

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

In the Matter of an Investigation into Then City of)
New Florence, Missouri's Compliance with the)
Commission's Rules Regarding Natural Gas)
Found at 4 CSR 240-40.0300¹) **File No. GS-2017-0324**

PROGRESS REPORT

COMES NOW the Staff of the Missouri Public Service Commission, by and through counsel, and in response to the Commission's July 1, 2020 *Order Directing Staff to File Progress Report* (Order), states as follows:

1. The Commission's Order directing Staff to file its tenth progress report no later than December 15, 2020 was issued on July 1, 2020. On June 30, 2020, Staff had filed its ninth progress report in this matter. Staff also filed progress reports on March 31, 2020; December 27, 2019; September 30, 2019; June 28, 2019; March 29, 2019; December 28, 2018; June 29, 2018; and, December 29, 2017.

2. The Commission opened this investigation docket on June 28, 2017, in response to a Motion to Open Case filed by Staff on June 6, 2017, in which Staff requested the Commission open an investigation into the City of New Florence's (City) compliance with the Commission's gas safety rules.

3. As explained in the attached tenth Progress Report Memorandum, page14, Section D. Conclusions and Recommendations:

Provided that the City continues to use only qualified individuals to operate its natural gas system, Staff's opinion is that there are no immediate safety concerns regarding unqualified operation of a gas system. However, it is imperative that the City continue to take actions necessary to come into full compliance with the Commission's natural gas pipeline safety regulations.

The City has not made progress towards achieving compliance since Staff's previous progress report, and has indicated that the lack of progress has been due to COVID-19 restrictions.

¹ Commission rules have been moved to the Department of Commerce and Insurance and are re-numerated 20 CSR 4240-40.030.

4. Staff recommends that the Commission keep the case open. Staff intends to continue monitoring for compliance and proposes to provide an additional progress report, or take other action as may be appropriate, no later than June 30, 2021.

WHEREFORE, Staff submits its attached tenth Progress Report pursuant to the Commission's July 1, 2020 Order, and requests the Commission issue an order directing Staff to file an additional progress report or other filing as appropriate no later than June 30, 2021.

Respectfully submitted,

/s/ Robert S. Berlin

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CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing have been mailed, hand-delivered, transmitted by facsimile or electronically served to all counsel of record on this 15th day of December, 2020.

/s/ Robert S. Berlin

MEMORANDUM

TO: Missouri Public Service Commission
Official Case File No. GS-2017-0324
City of New Florence, Missouri

FROM: Safety Engineering Department
Evan P. Neuner, Compliance Inspector
Clinton L. Foster, Associate Engineer
Kathleen A. McNelis, PE, Engineering Manager

/s/ **Kathleen A. McNelis, PE** / 12-15-2020 /s/ **Robert S. Berlin** / 12-15-2020
Safety Engineering Department/ Date Staff Counsel's Office / Date

SUBJECT: Staff's Progress Report in the Matter of an Investigation into the City of New Florence, Missouri's Compliance with the Commission's Rules Regarding Natural Gas Safety Found at 20 CSR 4240-40.030

DATE: December 15, 2020

On June 6, 2017, the Commission's Staff filed a Motion to open a case to investigate the City of New Florence's ("City" or "City of New Florence") compliance with the Commission's rules regarding natural gas safety found at 20 CSR 4240-40.030 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 procedures.^{1,2} The Commission ordered Staff to undertake an investigation of the City's compliance with the Commission's rules regarding gas safety.

As discussed more fully in the ***Progress and Status Report*** section of this progress report, the City has not made progress towards achieving compliance with the Commission's pipeline safety rules since the previous progress report was filed on June 30, 2020 and has indicated that the lack of progress has been due to COVID-19 restrictions. Staff recommends that the Commission keep the case open. Staff intends to continue monitoring for compliance and proposes to provide an additional progress report, or take other action as necessary, no later than June 30, 2021.

¹ See 20 CSR 4240-2.090 and 20 CSR 4240-2.100.

² Commission rules have been moved to the Department of Commerce and Insurance, and are now found at 20 CSR 4240-40.030; 20 CSR 4240-2.090 and 20 CSR 4240-2.100.

A. Background

The Commission has the authority to require each 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.³ 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.⁴

The City of New Florence, Missouri, owns and operates a municipal gas system under Section 386.310, RSMo, and is subject to the provisions of Section 386.572, RSMo.

