

**STATE OF MISSOURI
PUBLIC SERVICE COMMISSION
JEFFERSON CITY
March 1, 2001**

CASE NO: ES-2001-28

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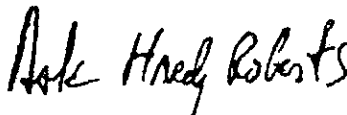
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Enclosed find certified copy of an ORDER in the above-numbered case(s).

Sincerely,



**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 1st
day of March, 2001.

In the Matter of an Incident at)	
St. Joseph Light & Power Company's)	<u>Case No. ES-2001-28</u>
Lake Road Power Plant on June 7, 2000)	

ORDER DIRECTING PERFORMANCE

The Commission established this case on July 27, 2000, for the purpose of receiving a report pertaining to Staff's investigation of an incident at St. Joseph Light & Power Company's (SJLP's)¹ Lake Road Power Plant. On December 6, Staff filed a Final Electric Incident Report along with a motion asking that the Commission require SJLP to file a response to Staff's recommendations within 30 days. On December 12, the Commission directed SJLP to respond to Staff's recommendations no later than January 11, 2001. SJLP filed its response on January 11.

SJLP's response accepted some of Staff's recommendations but disagreed with others. Staff did not reply to SJLP's response so the Commission scheduled a prehearing conference for February 14 and ordered the parties to file a proposed procedural schedule no later than February 21.

On February 8, Staff filed a pleading entitled Motion to Cancel Prehearing Conference, Suspend Filing of Procedural Schedule and for Order Directing St. Joseph Light & Power to Perform in Response to the Staff's

¹ On December 29, 2000, SJLP was merged into UtiliCorp United Inc., (UtiliCorp) with UtiliCorp being the successor corporation. SJLP is now a division of UtiliCorp. As used hereafter, SJLP refers to the SJLP division of UtiliCorp.

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Recommendations as it has stated that it will in its Response to Staff's Recommendations. In that pleading Staff indicated that it found SJLP's responses of January 11 to be adequate and acceptable and asked that the Commission enter an order directing SJLP to perform as it agreed to do in its response.

On February 9, the Commission issued an order that canceled the prehearing conference and the requirement to file a procedural schedule. That order also directed SJLP to respond to Staff's motion by February 16. On February 16, SJLP filed a response indicating that it had reached agreement with Staff. SJLP contended that it need not be ordered to perform as it had already agreed to do and suggested that the Commission should simply close this case. SJLP did, however, state that "if the Commission believes it is necessary to order SJLP to perform as it has proposed, SJLP will not oppose the issuance of such an order."

The Commission believes that SJLP will perform in accordance with its representations to Staff. However, without a formal document setting out the exact agreement between Staff and SJLP, confusion and misunderstandings are possible. Furthermore, without an order from the Commission requiring such performance, SJLP would be under no legal obligation to comply with its representations. Therefore, the Commission will order SJLP to perform as it agreed to do in its Response to Staff Recommendations.

In order to clarify exactly what is expected of SJLP, the Commission will address each of the recommendations of Staff and indicate what, if any, action by SJLP is required.

1. Staff's first recommendation was that SJLP modify the DC oil pump test procedure to read: "6. Head Operator should stop the DC oil pump and verify that the control switch returns to the 'Auto' position or place the DCS control for the pump in Auto." SJLP responded that following the

incident the DC oil pump controls were modified in such a way to eliminate the need for the test procedure change recommended by Staff. Staff agreed that the recommended change was no longer appropriate. Therefore, SJLP does not need to take any further action regarding Staff's first recommendation.

2. Staff's second recommendation was that SJLP provide operator training on the above procedure. SJLP responded that it has already provided operator training on the new operating procedures relating to the modified lube and seal oil system. Staff agreed. Therefore, SJLP does not need take any further action regarding Staff's second recommendation.

3. Staff's third recommendation was that SJLP periodically conduct and document on-site refresher training for operators and shift supervisors for both the DCS and Mark V controls. SJLP responded that it would provide periodic refresher training for shift supervisors and operators. The first refresher training was to be completed in 2001. Staff accepted SJLP's response as adequate and acceptable. Therefore, SJLP will be ordered to provide the refresher training that it indicated it would provide.

