

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

In the Matter of Laclede Gas Company            )  
Concerning a Natural Gas Incident at            )        Case No. GS-2009-0270  
7527 Michigan Avenue in St. Louis,            )  
Missouri.    )

**RESPONSE OF LACLEDE GAS COMPANY  
TO ORDER DIRECTING FILING**

**COMES NOW** Laclede Gas Company (hereinafter “Laclede” or “Company”) and submits its response to the Order Directing Filing issued in this case on July 16, 2009. In support thereof, Laclede states as follows:

1. Laclede has reviewed the Gas Incident Report (“Report”) filed by the Staff in this case on July 15, 2009 and provides a response to each recommendation as listed below:

1. The Staff recommends Laclede continue its recently implemented practice of reviewing gas system maps in conjunction with Missouri One-Call locate tickets to determine if its CI, or cast iron, mains may be adversely affected by third party excavations.

**Response:**

The Company will continue its practice of reviewing gas system maps in conjunction with Missouri One-Call locate tickets to assist in determining if its cast iron mains may be adversely affected by third party excavations.

2. For situations where one or more CI mains may potentially be located near or within a proposed excavation, the Staff recommends that Laclede contact each excavator and/or visit each excavation site to further determine what portion of the pipeline may require protection or

replacement due to its lying within an area of affected soil<sup>1</sup> or by having the support beneath the pipe removed for a length of more than ten (10) times the nominal pipe diameter not to exceed six (6) feet.

**Response:**

The Company agrees with this recommendation subject to the clarification below. For situations where one or more CI mains have been determined by the Company to be potentially located near or within a proposed excavation, the Company's current practice is to contact each excavator and/or visit each excavation site to further determine what portion of the pipeline may require protection or replacement due to its lying within an area of affected soil or by having the support beneath the pipe removed for a length of the lesser of ten (10) times the nominal pipe diameter or six (6) feet. However, the Company cannot agree to take this action for situations in which Company personnel have not determined that one or more CI mains may potentially be located near or within a proposed excavation.

It should be noted that Missouri One Call locate requests are designed only to provide information about the site where underground facilities need to be located. When determining if a CI main may potentially be located near or within a proposed excavation, the Company must make judgments based on its experience with the type of work, excavator practices and equipment to be used as noted by the excavator. Any detail about proposed excavations is provided by excavators voluntarily. Verifying or obtaining additional information from every excavator is not possible or practical for each locate request because contact cannot be made with excavators in a reliable, consistent and timely manner.

3. In conjunction with the Staff's Recommendation 2 above, the Staff recommends that when the excavation work near its CI mains is associated with installing new water service taps to City water mains, Laclede obtain a set of drawings showing water line locations from the City and/or contact the City regarding each new installation.

---

<sup>1</sup> An "area of affected soil" is defined in 4 CSR 240-40.030(13)(Z).

**Response:**

Drawings showing new water service line or tap locations are not available from the City for services smaller than six-inches in diameter. Service line installations six-inches and larger in diameter have drawings submitted to the City in the permitting process, however they contain only general excavation location information. Water service lines are not owned by the City and drawings of these lines are not maintained by the City or any other entity that the Company is aware of. The City also lacks specific information on the schedule of this work. The Company believes that the City generally has no useful information that would assist in making a determination that a proposed excavation will be near a cast iron gas main. Therefore, attempting to obtain a set of drawings showing water line locations or contacting the City regarding each new installation would not be a fruitful endeavor. It would also be an extremely burdensome exercise to attempt to create such an information database. Consequently, such an endeavor would detract from, rather than further, the Company's goal in identifying excavations near cast iron gas mains.

The Company has and will continue, however, to use the City as a potential resource when appropriate for requesting general information when attempting to contact an excavator to obtain additional information.

4. In conjunction with the Staff's Recommendation 2 above, the Staff recommends that in the event that Laclede speaks with an excavator, Laclede should determine the dimensions and locations of each proposed excavation relative to each Laclede CI main.

