

ALVIN A. JAEGER
SECRETARY OF STATE
STATE OF NORTH DAKOTA
600 E BOULEVARD AVENUE DEPT 108
BISMARCK ND 58505-0500

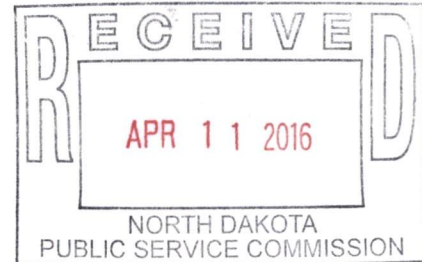


EMAIL sos@nd.gov
WEBSITE www.nd.gov/sos

GENERAL INFORMATION (701) 328-2900
TOLL FREE 1-800-352-0867

SECRETARY OF STATE

April 11, 2016



JOHN SCHUH
PUBLIC SERVICE COMMISSION ADVOCACY COUNSEL
STATE CAPITOL 12TH FL
600 E BOULEVARD AVE DEPT 408
BISMARCK ND 55805-0480

Re: R.J. CORMAN RAILROAD GROUP

Dear Mr. Schuh,

Service of Process has been accepted on the above referenced pursuant to the provisions of North Dakota Century Code Section 10-01.1-13.

Enclosed is an Admission of Service along with the following:

- a) Cover Letter for Refiled Formal Complaint
- b) Refiled Formal Complaint with Attached Exhibit 1
- c) Formal Complaint
- d) Motion Finding Complaint States a Prima Facie Case
- e) Affidavit of Service by Certified Mail

If this office can further assist you, please feel free to contact us.

Sincerely,

A handwritten signature in cursive script that reads "Darcy Hurley".

Darcy Hurley
Business Information Unit Lead

DH/rmw
Enc.

13 **GS-14-740** Filed: 4/11/2016 Pages: 18
Admission of Service and related documents

North Dakota Secretary of State

Darcy Hurley, Business Information Unit

State of North Dakota

SECRETARY OF STATE



ADMISSION OF SERVICE

Date: April 11, 2016

Service of the within Admission Of Service, Cover Letter for Refiled Formal Complaint, Refiled Formal Complaint with Attached Exhibit 1, Formal Complaint, Motion Finding Complaint States a Prima Facie Case and Affidavit of Service by Certified Mail for and on behalf of

R.M. CORMAN RAILROAD GROUP

is hereby admitted by separate copy received for the above mentioned defendant, this 11th day of April at my office in the Main Capitol Building, 600 E Boulevard Ave, Bismarck, North Dakota.

Admission of Service is completed at request of:

John Schuh
Public Service Commission Advocacy Counsel
State Capitol-12th Floor
600 E Boulevard Ave Dept 408
Bismarck ND 58505-0480

A handwritten signature in dark ink, appearing to read "Alvin A. Jaeger".

Secretary of State
Alvin A. Jaeger

ALVIN A. JAEGER
SECRETARY OF STATE
STATE OF NORTH DAKOTA
600 E BOULEVARD AVENUE DEPT 108
BISMARCK ND 58505-0500



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WEBSITE www.nd.gov/sos

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TOLL FREE 1-800-352-0867

SECRETARY OF STATE

April 11, 2016

R.J. CORMAN RAILROAD GROUP
PO BOX 788
NICHOLASVILLE KY 40340

Re: R.J. CORMAN RAILROAD GROUP

Dear Sir,

Enclosed is the Admission of Service, Cover Letter for Refiled Formal Complaint, Refiled Formal Complaint with Attached Exhibit 1, Formal Complaint, Motion Finding Complaint States a Prima Facie Case and Affidavit of Service by Certified Mail.

This service has been accepted by this office and is being forwarded to you pursuant to the provisions of North Dakota Century Code, Section 10-01.1-13.

If this office can further assist you, please feel free to contact us.

Sincerely,

Darcy Hurley
Business Information Unit Lead

DH/rmw
Enc.

