

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

In the Matter of a Workshop Docket to Enhance     )  
Public Safety Responses to Gas Leaks and to     )  
Prevent Third-Party Damage to Gas Facilities.     )

**File No. GW-2016-**\_\_\_\_\_

**STAFF'S MOTION TO OPEN GAS SAFETY WORKSHOP DOCKET**

**COMES NOW** the Staff of the Missouri Public Service Commission, by and through counsel, and for its *Motion to Open Gas Safety Workshop Docket*, states as follows:

1. On February 19, 2013, an explosion and subsequent fire destroyed JJ's Restaurant, located in Kansas City, Missouri, killing one person and injuring others and damaging nearby buildings. The explosion and subsequent fire resulted from a gas main break in an adjacent alley caused by a third-party excavator engaged in the installation of an underground telecommunication cable. The main break occurred despite marking of the area to be excavated by a utility locating contractor as required by law and "potholing" by the excavator. The gas main belonged to Missouri Gas Energy ("MGE").

2. Following the break, the Kansas City Fire Department was notified and responded to the scene about ten minutes later. MGE employees also responded to the scene, arriving about ten minutes after the fire department. The explosion occurred about 67 minutes after the initial notification to MGE Dispatch. Despite the interval of over an hour between the break and the explosion, the emergency responders failed to clear all persons out of the area immediately adjacent to the break.

3. On February 6, 2014, the Staff of the Missouri Public Service Commission filed a two-count complaint (Case No. GC-2014-0216) against Missouri Gas Energy (“MGE”) and Laclede Gas (“Laclede”), its owner, as well as Southern Union Company (now known as Panhandle Eastern Pipeline Company or “PEPL”), which owned MGE at the time of the explosion. In Count I of the Complaint, Staff contended that the Respondents violated certain of the Commission’s Gas Safety Rules with respect to the events of February 19. Count II consisted of several recommendations that Staff has requested the Commission order MGE and Laclede to implement.

4. Staff’s *Complaint* was resolved by a negotiated settlement between Staff, MGE, Laclede and PEPL, that the Commission approved on March 11, 2015, and ordered the parties to implement, stating:

Laclede and Panhandle Eastern do not admit that any rule violation occurred, but MGE agrees to implement the policy and procedural changes Staff demanded in the second count of its complaint. Significantly, Laclede, currently doing business as MGE, agrees to bear all incremental costs MGE incurs to implement the terms of the agreement between now and the effective date of rates in its next general rate case. Further, Laclede agrees that it will not seek to defer such incremental costs for future recovery in rates. The stipulation and agreement does not prevent Laclede from seeking rate recovery of ongoing costs related to this stipulation and agreement, incurred after the next rate case, in subsequent ratemaking cases. The stipulation and agreement represents that the incremental costs incurred, but not recovered in rates by MGE, to comply with the requirements of the stipulation and agreement will exceed the maximum penalty amount that could be imposed on MGE for each of the violations alleged by Staff in the first count of its complaint.

5. Paragraph 1(c) of the *Non-Unanimous Stipulation and Agreement* provides:

Within 60 days after Commission approval of this Agreement, representatives of MGE, Laclede Gas, and Staff, as well as any other interested parties that desire to participate, will begin meeting to develop a statewide policy and apparatus for communication and coordination between gas utilities, fire departments and other emergency responders.

The purpose of such a group would be to enhance the effectiveness of efforts to respond to instances where a gas leak has occurred as well as the effectiveness of efforts to prevent third party damage to gas facilities. It is understood that the statewide policy may affect or supersede the obligations in (a) and (b) above. A combination of representatives of MANGO, Pipeline Association of Missouri, the PSC Gas Safety Staff, state and local fire departments and associations, other emergency responders, Missouri One-Call and the Missouri Common Ground Alliance are all potential members of such a statewide group.

**WHEREFORE,** Staff prays the Commission will open a Gas Safety Workshop Docket as the vehicle within which the signatory parties to the *Non-Unanimous Stipulation and Agreement* described above may “develop a statewide policy and apparatus for communication and coordination between gas utilities, fire departments and other emergency responders” and work “to enhance the effectiveness of efforts to respond to instances where a gas leak has occurred as well as the effectiveness of efforts to prevent third party damage to gas facilities.”

Respectfully submitted,

**/s/ Kevin A. Thompson**

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### **CERTIFICATE OF SERVICE**

The undersigned hereby certifies that a true and correct copy of the foregoing has been served, by hand delivery, electronic mail, or First Class United States Mail, postage prepaid, to all parties of record on the Service List on this 13<sup>th</sup> Day of July, 2015.

**/s/ Kevin A. Thompson**