**Response:**

Staff's Recommendation 4 reflects a routine practice that is already used by Company personnel for determining if a cast iron main may potentially be located near or within a proposed excavation. Company personnel will continue to determine the dimensions and locations of each proposed excavation relative to each Laclede cast iron main in those instances when they have the opportunity to speak with the excavator.

5. In conjunction with the Staff's Recommendations 1-4 above, the Staff recommends that, if a determination is made that an excavation will involve the installation of one or more water main taps (for water service line connections) and that Laclede's CI gas main facilities may be adversely affected because of their proximity, an on-site investigation be made by Laclede for each of these types of excavations to determine the area of affected soil.

**Response:**

When the Company is aware that such a situation exists, it agrees to continue to conduct an on-site investigation for excavations that are determined to involve the installation of one or more water tap(s) and where a cast iron gas main may be adversely affected because of its proximity. Company personnel involved with these investigations have been advised that excavations for water main taps of any size have the potential to adversely affect cast iron gas mains.

6. The Staff recommends that Laclede follow the guidelines from the "Guide for Gas Transmission and Distribution Piping Systems 2009 Edition" which will be amended in Addendum 1 to include additional information that operators of CI systems should communicate to builders, designers and excavators.

**Response:**

It appears that Staff is making a general recommendation for the Company to follow the "Guide for Gas Transmission and Distribution Piping Systems 2009 Edition" in its entirety even though several Missouri Public Service Commission Pipeline Safety Regulations are inconsistent with this guide material. While the Company does not believe it is Staff's intent to recommend that the Company follow this guide in its entirety, and believes it would be helpful for the Staff to clarify such, the Company agrees to include information in its 2010 excavator brochure concerning excavations near cast iron facilities. This information will include the

importance of not disturbing cast iron facilities, and safe excavation, support, and backfilling requirements unique to cast iron facilities. Additionally, after October 1, 2009, Company personnel visiting excavators at the job site will advise them of the following.

- Cast iron may fail when subjected to undermining and disturbance.
- How to avoid undermining or disturbing the cast iron facilities.
- To notify the Company immediately if the main is either undermined or disturbed.

The Company will also document known conditions where cast iron facilities have been undermined or disturbed and document responses to excavation notifications.

7. The Staff recommends that Laclede continue to develop and implement a program identifying all CI mains having a nominal pipe diameter of 6-inch and smaller that are in areas having a continuous covering (e.g. pavement, or concrete) from the CI main to building wall. Laclede's schedule for completing this work is August of 2009.

**Response:**

This identification project has been completed. The attribute information identifying cast iron mains having a diameter of 6-inch and smaller that are in areas having a continuous covering from the CI main to building wall will be integrated into the Company's cast iron main replacement program as set forth in the response to Recommendation 8 below.

8. While evaluating facilities in conjunction with the soon to be finalized Integrity Management Program for Gas Distribution Pipelines (DIMP Rule)<sup>2</sup>, the Staff recommends Laclede:

---

<sup>2</sup> The proposed DIMP Rule, which would amend 49 CFR Part 192, was published in the June 25, 2008 Federal Register. If adopted, the Rule would require operators of gas distribution pipelines to develop and

- a. Consider increasing the total annual amount of CI main replacements; and
- b. Assign a priority to 6-inch and smaller CI mains having a continuous covering from the CI main to a building wall.

**Response:**

The Company expects that it will be required to complete and implement its DIMP referenced by Staff within 18 months after a final rule has been issued by the Pipeline and Hazardous Materials Safety Administration (PHMSA). To date, a final DIMP Rule has not yet been issued and the Company has not yet determined how cast iron mains, and more specifically, 6-inch and smaller cast iron mains having continuous covering from main to a building wall, will be treated under the Company's future program. However, the Company does support the principles of identifying and reducing pipeline integrity risks defined in the proposed DIMP Rule and anticipates that its program will include considerations for replacements of main segments identified to have elevated integrity risks. As previously discussed, the Company has completed the identification of 6-inch and smaller cast iron mains having a continuous covering from the cast iron main to a building wall. This will permit the Company to assign additional priority to these main segments in its Cast Iron Main Replacement Program.