Certified Mail No. 7015 3010 0000 6577 0763

cc: John Schuh
Public Service Commission Advocacy Counsel
State Capitol-12th Fl
600 E Boulevard Ave Dept 408
Bismarck ND 58505-0480

RECEIVED
APR 11 2016
SEC. OF STATE

February 24, 2016

Mr. Darrell Nitschke
Executive Secretary
North Dakota Public Service Commission
600 East Boulevard Avenue, Dept. 408
Bismarck, ND 58505-4080

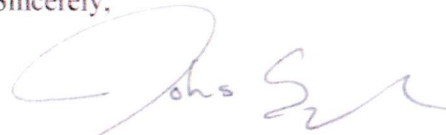
RE: Public Service Commission
R.J.Corman Derailment Services, LLC
Damage Prevention Enforcement
GS-14-740

Dear Mr. Nitschke:

On February 3, 2013, Advocacy Staff (Staff) filed a Formal Complaint in Public Service Commission Case No. GS-14-740. Staff inadvertently failed to attach the October 13, 2014 letter referenced in Section V of the Formal Complaint.

Enclosed for filing, please find a copy of the Formal Complaint filed February 3, 2016 along with the October 13, 2014 letter referenced.

Sincerely,



John M. Schuh
Advocacy Counsel

Enclosures

BEFORE THE PUBLIC SERVICE COMMISSION OF NORTH DAKOTA



Public Service Commission
R.J. Corman Derailment Services, LLC
Damage Prevention Enforcement

RECEIVED
APR 11 2016

Case No. GS-14-740

Public Service Commission,
Complainant,

SEC. OF STATE

vs.

R.J. Corman Derailment Services, LLC,
Respondent.

Complaint

The Public Service Commission of North Dakota, by and through Advocacy Staff (Staff), for its complaint against R.J. Corman Derailment Services, LLC (RJ Corman), alleges and shows the following

I

RJ Corman is a Kentucky Limited Liability Company that is not registered with the North Dakota Secretary of State. Its registered agent with the Kentucky Secretary of State is Kenneth D. Adams, One Jay Station, Nicholasville, KY 40356.

II

Enbridge is a foreign corporation authorized to do business in North Dakota.

III

North Dakota Century Code section 49-23-04(1) provides:

Except in an emergency, an excavator shall contact the notification center and provide an excavation or location notice at least forty-eight hours before beginning any excavation, excluding Saturdays, Sundays, and holidays, unless otherwise agreed to between the excavator and operator. If an operator determines more time is necessary for location, the operator may request a twenty-four-hour extension of the excavation or location

notice by notifying the notification center. The notification center shall notify the excavator of the extension. An excavation begins the first time excavation occurs in an area that was not previously identified by the excavator in an excavation notice.

North Dakota Century Code section 28-32-22 provides:

Unless otherwise prohibited by specific statute or rule, informal disposition may be made of any adjudicative proceeding, or any part or issue thereof, by stipulation, settlement, waiver of hearing, consent order, default, alternative dispute resolution, or other informal disposition, subject to agency approval. Any administrative agency may adopt rules of practice or procedure for informal disposition if such rules do not substantially prejudice the rights of any party. Such rules may establish procedures for converting an administrative matter from one type of proceeding to another type of proceeding.

North Dakota Century Code section 49-07-01.1 provides:

Any person who violates any statute, commission order, or commission rule which applies to matters within the authority of the commission under chapters 8-08, 8-09, 8-10, 24-09, 32-25, and 51-05.1, titles 60 and 64, and title 49 except for chapters 49-22 and 49-23, shall, in addition to any other penalty provided, be subject to a civil penalty of not to exceed five thousand dollars. A violation occurring under chapter 49-23, in addition to any other penalty, is subject to a civil penalty not to exceed twenty-five thousand dollars. The commission shall develop policies for the assessment of penalties under chapter 49-23 which will take into consideration the severity of damages and the conduct of the offender. The civil penalty may be compromised by the commission. The amount of the penalty when finally determined or agreed upon in compromise, if not paid, may be recovered in a civil action in the courts of this state.

North Dakota Administrative Code section 69-02-04-05 provides:

In any proceeding in which the commission is authorized to act after opportunity for hearing, opportunity is afforded by service of notice fixing a reasonable period of time within which any person desiring to be heard may file a protest or request for a hearing. If a protest or request for hearing is not filed within the time provided, the commission may dispose of the matter on the basis of the pleadings, other submittals, and the studies and recommendations of the staff. A party not requesting oral hearing in the party's pleading is deemed to have waived a hearing for the purpose of the decision, but not for the purpose of applying for rehearing with respect to the decision. If a person requests a hearing but does not

show good cause, the commission may determine the matter without a hearing.

IV

On October 10, 2014, the Commission received a ND One-Call Complaint from Jeremy Finnie at Enbridge. The complaint alleges a violation by RJ Corman of North Dakota Century Code section 49-23-04(1) of the One-Call Excavation Notice System.

