Kansas

Kansas-Marking Underground PE Facilities Using As-built Drawings.

When a segment of PE main, greater than 2” in size, consistently requires the Field locator, whether it is a contracted locating service or Atmos Energy Corporation personnel, to use as-built facility construction drawings to mark the Facility location, then the following procedure shall be followed:

- 1) Notification shall be made to the designated person in each Atmos Energy Corporation office by the field locator of this situation.*
- 2) The designated person will then have Atmos Energy Corporation personnel monitor the excavator that has requested the locate(s) for the opportunity to visually verify that the reference points obtained from the as-built drawing used to locate the facility are correct.*
- 3) Atmos Energy Corporation personnel will then document that the as-built facility construction drawings have been reviewed and corrected if necessary.*

CERTIFICATE OF SERVICE

25-DPAX-311-PEN

I, the undersigned, certify that a true copy of the attached Order has been served to the following by means of first class mail and electronic service on 03/11/2025.

Christopher Fry, DAMAGE PREVENTION MANAGER
ATMOS ENERGY
25090 W 110TH TERR
OLATHE, KS 66061

MADISEN HANE, LITIGATION COUNSEL
KANSAS CORPORATION COMMISSION
1500 SWARROWHEAD RD
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ahsan.latif@ks.gov

/S/ KCC Docket Room
KCC Docket Room