## STATE OF MISSOURI PUBLIC SERVICE COMMISSION

At a session of the Public Service Commission held at its office in Jefferson City on the 12<sup>th</sup> day of June, 2008.

In the Matter of Missouri Gas Energy's Application	)	
for a Determination of Certain Matters Pertaining to	) <u>Case No. GO-20</u>	<u>02-48</u>
its Safety Line Replacement Program.	)	

## ORDER APPROVING EXTENSION OF TIME TO REPLACE MAINS AND SERVICE LINES AT MALANG MOBILE HOME PARK

Issue Date: June 12, 2008 Effective Date: June 22, 2008

Missouri Gas Energy (MGE) filed a motion on May 27, 2008, requesting a two-year extension of time to replace the natural gas mains and service lines through which the company provides service to the Malang Mobile Home Park (f/k/a Heistland Mobile Home Park) near Joplin, Missouri. The origins of this case go back to 1990, when MGE's predecessor in interest began a substantial infrastructure replacement project known as the Safety Line Replacement Program (SLRP). In 2001, MGE filed an application asking the Commission to amend two aspects of the SLRP, one of which concerned master metered mobile home parks.

A master metered mobile home park is one in which MGE has a master meter on the property, but the distribution lines behind the meter and the meters for the individual lots are owned by the property owner. The SLRP required MGE to replace the pipe behind the meter in these mobile home park distribution systems, while billing the mobile home park

owner for a part of the cost of doing so. In an order issued in this case on May 16, 2002, the Commission ordered MGE to complete the replacement work by June 30, 2006.

In 2001, MGE identified sixteen mobile home parks in which the distribution lines would need to be replaced. By 2005, MGE had replaced the mains and service lines in all but two of those mobile home parks: the Finley River Mobile Home Park in Ozark, Missouri, and the Heistland Mobile Home Park near Joplin, Missouri. MGE indicated both mobile home parks were likely to close in the near future and as a result, it would be a waste of the company's resources, as well as an unreasonable expense for the owners of the mobile home parks, if the company were to replace the distribution lines in those circumstances. On December 22, 2005, the Commission amended MGE's SLRP to allow the company until June 30, 2008, to replace the mains and service lines for the Finley River and Heistland mobile home parks. As part of that order, the Commission also required MGE to undertake two leak surveys per year at the two mobile home parks and file annual leak survey reports with the Commission.

As expected, Finley River closed and MGE abandoned all service lines to that mobile home park in September 2006. However, Heistland, now renamed the Malang Mobile Home Park, has continued to exist. MGE's leak surveys of the property have not found any leaks on the distribution system in the mobile home park.

MGE's May 27, 2008 motion indicates Malang was sold to a new owner in January 2008. The new owner has listed the property for sale for commercial development and does not plan to operate the property as a mobile home park for an extended length of time. The mobile home park currently has 8 active meters, 2 inactive meters, and 25 empty risers. MGE estimates it would cost approximately \$30,000 to replace the distribution lines

within the mobile home park. The owner's share of that cost would be approximately \$8,000.

MGE asks the Commission to extend the requirement that MGE replace the mains and service lines at Malang until June 30, 2010, anticipating that the mobile home park will cease operation before that time. Until then, MGE proposes to continue the previously ordered enhanced leak survey schedule.

The Commission's Staff filed a recommendation regarding MGE's motion for extension on June 5. Staff confirmed MGE's representation that the current owner of Malang does not intend to continue to operate a mobile home park. Staff supports MGE's motion for a two-year deferral of the replacement of the gas distribution system at the mobile home park. Staff also recommends the Commission order MGE to continue the enhanced leak survey schedule that the Commission established in its 2005 order.

The Commission has considered MGE's motion, along with Staff's recommendations, and finds the motion to be reasonable. The mobile home park is likely to close in the near future and the replacement of the distribution system under those circumstances would not be practical. The enhanced leak survey schedule currently in place should be sufficient to protect the residents of the mobile home park while it continues to operate. However, the Commission believes two years is longer than necessary to resolve the question of whether the park will remain open. For that reason, the Commission will grant MGE a one-year extension.

## IT IS ORDERED THAT:

1. Missouri Gas Energy's Safety Line Replacement Program is amended to provide that the company's obligation to replace the mains and service lines for the Malang

Mobile Home Park (f/k/a Heistland Mobile Home Park) is deferred from June 30, 2008, to

June 30, 2009.

2. Missouri Gas Energy shall maintain an enhanced leak survey schedule at

Malang Mobile Home Park, so that from July 1, 2008, through June 30, 2009, leak surveys

are performed at intervals not exceeding seven and one-half months, but at least twice per

calendar year.

3. If Missouri Gas Energy detects any leaks at Malang Mobile Home Park, it

shall promptly notify the Commission. Staff shall file a recommendation based on that

report.

4. Missouri Gas Energy shall file annual leak survey reports regarding the leak

surveys it makes and any leaks it detects at Malang Mobile Home Park. The reports shall

also indicate what progress is being made toward a resolution of the question of when the

park will close or whether the mains and service lines will be replaced. The reports shall be

filed in this case.

5. This order shall become effective on June 22, 2008.

6. This case shall be closed on June 23, 2008.

BY THE COMMISSION

Colleen M. Dale Secretary

(SEAL)

Davis, Chm., Murray, Clayton, Jarrett, and Gunn, CC., concur.

Woodruff, Deputy Chief Regulatory Law Judge