

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

In the Matter of Missouri Gas Energy, a)
Division of Southern Union Company,)
Concerning a Natural Gas Incident at the) File No. GS-2011-0248
Intersection of 107th Street and Blue Ridge)
Boulevard in Kansas City, Missouri

STAFF'S INTERIM STATUS REPORT

COMES NOW the Staff of the Missouri Public Service Commission (Staff) and in response to the Commission's February 9, 2011, *Order Opening File and Directing Filing* by the Staff of its initial report not later than June 9, 2011, and Staff's June 6, 2011 Initial Report which indicated an interim status report would be filed no later than August 9, 2011, files this Interim Status Report.

As noted in its Initial Report, the Staff has been actively investigating this incident, which occurred at about 1:52 PM on February 2, 2011 at the intersection of 107th Street and Blue Ridge Boulevard in Kansas City, Missouri. The incident was the result of a release of natural gas from a fractured 16-inch diameter steel natural gas transmission pipeline owned and operated by Missouri Gas Energy (MGE), a division of Southern Union Company. There was no ignition of the natural gas, no injuries and no known damage to property other than property owned by MGE. Since the repair, MGE has been operating at a reduced pressure (approximately 160-170 psig, which is less than 80% of the operating pressure at the time of the incident).

Status of the Investigation

The Staff has received and reviewed information provided by MGE in response to its information requests. At this time, piping containing the fracture has not been removed for

testing and the cause of the fracture is still undetermined. The Staff is analyzing the documentation and operating history provided by MGE to establish several aspects of pipeline integrity for this segment of pipeline. The Staff is evaluating alternatives for additional testing, inspection and/or replacement to address the unknown aspects of the pipeline integrity.

WHEREFORE, Staff requests that the Commission accept this Interim Status Report concerning its investigation of the natural gas release in Kansas City, Missouri, with the understanding that Staff will file a Final Report or a Status Report no later than October 31, 2011.

Respectfully submitted,

s/ Kevin A. Thompson

KEVIN A. THOMPSON

Missouri Bar Number 36288

Chief Staff Counsel

Missouri Public Service Commission

P.O. Box 360

Jefferson City, MO 65102

573-751-6514 (Voice)

573-526-6969 (Fax)

kevin.thompson@psc.mo.gov

Attorney for the Staff of the Missouri
Public Service Commission.

Certificate of Service

I hereby certify that copies of the foregoing have been mailed, hand-delivered, or transmitted by facsimile or electronic mail to all counsel of record this 9th day of August 2011.

s/ Kevin A. Thompson