The Commission's Safety Engineering Department Staff ("Staff") performs routine inspections of the operators of pipelines that are jurisdictional to the Commission to determine compliance with the Commission pipeline safety rules. A number of different types of inspections are performed at routine intervals, including but not limited to natural gas pipeline safety Standard Records and Field inspections⁵, Operations and Maintenance and Emergency Response Plan inspections⁶, Public Awareness Plan and Effectiveness Evaluation inspections⁷, Operator Qualification Program inspections⁸, and Distribution Integrity Management inspections⁹.

³ Missouri Revised Statutes Section 386.310.

⁴ Missouri Revised Statutes Section 386.572.

⁵ Standard Records and Field inspections focus on an operator's actions to comply with the requirements of the operating and maintenance (O&M) provisions of 20 CSR 4240-40.030. Staff reviews the operator's compliance with operating and maintenance provisions of 20 CSR 4240.40-030, including but not limited to: (1)(H), (4)(CC), (4)(DD), (4)(EE), (5)(D), (6)(H), (8)(O), (8)(P), (8)(Q), (9)(F), (9)(I), (9)(J), (9)(Q), (9)(K), (9)(L), (9)(M), (9)(N), (9)(U), (9)(V), (10)(D), (10)(E), (10)(F), (10)(G), (10)(J), (11), (12)(C), (12)(D), (12)(H), (12)(I), (12)(J), (12)(K), (12)(M), (12)(N), (12)(N), (12)(N), (12)(O), (12)(P), (12)(S), (13)(C), (13)(D), (13)(L), (13)(M), (13)(N), (13)(R), (13)(S), (13)(T), (13)(U), (13)(V), (13)(W), (13)(X), (13)(Y), (13)(Z), (13)(BB), and (14). Additionally, some of the provisions of 20 CSR 4240-40.080 are included in the Standard Records and Field inspections. Staff's goal is to perform Standard Records and Field inspections of each pipeline operator at a frequency of once every two years, with a maximum interval between inspections of 5 years.

⁶ Operations and Maintenance and Emergency Response Plan inspections focus on an operator's plans and procedures for compliance with the operating and maintenance and emergency response provisions of 20 CSR 4240-40.030(12)(C) and (12)(J). Staff performs Operations and Maintenance and Emergency Response Plan inspections of each pipeline operator at a maximum interval between inspections of 5 years.

⁷ Public Awareness Plan and Effectiveness Evaluation inspections focus on an operator's plans, procedures and actions for compliance with the public awareness provisions of 20 CSR 4240-40.030(12)(K). Staff performs Public Awareness Plan and Effectiveness Evaluation inspections of each pipeline operator at a maximum interval between inspections of 5 years.

On July 6, 2016, Staff conducted a natural gas pipeline safety Standard Records and Field inspection of the New Florence municipal gas system. On July 8, 2016, Staff provided an inspection summary letter to the City which listed and explained twelve (12) Areas of Probable Violation (APVs)¹⁰ and three (3) Areas of Concern (ACs)¹¹ which Staff found during its July 6, 2016 inspection. The letter requested a response from the City within 20 days describing actions taken or scheduled as a result thereof.

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.

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. Having received no response from the City by March 8, 2017, Staff contacted the City and agreed to allow the City until April 1, 2018 to respond to the letter dated February 6, 2017. Having still not received a 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. Not receiving a response, Staff filed a motion to open this case. On June 28, 2017, the Commission opened case number GS-2017-0324.

Staff Witness: Kathleen A. McNelis, PE

⁸ Operator Qualification Program inspections focus on an operator's plans, procedures and actions for compliance with the operator qualification provisions of 20 CSR 4240-40.030(12)(D). Staff performs Operator Qualification Program inspections of each pipeline operators at a maximum interval between inspections of 5 years.

⁹ Distribution Integrity Management inspections focus on an operator's plans, procedures and actions for compliance with the distribution integrity management program provisions of 20 CSR 4240-40.030(17). Staff performs Distribution Integrity Management inspections of each pipeline operator at a maximum interval between inspections of 5 years.

¹⁰ Staff defines APV as follows: An Area of Probable Violation (APV) means that based on our inspection findings, there has been a probable violation of either a pipeline safety regulation (20 CSR 4240-40.020, .030 or 0.080) or a document provision that is included by reference in the pipeline safety regulations (e.g. American Petroleum Institute's (API) Recommended Practice (RP) 1162 (incorporated by reference in 49 CFR 192.7 and adopted in subsection 20 CSR 4240-40.030(1)(D)).

