

BEFORE THE PUBLIC SERVICE COMMISSION

OF THE STATE OF MISSOURI

In the Matter of Laclede Gas Company)	
Concerning a Natural Gas Incident at)	
Premio Drive in Fenton, Missouri)	Case No. Case No. GS-2007-0130

STAFF’S RESPONSE TO COMMISSION ORDER
CLOSING INVESTIGATION AND DIRECTING PARTIES
TO COMPLY WITH RECOMMENDATIONS

COMES NOW the Staff of the Missouri Public Service Commission and for its Response to the Commission’s July 31, 2007 Order Closing Investigation and Directing Parties to Comply with Recommendations states.

1. In its Order Closing Investigation, the Commission directed Staff to file “no later than October 1, 2007, a draft advisory notice as recommended in Staff’s Gas Incident Report filed in this matter.”

2. A reportable incident occurred on September 12, 2006, in Fenton, Missouri, an area served by Laclede. There were no injuries or fatalities, but the home at 1390 Premio Drive in Fenton was destroyed by a natural gas explosion. Two neighboring homes were also damaged.

3. Staff’s investigation indicates that a contractor for AmerenUE, also a regulated utility company, damaged a natural gas pipeline while installing an underground electric line.

4. As a result of this case, Staff recommended the Commission issue an advisory notice concerning its rules for proper installation of underground cable and conduit.

5. Staff’s draft *Commission Advisory Regarding Installation of Underground Cable or Conduit* is attached as directed by the Commission.

6. Advisory topics include: 1) the Natural Gas Incident in Fenton, Missouri; 2) the Commission's Rules Regarding Conduit/Cable Installation; 3) Missouri Statutes Regarding Excavations; and 4) the Federal Law to Call 911.

7. Commission Rule 4 CSR 240-18.010 prescribes minimum safety standards relating to the operation of electric utilities, telecommunication companies and rural electric cooperatives.

8. In its incident Report, Staff recommended the *Advisory* be sent to all Missouri electric corporations, telecommunications companies, and rural electric cooperatives.

WHEREFORE the Staff requests the Commission accept Attachment A, Staff's draft advisory notice in response to the Commission's July 31 Order and, upon approval, direct Staff to distribute the notice to Missouri electric corporations, telecommunications companies, and rural electric cooperatives.

Respectfully submitted,

/s/ Lera L. Shemwell
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Certificate of Service

I hereby certify that copies of the foregoing have been mailed, hand-delivered, transmitted by facsimile or electronically mailed to all counsel of record this 20th day of September 2007.

/s/ Lera L. Shemwell

Draft Advisory Notice

{PSC Letterhead}

September xx, 2007

To: Electric Corporations, Telecommunications Companies, and Rural Electric Cooperatives

Subject: Commission Advisory Regarding Installation of Underground Cable or Conduit

Advisory Topics:

- 1) Natural Gas Incident in Fenton
- 2) Commission Rules Regarding Conduit/Cable Installation
- 3) Missouri Statutes Regarding Excavations
- 4) Federal Law to Call 911

1) Natural Gas Incident in Fenton

In the past several years, multiple natural gas incidents have occurred when a natural gas pipeline was damaged by the installation of an underground conduit or cable using horizontal boring. On September 12, 2006, a natural gas explosion and fire occurred at a home in Fenton, Missouri. This incident resulted when a contractor for the electric utility was using horizontal directional drilling equipment to install conduit and drilled through the natural gas main. A *Gas Incident Report* was filed by the Missouri Public Service Commission Staff in Case No. GS-2007-0130 and included three recommendations to the electric utility. The electric utility and involved contractor have modified their procedures based on this incident and recommendations. If additional information is desired, please refer to the documents filed in Case No. GS-2007-0130 (use EFIS at www.psc.mo.gov).

2) Commission Rules Regarding Conduit/Cable Installation

The Missouri Public Service Commission is issuing this reminder that underground conduits/cables must be installed in a safe manner to avoid damaging underground facilities. Many damages to natural gas pipelines and other underground facilities can be prevented by using proper excavation techniques and following applicable Missouri statutes and rules. The Commission rules are available at www.psc.mo.gov and must be followed even if the facilities are installed by a contractor on your behalf.

Commission Rule 4 CSR 240-18.010 prescribes minimum safety standards relating to the operation of electric utilities, telecommunication companies and rural electric cooperatives.

Section (1) adopts portions of the 2002 Edition of the National Electric Safety Code (NESC), including Part 3 that contains safety rules for underground electric and communication lines. These requirements include provisions for separation of conduits and cables from other underground facilities. Subsections (15)(C) and (15)(E) of Commission Rule 4 CSR 240-32.060 require telecommunication cables to be installed without causing unnecessary damage to other property and in compliance with *Missouri Revised Statutes*, Chapter 319, sections 319.010 through 319.075.

3) Missouri Statutes Regarding Excavations

The *Missouri Revised Statutes* include the “Underground Facility Safety and Damage Prevention Act” in RSMo Sections 319.015 to 319.050. Excavators must call Missouri One-Call before excavating as required by Section 319.025. Information about these statutes and Missouri One-Call is available at www.mo1call.com. Section 319.035 imposes a general requirement that excavations be conducted in a careful and prudent manner. Excavation is defined in Section 319.015 and includes backfilling, trenching, digging, ditching, drilling, augering, boring, cable or pipe plowing, plowing-in, and pulling-in. Section 319.045 requires the excavator to notify Missouri One-Call if an underground facility is damaged.

Section 319.037 specifically deals with underground installations using horizontal boring equipment such as directional drilling. The excavator must make “careful and prudent efforts to confirm the horizontal and vertical location” of an underground facility when using horizontal boring in the “marked approximate location” of an underground facility. This can be performed with methods such as potholing. A pothole is a hole dug by non-mechanical means (e.g., hand-dig, soft-dig with air tools) to expose an underground facility to verify its location and depth, and allows visual confirmation that the underground facility is not damaged by the boring device.

4) Federal Law to Call 911

If a natural gas facility is damaged and gas is escaping, a recently enacted Federal law (PIPES Act of 2006) requires the excavator to promptly call 911 in addition to contacting the gas facility owner or operator.

The Commission is sending this advisory notice in response to a recommendation in Case No. GS-2007-0130. I appreciate your assistance in distributing this letter to the appropriate personnel. If you have any questions, please do not hesitate to contact Bob Leonberger in the Commission’s Gas Safety Section at 573-751-3456.

Sincerely,

Wess Henderson, Executive Director
Missouri Public Service Commission