

STATE OF MISSOURI
PUBLIC SERVICE COMMISSION

At a session of the Public Service
Commission held at its office
in Jefferson City on the 31st
day of January, 1992.

In the matter of the application of City Utilities)
of Springfield, Missouri for a stay and a waiver)
of compliance from certain provisions of) CASE NO. GO-91-155
4 CSR 240-40.030 contingent upon its lawful)
applicability to the applicant.)

ORDER GRANTING WAIVERS IN PART AND IN PART DENYING

On October 18, 1990, City Utilities of Springfield, Missouri (CU), filed an application requesting a stay and waiver of 4 CSR 240-40.030(13)(M)2.B., and (14)(B)6., and 7. On July 3, 1991, CU filed an amended application requesting a stay and waiver of 4 CSR 240-40.030(15). On July 22, 1991, CU filed a second amended application requesting a stay and waiver of 4 CSR 240-40.030(12)(C) and (D). These requests for waiver were filed pursuant to Section 4 CSR 240-40.030(16). On December 31, 1991, the Commission's Staff (Staff) filed its recommendations in this proceeding.

CU requests a stay and waiver of 4 CSR 240-40.030(13)(M)2.B. which requires annual instrument leakage detection surveys of customer-owned buried fuel lines. CU contends that application of this rule is unduly burdensome since it requires CU to take responsibility for lines it did not install and does not own or control. CU asserts it would be almost impossible to comply with this rule because of the unknown location and nature of customer-owned buried lines. CU notes that these surveys are not required by federal rule and, until now, have not been required by state rule.

Staff points out that CU has no data base on these lines because these surveys have not been required by federal or state regulation. Staff states that the residential and small commercial fuel lines do not present a hazard because they are usually small in diameter, installed at shallow depths and operate at reduced

pressure, thereby offering a minimal opportunity for a substantial leak and a high probability of early detection of gas odor.

Staff notes that the fuel lines for large commercial and industrial users typically operate at higher pressure and greater depths. However, since these lines serve a business venture, Staff states the operator should be compensated for its leak survey. Staff further notes that the Commission has waived this provision for other operators in Missouri for substantially the same reasons. Therefore, Staff recommends that the Commission waive this provision for CU.

CU requests a stay and waiver of 4 CSR 240-40.030(15) as to its required dates of compliance. CU contends it deserves the same start-up time that other operators in Missouri received. Staff believes this request is reasonable. Staff states the original rule afforded other operators four and one-half (4-1/2) months from December 15, 1989 to submit replacement programs to the designated Commission personnel. Therefore, Staff recommends that each compliance date in Section 15 be extended by 4-1/2 months.

CU requests a stay and waiver of 4 CSR 240-40.030(12)(C) and (D) as to the dates of compliance regarding the submission of a revised procedural manual for operations and maintenance, and training and testing requirements for operating personnel. Again, CU asserts it should be afforded the same start-up time that other operators in Missouri received. Staff states that this request is reasonable. Staff recommends that each date in 4 CSR 240-40.030(12)(C) and (D) be extended by 4-1/2 months.

CU requests a stay and waiver of 4 CSR 240-40.030(14)(B)6. This regulation requires CU to conduct subsurface leak checks when making routine service calls on a customer's premise and in particular when making read-in and read-out calls on gas meters. Read-in and read-out calls are meter readings that take place when an existing customer terminates service or a new customer initiates service, usually at rental property. CU states that a large percentage of these read-in and read-out calls are on the same service line. CU argues this could result in some service

lines being checked repeatedly and others being checked only during routine leak surveys. CU questions whether any additional safety is achieved from repeated checks.

Staff recommends denial of this waiver request since this issue was specifically addressed by the Commission during the rulemaking process. Staff defers to the comments from the order of rulemaking in Case No. GF-89-220 which states: "the Commission finds that no exception is intended for operator read-ins/read-outs: under the rule, this constitutes 'work on a customer's premises.'" Staff also argues that these added tests assure safe and adequate service is being provided to the customers on whose premises work is being done.

CU requests a stay and waiver of 4 CSR 240-40.030(14)(B)7., which requires it to conduct a follow-up leak investigation within three (3) days of a leak or odor complaint from the general public where no leak or explanation of the odor was determined during the initial investigation. CU asserts that the repeat investigation is ineffective and inefficient, and the rechecks will not discover a significant number of leaks nor result in a quantifiable increase in safety. CU notes that in Laclede's waiver request of this rule, Laclede stated that of 450 leak call rechecks, no leaks were found.

Staff does not agree that the follow-up leak investigation is useless. Staff argues that statistics supplied by another operator are not relevant in deciding whether a waiver is appropriate for CU. Furthermore, Staff notes that Laclede withdrew its request for waiver of this rule after compiling additional data on these rechecks. Staff states that additional training of CU leak investigators to determine why a customer made an odor complaint, when an investigation indicates that no leak exists, might reduce the number of rechecks that are required. Staff believes that CU employees might reduce the number of rechecks by recognizing could be mistaken for a natural gas odor even though the odor may no longer present. Therefore, Staff recommends CU's waiver request of this p^r denied.

After review of the filings and Staff recommendations, the Commission is of the opinion that CU should be granted a waiver of 4 CSR 240-40.030(13)(M)2.B., for one (1) year, since CU has not acquired a data base regarding the location of these lines. However, the Commission is of the opinion that CU should maintain records of all newly installed customer-owned buried lines and continue to conduct perimeter surveys during the periodic leak surveys of service lines.

The Commission determines that CU should be granted waivers of 4 CSR 240-40.030(15) and (12)(C) and (D) in regard to extending the compliance dates four and one-half (4-1/2) months from the effective date of this order thereby allowing CU the same amount of start-up time as other operators in Missouri. The Commission further determines that CU's waiver request of 4 CSR 240-40.030(14)(B)6., should be denied since the order promulgating this rule clearly states that the Commission did not intend any exceptions under the rule. The Commission finds that CU's waiver request of 4 CSR 240-40.030(14)(B)7. should be denied since compliance with this rule will not be unduly burdensome to CU and will ensure safe and adequate service is provided to its customers.

IT IS THEREFORE ORDERED:

1. That City Utilities of Springfield, Missouri's request for waiver of 4 CSR 240-40.030(13)(M)2.B., be granted hereby for one (1) year.
2. That City Utilities of Springfield, Missouri be directed hereby to maintain records of all newly installed customer-owned buried lines and to conduct perimeter surveys, as proposed, of structures having fuel lines reentering the ground at the meter location during the periodic leak surveys of service lines.
3. That City Utilities of Springfield, Missouri's request for waiver of 4 CSR 240-40.030(15) and (12)(C) and (D) be granted hereby in so far as the compliance dates shall be extended four and one-half (4-1/2) months from the effective date of this order.
4. That City Utilities of Springfield, Missouri's request for waiver of 4 CSR 240-40.030(14)(B)6., and 7., be denied hereby.

5. That this order shall become effective on the 11th day of February,
1992.

BY THE COMMISSION

Brent Stewart

Brent Stewart
Executive Secretary

(S E A L)

McClure, Chm., Rauch, Perkins,
and Kincheloe, CC., Concur.
Mueller, C., Absent.