

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

In the Matter of an Investigation into the City)
Of New Florence, Missouri's Compliance with) **File No. GS-2017-**
The Commission's Rules Regarding Natural)
Gas Safety Found at 4 CSR 240-40.030)

MOTION TO OPEN CASE

COMES NOW the Staff of the Missouri Public Service Commission and for its Motion to Open Case states:

1. The Commission has the authority to require every gas utility, including municipal gas systems, to operate its system in a manner that promotes and safeguards the health and safety of its employees, customers, and the public. Section 386.310, RSMo.

2. A municipality that owns any gas plant is subject to the provisions of Section 386.572, RSMo, for violations of natural gas safety laws, rules or orders. Section 386.572, RSMo.

3. The City of New Florence, Missouri, owns and operates a municipal gas system under Section 386.310, RSMo.

4. The City of New Florence, Missouri, owns gas plant and is subject to the provisions of Section 386.572, RSMo.¹

5. On July 6, 2016, the Commission's Safety Engineering Unit Staff ("Staff") conducted a standard pipeline safety records and field inspection of the New Florence municipal gas system.

¹ Under Section 386.572, the maximum penalty for each violation increased to twenty thousand dollars (\$20,000) effective January 1, 2015, and the maximum penalty for a continuing violation or a multiple series of violations of the same standard or rule provision increased to two hundred thousand dollars (\$200,000) effective January 1, 2015.

6. On July 8, 2016, Staff provided an inspection summary letter to the City of New Florence (the “City”) which listed and explained twelve (12) Areas of Probable Violation (“APVs”) and three (3) Areas of Concern (“ACs”) which Staff found during its July 6th inspection. The letter requested a response from the City within twenty days indicating any actions taken or scheduled as a result thereof.

7. The City provided an update of its progress on July 21, 2016, and a partial response to Staff’s inspection summary providing satisfactory responses to three (3) of the twelve (12) APVs and one (1) of the three (3) ACs on December 14, 2016.

8. Staff sent a follow-up letter to the City dated February 6, 2017, requesting a response by February 26, 2017, and met with City personnel on February 23, 2017, to discuss the status of the items contained in the follow-up letter. During this meeting Staff agreed to allow the City until March 8, 2017, to respond.

9. Having received no response from the City by March 8, 2017, Staff contacted the City and agreed to allow the City until April 1, 2017, to respond to the letter dated February 6, 2017.

10. Having still received no response from the City, Staff Counsel sent a letter to the City dated May 5, 2017, requesting a response within ten days to the items contained in Staff’s February 6, 2017, follow-up letter.

11. To date, Staff has not received a response from the City. Therefore, Staff is unable to ascertain whether the City has rectified the nine (9) Areas of Probable Violation and two (2) Areas of Concern set forth in Staff’s February 6, 2017, follow-up inspection summary letter.

12. Since the City has failed to respond to Staff's letters, Staff recommends the Commission open this case to investigate the City's compliance with the Commission's rules regarding natural gas safety found at 4 CSR 240-40.030 and to assist Staff in conducting more formal discovery, including but not limited to the issuance of subpoenas, pursuant to the Commission's rules of practice and procedure. See 4 CSR 240-2.090 and 4 CSR 240-2.100.

WHEREFORE, Staff moves the Commission open a case for the reasons noted above.

Respectfully submitted,

/s/ Jeffrey A. Keevil

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CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing have been mailed, hand-delivered, or transmitted by facsimile or electronic mail to The City of New Florence, Missouri, 217 South Main Street, New Florence, Missouri 63363, and The Office of the Public Counsel this 6th day of June, 2017.

/s/ Jeffrey A. Keevil