4. Staff's fourth recommendation was that SJLP schedule and perform any system maintenance or troubleshooting that has the potential to trip the turbine only during periods of shutdown or low load demand. SJLP responded that such a limitation on system maintenance was neither advisable nor necessary. Staff's reply indicates that with the merger of SJLP into UtiliCorp, the impact of an accidental trip on the system as a whole is decreased. As a result, Staff found SJLP's response to be adequate and acceptable. Therefore, SJLP does not need take any further action regarding Staff's fourth recommendation.

5. Staff's fifth recommendation was that SJLP develop procedures to include at least one shift supervisor in early planning stages of any

modification to the plant. SJLP responded that it would be impractical and inefficient to require that a shift supervisor be included in the planning stages of every modification made at the plant. Instead, SJLP outlined the procedures that it currently uses to provide design input from its operations department. Staff replied that SJLP's response was adequate and acceptable. The Commission will accept Staff's suggestion that the procedures described by SJLP are adequate. The process described by SJLP is already in place and need not be established or further defined by the Commission. Therefore, the Commission will not require SJLP to take any further action regarding Staff's fifth recommendation.

6. The Staff's sixth recommendation was that within 180 days, SJLP:

A) Identify and review, with supporting documentation, all of the critical control systems used in the operation of its power plants to assure that appropriate redundancies and fail-safe designs are in place;

B) Document that appropriate personnel are properly trained on the operation of these critical control systems, including backup (i.e. redundant) systems; and

C) Report, in writing, its activities regarding items A) and B) to the Commission's Electric Department, Engineering Section.

SJLP responded with an alternate plan to review its critical systems within 12 months after the proposal is accepted. Staff replied that SJLP's response was adequate and acceptable. The Commission will order SJLP to undertake the review that it has proposed.

IT IS THEREFORE ORDERED:

1. That UtiliCorp United Inc. d/b/a St. Joseph Light & Power shall periodically conduct and document on-site refresher training regarding the

Unit 4/6 (TG-4/Boiler 6) DCS and Mark V controls for the shift supervisors and all operators with direct responsibility for operating the DCS and Mark V equipment. Documentation of the training shall be maintained at the Lake Road Plant. The first refresher training for all affected personnel shall be completed in 2001.

2. That UtiliCorp United Inc. d/b/a St. Joseph Light & Power shall no later than March 1, 2002 do the following:

A) Review, with supporting documentation, the following critical systems associated with Lake Road Unit 4/6 to assure that appropriate redundancies and fail-safe designs are in place:

1. Boiler Burner Management System, including Startup Fuel System;
2. Boiler Drum Level Control System;
3. Turbine (Mark V) Protective System;
4. Generator Protective Relaying;
5. Auxiliary/Emergency Power System;
6. Turbine Water Induction Protection System;
7. Unit 4/6 Operating Procedures;
8. DCS Trip Logic; and
9. Unit Fire Protection.

B) Document that appropriate personnel are properly trained on their respective responsibilities relating to the operation of the critical control systems listed above, including backup (i.e. redundant) systems.

C) Prepare a written report of its activities regarding items A) and B) for submission to the Commission's Electric Department, Engineering Section.

3. That UtiliCorp United Inc. d/b/a St. Joseph Light & Power shall no later than December 1, 2001, notify the Commission's Electrical Department, Engineering Section, of the next unit to be reviewed, along with its associated critical control systems. For each unit reviewed the tasks identified in ordered paragraph 2 A, B and C above, shall be performed.

4. That this order shall become effective on March 11, 2001.

BY THE COMMISSION

A handwritten signature in black ink, reading "Dale Hardy Roberts". The signature is written in a cursive, slightly slanted style.

Dale Hardy Roberts
Secretary/Chief Regulatory Law Judge

(S E A L)

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

Woodruff, Senior Regulatory Law Judge

Att/Sec'y:

Wendy F. Boyce

Date Circulated

CASE NO.

2-21

25-2001-28

LS
Lumpke, Chair

me
Drainer, Vice Chair

me
Murray, Commissioner

me
Schemenauer, Commissioner

KS
Simmons, Commissioner

Agenda Date

3-1

Action taken:

5-045

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 1st day of March 2001.

Dale Hardy Roberts

Dale Hardy Roberts
Secretary/Chief Regulatory Law Judge

