

**STATE OF MISSOURI
PUBLIC SERVICE COMMISSION
JEFFERSON CITY**

March 14, 2000

CASE NO: GC-2000-386

Office of the Public Counsel

P.O. Box 7800

Jefferson City, MO 65102

Missouri Gas Energy

Legal Department

3420 Broadway

Kansas City, MO 64111

General Counsel

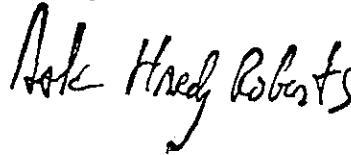
Missouri Public Service Commission

P.O. Box 360

Jefferson City, MO 65102

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

Sincerely,

A handwritten signature in black ink that reads "Dale Hardy Roberts". The signature is written in a cursive, flowing style.

Dale Hardy Roberts

Secretary/Chief Regulatory Law Judge

STATE OF MISSOURI
PUBLIC SERVICE COMMISSION

At a session of the Public Service
Commission held at its office
in Jefferson City on the 14th
day of March, 2000.

The Staff of the Missouri Public)
Service Commission,)
)
Complainant,)
)
v.)
)
Missouri Gas Energy, a Division)
of Southern Union Company,)
)
Respondent.)

Case No. GC-2000-386

ORDER APPROVING SETTLEMENT AGREEMENT
AND CLOSING CASE

On December 23, 1999, the Staff of the Missouri Public Service Commission (Staff) filed a Complaint against Missouri Gas Energy (MGE), a division of Southern Union Company, alleging that MGE had violated Commission Rule 4 CSR 240-40.030(8)(I)3 in that the curb box containing the shutoff valve serving certain premises in Kansas City, Missouri, served by MGE was not properly documented and the curb box cover was partially covered with cement, inhibiting prompt access. This complaint arose out of an investigation conducted by Staff into an explosion on July 26, 1999, that demolished the building in question, Case No. GS-2000-133.¹ Staff

¹Ten persons were injured in the explosion; four of them were hospitalized.

filed a Gas Incident Report in Case No. GS-2000-133 on the same day that it filed this Complaint.

The Commission issued its Notice of Complaint on December 29, 1999, advising MGE that it had 30 days in which to file a responsive pleading. On January 31, 2000, MGE and Staff filed their Settlement Agreement and Satisfaction of Complaint (Agreement). The Office of the Public Counsel (Public Counsel), although served with all the case documents, has not made an appearance herein.

In the Agreement, the parties note that the violation which is the subject matter of this Complaint was not a cause of the explosion at 101 East 41st Street in Kansas City, Missouri, on July 26, 1999. That incident occurred after natural gas escaped into the building at 101 East 41st Street following the ejection of the valve core from a 2-inch valve body on the high-pressure gas line serving the premises. Staff made three recommendations in its Incident Report. In the Agreement, MGE accepts all three recommendations, to the full satisfaction of Staff, as evidenced by its execution of the Agreement. The Agreement specifically states that Staff's execution thereof constitutes its recommendation that the Commission approve the Agreement.

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 resolve this matter on the basis of the pleadings, including the Agreement.

The Agreement is primarily concerned with Staff's recommendations in the Incident Report filed in Case No. GS-2000-133. These recommendations, in turn, are designed to reduce the likelihood of explosions such as the one that occurred at 101 East 41st Street in Kansas City. The Agreement is also directed to the alleged rule violations that are the subject of this case, in that MGE will inspect all of its curb boxes connected to high-pressure gas lines and correct any deficiencies it finds. Further, MGE will provide additional training to its employees, including documentation of curb box locations. The Commission concludes that the Agreement of the parties will prevent the occurrence of such violations in the future. Staff has not requested that any penalty be imposed on MGE in this case and the Commission concludes that none is warranted.

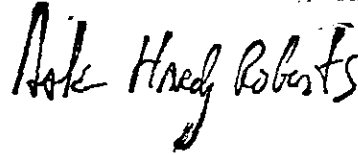
IT IS THEREFORE ORDERED:

1. That the parties' Settlement Agreement and Satisfaction of Complaint filed herein is approved. The parties are directed to perform in accordance with its provisions.

2. That this Order shall become effective on March 24, 2000.

3. That this case may be closed on March 27, 2000.

BY THE COMMISSION

A handwritten signature in black ink, reading "Dale Hardy Roberts". The signature is written in a cursive style with a large initial "D".

Dale Hardy Roberts
Secretary/Chief Regulatory Law Judge

(S E A L)

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

Thompson, Deputy Chief Regulatory Law Judge

Alt/Secy: Thompson / Pope
3-9 GC-2000-386
Date Circulated CASE NO.

SLP
Lumpe, Chair
[Signature]
Crump, Commissioner
[Signature]
Murray, Commissioner
[Signature]
Schemenauer, Commissioner
[Signature]
Drainer, Vice-Chair

3-14 OK
Agenda Date

Action taken: 5-0AS
Must Vote Not Later Than _____

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 14th day of March 2000.

Dale Hardy Roberts

Dale Hardy Roberts
Secretary/Chief Regulatory Law Judge

