BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI



In the Matter of Tariff Sheets Filed by Missouri Public Service, a Division of UtiliCorp United Inc. to Modify its Electric Line Extension Rule.

Case No. ET-99-126
Tariff File No. 9900181

REPORT AND ORDER

Issue Date: July 15, 1999

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Effective Date: July 29, 1999

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In the Matter of Tariff Sheets Filed)	
by Missouri Public Service, a Division)	Case No. ET-99-126
of UtiliCorp United Inc. to Modify its)	Tariff File No. 9900181
Electric Line Extension Rule.)	

REPORT AND ORDER

BACKGROUND

On September 1, 1998, Missouri Public Service, a Division of UtiliCorp United Inc. (MPS) submitted tariffs proposing to modify its electric line extension rules. The tariffs bore an effective date of October 1, 1998. On September 30, the Commission suspended the tariff until July 29, 1999, provided notice, and set an intervention deadline. By order dated December 9, 1998, the Commission granted intervention to Kansas City Power & Light Company (KCPL) and the International Brotherhood Of Electrical Workers, Local Union No. 814 (Local 814). Pursuant to a schedule established by the Commission, testimony and a hearing memorandum were filed, an evidentiary hearing held, and briefs submitted.

The only issue presented to the Commission for decision is whether it should approve MPS's proposed line extension tariffs. Both MPS and the Staff of the Commission argue that it should, and Local 814 argues that it should not¹.

¹ Neither KCPL nor the Office of the Public Counsel took a position on the issue in this case.

At the hearing, the Commission reserved Exhibit Numbers 12 and 13 for two late-filed exhibits. Exhibit 12 consisted of cost calculations related to the ten customers referred to in the testimony of MPS witness Vancas, and Exhibit 13 consisted of a diagram Mr. Vancas drew during the course of the hearing. No objections were made to either of these exhibits, and they will be admitted.

FINDINGS OF FACT

The Commission has reviewed and considered all of the evidence and arguments presented by the various parties. Some evidence and positions of parties on the issue may not be addressed by the Commission. The failure of the Commission to mention a piece of evidence or a position of a party indicates that, while the evidence or position was considered, it was not found relevant or necessary to the resolution of the particular issue.

Local 814 objects to the tariffs on the basis of job protection and safety concerns. Local 814 believes that the new line extension policy would remove much of the work of installing services to new customers from MPS crews and give it to outside contractors. Local 814 believes that this shift will result, at least in the long run, in its members having less work to do.

Local 814 also believes that having non-MPS crews do parts of the installation of new services will result in an increase in mistakes and in poor installations, which will lead to increased hazards both to MPS crews and the general public. Local 814's witness testified to three specific mistakes that non-MPS crews have made, and also testified that

sometimes non-MPS crews install electric, gas, water and phone lines in the same ditch.

MPS testified that its proposed tariff will ensure that those responsible for causing new costs bear those costs. It admitted that non-MPS crews have made mistakes in installing services, but stated that MPS crews make mistakes too. MPS believes that, because under its proposed policy MPS crews will do all the electrical work and non-MPS crews will simply place conduit and install bases for meters, safety will not be compromised. MPS also testified that it does not plan to reduce the number of workers that it currently has on the payroll if its tariffs are approved.

The Staff agreed with MPS that safety would not be compromised under the proposed tariffs. The Staff also noted that, if the tariff was approved, MPS's line extension would be more consistent in terms of policy with those of the other regulated electric utilities in Missouri.

The Commission appreciates Local 814's concerns about the potential for loss of jobs and the possibility of an increase in hazardous conditions. The Commission, however, is satisfied that the proposed tariffs are not intended to, and in fact will not, cause a loss of jobs or an increase in hazardous conditions. In his sworn testimony at the evidentiary hearing, MPS witness Vancas stated that MPS does not plan to reduce the number of electrical employees that it currently has on the payroll as a result of this tariff filing. The Commission is also satisfied that there will not be any increased risks to Local 814 workers or the general public as a result of the tariff changes. Non-MPS crews

will not be laying any cable; MPS crews will install the line, connect it, and energize it. Furthermore, Local 814's witness testified that both MPS and non-MPS crews make mistakes that can impact safety.

The Commission finds that approving MPS's proposed line extension tariffs is in the public interest. The new policy will more closely assess costs to those who cause them than the current policy. Furthermore, it will do so without compromising the safety of workers or the general public, and without a reduction of MPS's work force.

CONCLUSIONS OF LAW

The Missouri Public Service Commission has arrived at the following conclusions of law.

UtiliCorp United Inc. d/b/a Missouri Public Service is a public utility engaged in the provision of electric service to the general public in the state of Missouri and, as such, is subject to the general jurisdiction of the Missouri Public Service Commission pursuant to Chapters 386 and 393, RSMo 1994.

IT IS THEREFORE ORDERED:

- 1. That the tariffs filed by Missouri Public Service, a Division of UtiliCorp United Inc. (MPS) on September 1, 1998, and assigned tariff number 9900181, are approved for service on and after July 29, 1999.
 - 2. That late-filed Exhibits 12 and 13 are admitted.
- 3. That all motions not previously ruled upon by the Commission in this case are hereby denied and all objections not previously ruled upon are hereby overruled.

4. That this order shall become effective on July 29, 1999.

BY THE COMMISSION

Tale Hand Chats

Dale Hardy Roberts Secretary/Chief Regulatory Law Judge

(SEAL)

Lumpe, Ch., Murray and Drainer, CC., concur and certify compliance with the provisions of Section 536.080, RSMo 1994. Crumpton and Schemenauer, CC, absent

Mills, Deputy Chief Regulatory Law Judge

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