

**STATE OF MISSOURI  
PUBLIC SERVICE COMMISSION  
JEFFERSON CITY  
October 30, 1998**

**CASE NO: GO-99-155**

**Office of the Public Counsel**  
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Laclede Gas Company  
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**General Counsel**  
Missouri Public Service Commission  
P.O. Box 360  
Jefferson City, MO 65102

**Enclosed find certified copy of ORDER in the above-numbered case(s).**

Sincerely,



**Dale Hardy Roberts**  
**Secretary/Chief Regulatory Law Judge**

**Uncertified Copy:**

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

In the Matter of the Adequacy of Laclede     )  
Gas Company's Service Line Replacement     ) Case No. GO-99-155  
Program and Leak Survey Procedures.     )

**ORDER ESTABLISHING CASE**

On October 14, 1998, the Staff of the Commission (Staff) filed a Motion to Open Docket. Staff states that Laclede Gas Company (Laclede) is a gas corporation subject to Commission jurisdiction under Sections 386.020(18) and 386.020(42), RSMo Supp. 1996. Laclede is also subject to the Commission's safety jurisdiction under Section 386.310, RSMo Supp. 1996.

Staff indicates that two gas incidents involving Laclede gas service occurred in March 1998. Both incidents involved an explosion and an ensuing fire. On April 14, the Commission opened cases GS-98-422 and GS-98-423 to receive information regarding these natural gas incidents. Staff filed Investigation Reports in each of these dockets on October 13, 1998. Also on October 13, Staff filed a complaint in Case No. GS-98-422, alleging that Laclede failed to perform the required six and one-half (6-1/2) month leak recheck investigation as required by 4 CSR 240-40.030(14)(C)3. Staff states that both incidents involved natural gas leaking from corroded sections of copper service lines owned and operated by Laclede.

In the Motion to Open Docket, the Staff further notes that between 1985 and 1990, the Staff filed three natural gas incident reports involving Laclede. All of these incidents involved corrosion on copper service lines owned and operated by Laclede. Pursuant to a 1991

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settlement agreement approved by the Commission, Laclede was to institute a formal replacement program which would, in part, identify and replace direct-buried copper service lines in areas of known actively corrosive environments.

As a result of the Staff's investigations into the two recent incidents, GS-98-422 and GS-98-423, Staff believes a more thorough and complete examination and analysis of Laclede's copper service line replacement program, leak surveys, and investigations is required. Staff requests that the Commission establish a case for the purpose of receiving information concerning the adequacy of Laclede's entire copper service line program and the effectiveness of all of the company's leak surveys and investigations.

On October 22, 1998, Laclede filed its Response of Laclede Gas Company to Staff's Motion to Open Docket. Laclede indicates that it is committed to addressing the issues raised by Staff in its Motion in both a prompt and responsible manner. Laclede notes that it therefore has no objection to opening a docket for this purpose. However, Laclede also indicates that it believes that any determination regarding the scope of this docket should be deferred until such time as: (1) Laclede has had an opportunity to respond to the recommendations made by the Staff in Case Nos. GS-98-422 and GS-98-423; and (2) Staff has had an opportunity to advise the Commission of its position regarding the adequacy of Laclede's response. Laclede indicates that it is hopeful that such an approach will substantially narrow the issues in this case. Laclede requests that the Commission issue its order establishing this docket and directing the parties to submit their recommendations (either jointly or individually) regarding the issues to be addressed herein within

thirty days of the date Laclede files its responses in Case Nos. GS-98-422 and GS-98-423.

The Commission has received the Motion to Establish Docket and the Response of Laclede Gas Company to Staff's Motion to Open Docket. The Commission determines that a case should be established to receive information relevant to the adequacy of Laclede's copper service line program and the effectiveness of the company's leak surveys and investigations. Thus, the Commission will establish Case No. GO-99-155.

**IT IS THEREFORE ORDERED:**

1. That Case No. GO-99-155 is hereby established for the purpose of receiving information relevant to the adequacy of Laclede Gas Company's copper service line program and the effectiveness of the company's leak surveys and investigations.

2. That the Commission's Energy Department shall file its investigation report within one hundred twenty (120) days of the effective date of this order.

3. That this order shall become effective on October 30, 1998.

**BY THE COMMISSION**



**Dale Hardy Roberts**  
**Secretary/Chief Regulatory Law Judge**

( S E A L )

Vicky Ruth, Regulatory Law Judge,  
by delegation of authority pursuant  
to 4 CSR 240-2.120(1), (November 30,  
1995) and Section 386.240, RSMo 1994.

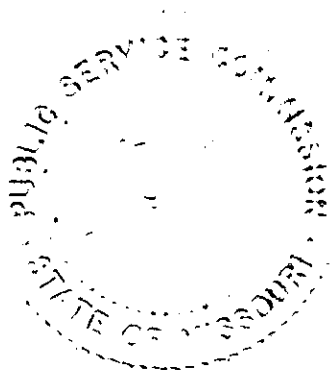
Dated at Jefferson City, Missouri,  
on this 30th day of October, 1998.

ALJ/Sec'y: Ruth Pop  
10-26 11-2  
Date Circulated Return by 3 p.m.  
CASE NO. 60-99-155  
Lumpe, Chair [Signature]  
Crumpton, Commissioner [Signature]  
Murray, Commissioner [Signature]  
Schemenauer, Commissioner [Signature]  
Drainer, Vice-Chair [Signature]

STATE OF MISSOURI  
OFFICE OF THE PUBLIC SERVICE COMMISSION

I have compared the preceding copy with the original on file in this office and  
I do hereby certify the same to be a true copy therefrom and the whole thereof.

WITNESS my hand and seal of the Public Service Commission, at Jefferson City,  
Missouri, this 30th day of October, 1998.



Dale Hardy Roberts

Dale Hardy Roberts  
Secretary/Chief Regulatory Law Judge