V

By its October 13, 2014 letter, attached as Exhibit 1, Commission staff informed RJ Corman of Enbridge's complaint filing, and requested a response by October 27, 2014. As of February 2, 2016, the Commission has not received a response from RJ Corman.

VI

As alleged by Enbridge's complaint, on May 25, 2014, RJ Corman began an excavation as defined in North Dakota Century Code section 49-23-01(7) while attempting to free a track hoe that was stuck in the mud near an Enbridge underground facility at York, North Dakota. No damage was caused by this excavation.

VII

Based on its investigation Staff determined that RJ Corman personnel did not provide an excavation notice to the North Dakota One Call Notification Center (NDOC) at any time before or after the work began.

Based on its investigation, Staff concluded that there was no agreement between RJ Corman and Enbridge under North Dakota Century Code section 49-23-04(1) prior

to excavation that would relieve RJ Corman of its obligation to provide excavation notice at least forty-eight hours before the excavation.

Based on its investigation, Staff concluded that the excavation was not being made in a time of emergency under North Dakota Century Code section 49-23-04(4), allowing the excavator to give notification after the start of the excavation.

VIII

RJ Corman violated North Dakota Century Code section 49-23-04(1) by failing to provide an excavation notice to the NDOC Notification Center at least forty-eight hours before beginning its excavation.

IX

The North Dakota Public Service Commission Damage Prevention Plan provides:

D PROPOSED CIVIL PENALTIES:

1. The following criteria must be used by Commission staff to determine if a civil penalty should be proposed when filing a formal complaint:
 - a. The nature, circumstances and severity of the complaint;
 - b. The degree of suspected fault on the part of the respondent;
 - c. The respondent's history of prior violations or complaints;
 - d. The respondent's ability to pay;
 - e. Any good faith effort by the respondent in attempting to achieve compliance; and
 - f. The effect the penalty may have on the respondent's ability to continue in business.

X

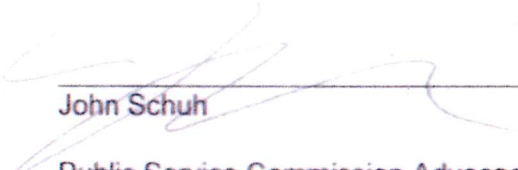
The Respondent must serve an answer to this complaint upon the Complainant and the Commission within twenty days after service of the complaint, or the Commission may deem the complaint to be admitted. Answers must be served in the manner allowed for service under the North Dakota Rules of Civil Procedure.

Prayer for Relief

Based on the foregoing, Staff seeks the following relief:

1. That the Commission find RJ Corman in violation of North Dakota Century Code ch.49-23 for failing to comply with the One Call requirements enumerated in North Dakota Century Code section 49-23-04(1)
2. That the Commission impose an appropriate civil penalty up to \$25,000, but at least \$500.
3. Such other relief that the Commission finds just and proper.

Dated this 3rd day of February, 2016


John Schuh

Public Service Commission Advocacy Counsel
State Capitol – 12th Floor
600 E Boulevard Ave – Dept. 408
Bismarck, North Dakota 58505-0480
701-328-2412

Victor Schock
Public Utility Analyst
Public Service Commission Advocacy Staff
State Capitol – 12th Floor
600 E Boulevard Ave – Dept 408
Bismarck, North Dakota 58505-0480
701-328-3397



Public Service Commission
State of North Dakota

MEMBERS

Heidi P. Nicks
Randy Christman
Julie Fedorchak

Executive Secretary
Darrell Nitschke

1000 North Boulevard, Suite 100
Bismarck, North Dakota 58102-1000
Web: www.psc.nd.gov
E-mail: ndpsc@nd.gov
Phone: 701-328-2400
No Toll Free: 1-877-245-6667
Fax: 701-328-2400
TDD: 800-368-8888 or 701-

October 13, 2014

Curtis Keazer
R J. Corman Derailment Services, LLC
4780 Underpass Ave
Billings, MT 59101

Re: One-Call Excavation Notice System, North Dakota Century Code Chapter 49-23

Dear Mr. Keazer:

Enclosed is a copy of a ND One-Call Complaint, against R J. Corman Derailment Services, LLC, received by the North Dakota Public Service Commission on October 10, 2014, from Jeremy Finnie at Enbridge Pipelines, LLC, of Grand Forks, ND. Case Number GS-14-740. The location of the incident identified in the complaint is approximately near BNSF railroad right of way near York, ND.

