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STATE OF MISSOURI
PUBLIC SERVICE COMMISSION

At a Session of the Public Service
Commission held at its office
in Jefferson City on the 13th
day of January, 2000.

In the Matter of the Application of)
Missouri Public Service for a Waiver)
from Certain of the Provisions of) Case No. GE-2000-368
4 CSR 240-40.030(15)(C) for Calendar)
Year 1999.)

ORDER GRANTING WAIVER

On December 13, 1999, UtiliCorp United Inc. d/b/a Missouri Public Service (MPS) filed an application for a waiver from Commission rule 4 CSR 240-40.030(15)(C). This rule requires MPS to annually replace at least five percent of the unprotected steel yard lines and unprotected steel service lines that were in its system on December 15, 1989. MPS requests that it be allowed to replace the remaining unprotected steel lines over the next six years.

In its application, MPS notes that, in Case No. GO-96-186, it was granted a waiver from the five percent requirement, and was allowed to replace yard and service lines at the rate of 3.3 percent per year. At this rate, MPS would have completed its replacements by the end of 1999. However, certain of the unprotected steel yard lines have not yet been replaced. MPS has replaced all unprotected steel service lines, and all but 77 unprotected steel yard lines. Of these 77 lines, 72 are farm tap

yard lines, and the other five serve industrial and commercial customers. MPS states that the farm tap yard lines are much longer than typical residential service lines, and correspondingly more expensive and time-consuming to replace. MPS states that the lines serving the industrial customers are relatively long, large diameter lines, and that replacing the commercial lines will involve the removal of an extraordinary amount of pavement.

MPS states that granting the requested waiver will not compromise gas safety because none of the 77 remaining lines have had any leak history. MPS notes that, under its proposed waiver, the 72 farm tap lines will be replaced within the same amount of time as would have occurred using the minimum annual rates of replacements under 4 CSR 240-40.030 (15)(C)3.

On December 22, 1999, Staff filed its Recommendation to Grant Waiver. Staff repeats the statements MPS makes in its application, and adds that it agrees with MPS that granting the waiver will not compromise gas safety. Staff notes that MPS greatly exceeded the replacement requirements in earlier years and has only 77 of the most difficult lines remaining. Staff points out that these 77 lines are lower pressure, customer-owned yard lines. Staff states that it will participate with MPS in investigating the best course of action to deal with the five lines serving commercial and industrial customers. Staff recommends that the waiver be granted.

The requirement for a hearing is met when the opportunity for hearing has been provided and no proper party has requested the opportunity to present evidence. State ex rel. Rex Deffenderfer Enterprises, Inc. v. Public Service Commission, 776 S.W.2d 494, 496 (Mo. App. 1989). Since no one has asked permission to intervene or requested a hearing, the Commission may grant the relief requested based on the verified application. The Commission finds that granting MPS its requested waiver will not compromise safety and will allow MPS to replace the remaining lines in an efficient manner. The Commission will grant the requested waiver.

IT IS THEREFORE ORDERED:

1. That the application for waiver filed by UtiliCorp United Inc. d/b/a Missouri Public Service on December 13, 1999 is granted.
2. That this order shall become effective on January 25, 2000.

BY THE COMMISSION



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

(S E A L)

Lumpe, Ch., Crumpton, Murray,
Schemenauer, and Drainer, CC., concur

Mills, Deputy Chief Regulatory Law Judge