



MISSOURI GAS ENERGY

3420 Broadway • Kansas City, MO • 64111-2404 • (816) 360-5755

ROBERT J. HACK

Vice President, Pricing & Regulatory Affairs

March 6, 2001

FILED

MAR 8 2001

Mr. Dale Hardy Roberts
Secretary/Chief Regulatory Law Judge
Missouri Public Service Commission
200 Madison Street, Suite 100
P.O. Box 360
Jefferson City, Missouri 65102-0360

**Missouri Public
Service Commission**

RE: Case No. GS-2001-224

Dear Mr. Roberts:

Enclosed for filing in the above-referenced matter, please find an original and eight (8) conformed copies of **Missouri Gas Energy's Response to Staff Incident Report**.

A copy of this filing has been mailed or hand-delivered this date to counsel of record.

Thank you for bringing this matter to the attention of the Commission. Please call me if you have any questions regarding this matter.

Sincerely,

C: F. Jay Cummings
Douglas E. Mischeel
Eric Anderson

Enclosures

FILED

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

MAR 8 2001

Missouri Public
Service Commission

In the matter of Missouri Gas Energy,)
A division of Southern Union Company,)
Regarding an incident at 1426 W. 50th)
Terrace, Kansas City, Missouri, on August)
8, 2000.)

Case No. GS-2001-224

MISSOURI GAS ENERGY'S RESPONSE TO STAFF INCIDENT REPORT

Comes now Missouri Gas Energy ("MGE"), a division of Southern Union Company, and for its response to the Staff Incident Report filed herein on or about February 7, 2001, respectfully states as follows:

1. On February 7, 2001, the Staff filed a "Gas Incident Report" ("the Incident Report") in Case No. GS-2001-224. The Incident Report purports to relate the relevant facts surrounding an incident which occurred at approximately 4:05 p.m. CDST on August 8, 2000, in which a natural gas flash fire occurred in an excavation in front of 1426 W. 50th Terrace in Kansas City, Missouri ("the incident"). At the time of the flash fire, two employees of Gas Distribution Contractors ("GDC"), an independent contractor for MGE, were working in the excavation and were burned by the flash fire.

2. In the Incident Report, the Staff makes two operational recommendations pertaining to 1) the review and, as necessary, the revision, of MGE requirements and training on the use of personal protective equipment, and 2) the practical elimination of all potential ignition sources in and around excavation where there is a possibility for the accidental release of natural gas.

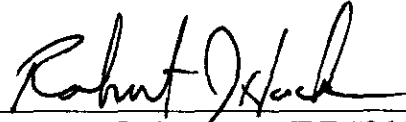
3. By order dated February 14, 2001, MGE was advised that its response to the Incident Report is due no later than March 9, 2001.

4. MGE intends to implement, or continue to implement, the operational recommendations made by the Staff in its Incident Report as follows:

- A. MGE has reviewed its requirements and training regarding the use of personal protective equipment. MGE's existing requirements and training are consistent with the Staff's recommendation that personal protective equipment be required for any type of operation conducted on "live gas" piping where there is a potential for the accidental release of natural gas, including projects involving abandonments and "live" tie-ins. Although MGE does not believe that any revisions to these requirements or training are necessary, MGE has taken steps to emphasize the importance of personal protective equipment to contract workers and MGE employees whose responsibilities include functions that could require the use of personal protective equipment. Contract workers and MGE employees have been informed that failure to use personal protective equipment is cause for immediate termination.
- B. MGE agrees with the Staff's recommendation regarding the practical elimination of all potential ignition sources in an around and excavation where there is a possibility for the accidental release of natural gas. MGE's existing requirements and training meet this recommendation.
- C. In addition, MGE's supervisor of contract inspectors has met with the MGE contract inspectors to reiterate the dangers of hazardous or potentially hazardous atmospheres and reinforced the authority of MGE contract inspectors to shut down any job site where safety procedures are not followed.

WHEREFORE, MGE respectfully submits the foregoing as its response to the Staff Incident Report.

Respectfully submitted,



Robert J. Hack MBE #36496
3420 Broadway
Kansas City, MO 64111
(816) 360-5755
FAX: (816) 360-5536
e-mail: Rob.Hack@southernunionco.com

Attorney for Missouri Gas Energy, a division of
Southern Union Company

Certificate of Service

I hereby certify that a true and correct copy of the above and foregoing document was either mailed or hand delivered this 6th day of March, 2001 to:

Mr. Eric Anderson
P.O. Box 360
Jefferson City, MO 65102

Mr. Douglas E. Micheel
P.O. Box 7800
Jefferson City, MO 65102