I am sending you this information so that you are aware of the Complaint and have an opportunity to present any information you may have to assist us in processing this case. **Please respond to Darrell Nitschke, Executive Secretary, North Dakota Public Service Commission, by October 27, 2014**, with your written account of the event, including the applicable One Call locate ticket number for work performed at the address indicated.

I will review your response, the ND One-Call Complaint, and other available information to determine the next step in this matter. If I conclude there was a violation of the One Call law, I may file a formal complaint with the Commission. If I decide to proceed with a formal complaint, I will attempt to contact you in advance.

Please contact me at 701-328-3397 or at vschock@nd.gov with any questions regarding this correspondence.

Sincerely,


Victor Schock
Compliance and Competitive Markets Division

Enc: ND One-Call Complaint
c: Jeremy Finnie

notice by notifying the notification center. The notification center shall notify the excavator of the extension. An excavation begins the first time excavation occurs in an area that was not previously identified by the excavator in an excavation notice.

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 - c. The respondent's history of prior violations or complaints;
 - d. The respondent's ability to pay;
 - e. Any good faith effort by the respondent in attempting to achieve compliance; and
 - f. The effect the penalty may have on the respondent's ability to continue in business.

X

The Respondent must serve an answer to this complaint upon the Complainant and the Commission within twenty days after service of the complaint, or the Commission may deem the complaint to be admitted. Answers must be served in the manner allowed for service under the North Dakota Rules of Civil Procedure.

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2. That the Commission impose an appropriate civil penalty up to \$25,000, but at least \$500.
3. Such other relief that the Commission finds just and proper.

Dated this 3rd day of February, 2016



John Schuh

Public Service Commission Advocacy Counsel
State Capitol – 12th Floor
600 E Boulevard Ave – Dept. 408
Bismarck, North Dakota 58505-0480
701-328-2412

Victor Schock
Public Utility Analyst
Public Service Commission Advocacy Staff
State Capitol – 12th Floor
600 E Boulevard Ave – Dept 408
Bismarck, North Dakota 58505-0480
701-328-3397

APPROVED

DATE: 2-24-16

MOTION

February 24, 2016

**Public Service Commission
R.J. Corman Derailment Services, LLC
Damage Prevention Enforcement**

Case No. GS-14-740

I move the Commission find the Formal Complaint filed by the North Dakota Public Service Commission Advocacy Staff on February 3, 2016, states a *prima facie* case, and serve the Complaint on the Respondent in Public Service Commission, R.J. Corman Derailment Services, LLC, Damage Prevention Enforcement, Case No. GS-14-740.

STATE OF NORTH DAKOTA
PUBLIC SERVICE COMMISSION

Public Service Commission
R.J. Corman Derailment Services, LLC
Damage Prevention Enforcement

Case No. GS-14-740

AFFIDAVIT OF SERVICE BY CERTIFIED MAIL

STATE OF NORTH DAKOTA
COUNTY OF BURLEIGH

Geralyn R. Schmaltz deposes and says that:

she is over the age of 18 years and not a party to this action and, on the **29th day of February, 2016**, she deposited in the United States Mail, at Bismarck, North Dakota, **two** envelopes with certified postage, return receipt requested, fully prepaid, securely sealed and containing photocopy of:

- **Cover Letter For Refiled Formal Complaint**
- **Refiled Formal Complaint With Attached Exhibit 1**
- **Formal Complaint**
- **Motion Finding Complaint States a *Prima Facie* Case**
- **Affidavit of Service by Certified Mail**

The envelopes were addressed as follows:

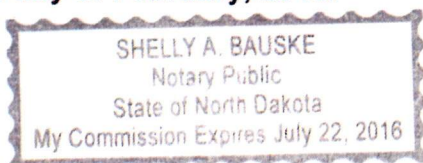
Curtis Keazer
R.J. Corman Derailment Services, LLC
4780 Underpass Ave.
Billings, MT 59101
Cert. No. 7013 2250 0001 0313 9454

R.J. Corman Railroad Group
101 R. J. Corman Drive
Nicholasville, KY 40356
Cert. No. 7015 3010 0000 6559 9302

The addresses shown are the respective addressee's last reasonably ascertainable mailing address.

Subscribed and sworn to before me
this **29th day of February, 2016**.

SEAL



Notary Public