

**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI**

The Staff of the Missouri Public Service Commission,)	
)	
Complainant,)	
v.)	<u>Case No. GC-2006-0350</u>
)	
Union Electric Company d/b/a)	
AmerenUE,)	
Respondent.)	

Dissenting Opinion of Commissioner Steve Gaw

I dissent from the Order in this case which accepts a \$2,000 penalty for AmerenUE's violation of gas safety rules resulting in fires at multiple locations in the City of Boonville. This Commission has for too long been constrained in its ability to levy appropriate penalties for gas safety violations. Fortunately, the forcing of high pressure gas through low pressure lines did not result in any injuries or fatalities, but it did result in \$600,000 in property damage¹. Even if individuals would have been severely injured or killed in gas explosions in this case the position of staff is that the fine would be the same - \$2,000. For years various attempts have been made to raise the limit on penalties for gas safety violations and for as many years these attempts have failed. The penalties authorized in Missouri statutes have remained the same since 1913. The effect, considering the real value of money, is fines today are a small fraction of that originally passed by the legislature. The dangers of not following safety codes for natural gas are far too great to give it so little emphasis.

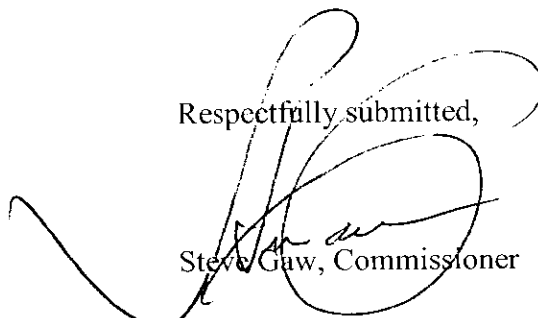
The problem in this case is not confined to the statutory cap. This gas safety rule is drafted in such a way that fires at multiple locations are treated as one incident because the

¹ Missouri Public Service Commission Case No. GS-2006-0199. Staff Gas Incident Report at pages 1,6.

applicable rule uses the word “system”². While I question whether the staff’s reading of this rule is the only possible interpretation, on its surface the language does appear to treat the series of fires in Boonville as one event. The Commission should immediately start a rulemaking to correct this deficiency.

Finally, even if the penalty provision does limit the maximum fine herein to \$2,000,³ it would be appropriate for the Commission to consider a probationary period for the Company to provide more intense oversight of the gas safety practices of the Company as a follow-up to the rule violations.

Respectfully submitted,



Steve Gaw, Commissioner

Dated at Jefferson City, Missouri,
on this 24th day of August, 2006.

² 4 CSR 240-40.030(12)(O)(1), setting the maximum and minimum allowable operating pressure for low-pressure distribution systems, states “No person may operate a low-pressure distribution system at a pressure greater than—
A. A pressure high enough to make unsafe the operation of any connected and properly adjusted low-pressure gas utilization equipment or B. An equivalent of fourteen inches (14”) water column.” (emphasis added).

³ §386.570.1, RSMo, 2005.