9. The Staff recommends that Laclede record sufficient additional information when performing leak investigations (currently documented on the "Report of Street Leak F-712" form) to:
  - a. Physically locate each significant reading so that the exact same location can be re-checked in the future; and
  - b. Determine the extent of gas migration.

Laclede has indicated in past discussions with the Staff that they are developing a new leak management system that will geographically

---

implement integrity management programs to further enhance safety by identifying and reducing pipeline integrity risks.

reference leak locations within its GIS mapping system. If Laclede chooses to implement this recommendation by using the “Report of Street Leak F-712” form, then Staff recommends that, at a minimum, the physical location measurements also be recorded for each significant reading to ensure that the same location will be visited during the next re-check of the leak. The extent of the leak should be investigated and documented in a format similar to that used by Laclede titled “Ongoing Leak Survey Information.”

**Response:**

The Company’s current Leak Control System (LCS) is designed to record exact location information on the most significant reading associated with a leak investigation that dictates the leak classification. The LCS also records readings in other locations that help define the scope and source of the leak. Company procedures instruct employees investigating leaks to determine the extent of migrating gas for the purpose of properly classifying the leak, however, it is not practical or possible to attempt to document the extent of migration on the current F-712 form. As Staff discussed, the Company is developing a new leak management system. The Company supports the concept of recording detailed locations of multiple leak readings within the leak management system being developed. However, it would be premature at this time to commit to specific system requirements and documentation formatting. The Company will review with Staff the design of the leak management system being developed at the appropriate time.

10. The Staff recommends that Laclede inform its personnel who are involved in leak investigations of the circumstances related to this incident, with the intention of raising awareness that gas venting from an area undergoing construction is a special concern. Leak investigation personnel should be made aware of situations such as this one where gas is venting to the atmosphere from a gravel backfill area before a sidewalk is repaired, since repairs may prevent the gas from venting.

**Response:**

The Company agrees to review the circumstances related to this incident with Company personnel involved with the leak investigation and classification process. The review will be targeted to raise awareness that gas venting from an area undergoing construction is a special concern and will emphasize a situation where gas is venting to the atmosphere from a gravel backfill area before a sidewalk is repaired. The Company will conduct safety meeting reviews for involved personnel by November 1, 2009, and will incorporate this message into its annual review training curriculum by January 1, 2010.

11. Laclede has revised its Excavation Safety brochure to communicate to excavators that precautions should be taken by excavators when the soil beneath a CI main is removed. The Staff approves of this revision, and recommends that Laclede further revise its Excavation Safety brochure to address potential situations where CI pipe lies within the area of affected soil and the soil is not necessarily removed from directly beneath the pipe.

**Response:**

The Company will incorporate comments in the 2010 version of its Excavation Safety brochure to address potential situations where cast iron mains lie within the area of affected soil where the soil is not necessarily removed from directly beneath the pipe.

12. The Staff recommends that Laclede be directed to file a response regarding these recommendations contained in this Case within 60 days of the filing of this report.

**Response:**

The Company has satisfied this recommendation with this response.

Wherefore, for the foregoing reasons, Laclede Gas Company respectfully requests that the Commission accept and consider this response.



Respectfully submitted,

**/s/ Michael C. Pendergast**

Michael C. Pendergast, Mo. Bar #31763  
Vice President & Associate General Counsel  
Rick Zucker, Mo. Bar #49211  
Assistant General Counsel - Regulatory

Laclede Gas Company  
720 Olive Street, Room 1520  
St. Louis, MO 63101  
Telephone: (314) 342-0532  
Fax: (314) 421-1979  
Email: mpendergast@lacledegas.com  
rzucker@lacledegas.com

**CERTIFICATE OF SERVICE**

Gerry Lynch hereby certifies that the foregoing response has been duly served upon the General Counsel of the Staff of the Public Service Commission and the Office of the Public Counsel by hand delivery, email, fax, or United States mail, postage prepaid, on this 14th day of September, 2009.

**/s/ Gerry Lynch**

Gerry Lynch