**BEFORE THE PUBLIC SERVICE COMMISSION**

**OF THE STATE OF MISSOURI**

In the Matter of the Establishment of a Working )

Case for the Review and Consideration of ) File No. GW-2022-0237

Amending the Commission's Natural Gas Safety )

Rules.

COMES NOW City Utilities of Springfield, Missouri (“City Utilities”) and responds to the Missouri Public Service Commission's ("Commission") *Order Opening a Working Case to Consider Amending the Commission's Natural Gas Safety Rules* effective March 16, 2022, which directs any stakeholder wishing to submit written comments regarding Staff's proposed rule amendments to do so on or before May 2, 2022. City Utilizes desires to comment and provides the following initial comments:

City Utilities proposes an amendment to rule 20 CSR 4240-40.020.4.A(1)(C) so that the definition of Missouri-reportable incidents corresponds or aligns with the recent amendments to the "Federal incident" reporting thresholds reflected in 20 CSR 4240-40.020.1.D(1)(B) & (C).

The property damage threshold for Missouri Incidents reported to the Commission by Missouri gas system operators should be amended to correspond with the recent increase in the threshold for estimated property damage under the definition of "Federal incident." As shown on page 1 of 37 in Attachment 1 to *Staff's Motion to Establish Working Case* ("*Staff's Motion*"), the definition of "Federal incident" has been amended to increase the threshold for estimated property damage from $50,000 to $122,000 to reflect inflation. See 20 CSR 4240-40.020.1.D(1)(B). However, *Staff's Motion* does not correspondingly seek to amend the property damage threshold of "Missouri Incidents" to be reported by Missouri gas system operators under 20 CSR 4240-40.020.4.A(1)(C) to reflect inflation. City Utilities of Springfield recommends that the Missouri incident threshold should be similarly increased to reflect inflation, and more accurately relect out-of-the ordinary circumstances, so that the threshold would go from $10,000 to $30,000. Many of the State-reportable incidents that would have estimated property damage between (the existing threshold of) $10,000 and (the proposed increased threshold of) $30,000 are driven by labor costs that rise with inflation as opposed to corresponding the severity of the damage; whereas, incidents with estimated property damage above $30,000 reflect the out-of-the-ordinary circumstances warranting additional reporting.