STATE OF MISSOURI PUBLIC SERVICE COMMISSION

At a session of the Public Service Commission held at its office in Jefferson City on the 29th day of August, 2006.

In the Matter of an Investigation into City Utilities of Springfield Plastic Pipe Failures and the Adequacy of Its Leak Survey Procedures, Installation Procedures) and Replacement Criteria

Case No. GS-2004-0257

)

ORDER ACCEPTING STAFF REPORT, DIRECTING COMPLIANCE, AND DIRECTING STAFF TO FILE STATUS REPORT

Issue Date: August 29, 2006

Effective Date: September 8, 2006

On February 2, 2006, the Commission issued an Order Adopting Staff's Recommendations which, among other things, directed the Staff to file a status report in June 2006. Staff filed its response to the Commission's order on June 27, 2006, along with its status report containing a review and analysis of City Utilities of Springfield's semiannual reporting to Staff. Staff indicates that City Utilities has made progress in its plastic pipeline replacement program and that the program appears to be successful in reducing the number of leaks. Staff recommends that another status report be filed in the first guarter of 2007 covering City Utilities' activities for the last half of 2006. Staff also recommends that City Utilities be directed to conduct a leak survey during 2007 over all pre-1983 plastic piping operating at high pressure (60 psig) that is not currently surveyed annually for leaks. City Utilities did not respond to the report.

The Commission has reviewed Staff's status report and finds that the recommendations set out by Staff are reasonable and shall be followed. In addition, the Commission will direct Staff to file a status report as directed below.

IT IS ORDERED THAT:

1. The Staff of the Commission shall file its next status report in this case no later than March 30, 2007.

2. Any response to Staff's report shall be filed no later than April 16, 2007.

3. City Utilities of Springfield shall continue to follow the recommendations of the Staff of the Missouri Public Service Commission as previously directed and shall conduct a leak survey during calendar year 2007 over all pre-1983 plastic piping operating at high pressure (60 psig) that is not currently annually leak-surveyed.

4. This order shall become effective on September 8, 2006.

BY THE COMMISSION

Colleen M. Dale Secretary

(SEAL)

Davis, Chm., Murray, Clayton, and Appling, CC., concur. Gaw, C., dissents, with separate opinion to follow.

Dippell, Deputy Chief Regulatory Law Judge