¹¹ Staff defines Area of Concern as: An Area of Concern means that while no area of probable violation (see definition of Area of Probable Violation) was found, there are issues that the operator should address to either prevent an area of probable violation in the future, or to improve its safety program.

B. History of the Investigation

On June 28, 2017, the Commission opened case number GS-2017-0324. This is the tenth progress report filed since the investigation case was opened.

1. First Progress Report:

On December 29, 2017, Staff filed a progress report discussing the City's progress towards completing the twelve remaining APVs and three remaining ACs from the July 6, 2016, Standard Records and Field inspection. At the time of the December 29, 2017 filing, the City had satisfactorily addressed all of the ACs and all except one of the APVs.

Additionally, during the interim between opening the case on June 28, 2017, and the December 29, 2017 progress report, Staff conducted two additional routine inspections:

- A Public Awareness Plan (PAP) and Public Awareness Effectiveness Evaluation (PAPEE)¹² inspection was conducted on September 11, 2017, which resulted in Staff sending an inspection summary to the City on September 12, 2017 listing the actions necessary to meet the regulatory requirements.
- A Distribution Integrity Management Program (DIMP) inspection was conducted on October 30, 2017. In order to comply with the Distribution Integrity Management Program (DIMP) requirements specified in 20 CSR 4240-40.030(17), a distribution pipeline operator must among other things re-evaluate threats and risks on its entire pipeline at least every five years¹³. The City's initial DIMP evaluation of threats and risks was provided with its initial DIMP Plan, dated August 2, 2011. The City had not conducted the required re-evaluation at the time of Staff's inspection. Staff sent an inspection summary to the City on November 7, 2017, stating among other things that the City must perform a complete program re-evaluation as required by 20 CSR 4240-40.030(17)(D)6 and provide a copy of the results to Staff. Staff requested a response within 60 days, which would have been January 6, 2018, after the date of the

¹² The regulatory requirements are in 20 CSR 4240-40.030(12)(K).

¹³ 20 CSR 4240-40.030(17)(D)6.

December 29, 2017 progress report. An Operator Qualification (OQ) Program inspection was conducted on October 31, 2017. Staff sent an inspection summary to the City on November 6, 2017. Staff requested a response within 30 days; however, no response was received by the time of the December 29, 2017 progress report.

2. Second Progress Report:

On June 29, 2018, Staff filed a progress report discussing the City's progress towards completing the twelve remaining APVs and three remaining ACs from the July 6, 2016, Standard Records and Field inspection, and the unresolved inspection items from the DIMP and OQ inspections.

- With respect to the Standard Records and Field inspection, the City had made progress but had not fully complied with the requirements of the remaining APV of 20 CSR 4240-40.030(12)(D), which prescribes the minimum qualifications for person performing each covered task¹⁴ that an operator performs on its pipelines.
- With respect to the PAP and PAPEE inspection, the City had made progress, but had not yet completed all of the required effectiveness evaluations. Natural gas pipeline operators in Missouri are required to follow the requirements outlined in 20 CSR 4240-40.030(12)(K). 20 CSR 4240-40.030(12)(K)2. requires that the operator must follow the general program recommendations, including baseline and supplemental requirements of the American Petroleum Institute (API) Recommended Practice (RP) 1162. One of the requirements in the API RP 1162 is to conduct periodic PAP effectiveness evaluations at a frequency of no more than 4 years apart. The City had made progress towards completion of this task, but had not yet completed all of the required effectiveness evaluations. Staff provided the City with details on the remaining requirements, in a letter dated May 11, 2018 and discussed the letter with the City during Staff's June 14, 2018 on-site follow-up with the City.

¹⁴ 20 CSR 4240-40.030(12)(D)1. B. defines a covered task as an activity, identified by the operator that is 1. Performed on a pipeline facility, 2. Is an operations, maintenance or emergency-response task, 3. Is performed as a requirement of this rule and 4. Affects the operations or integrity of the pipeline.

- With respect to the DIMP inspection, the City provided a revised DIMP plan to Staff on June 11, 2018. Staff reviewed the plan and found that it did not satisfy all of the requirements of 20 CSR 4240-40.030(17)(D). Staff met with the City on June 14, 2018 to discuss the required amendments. Staff sent a follow-up letter to the City describing the required amendments on June 21, 2018, and requested the City to provide a revised plan by July 30, 2018.
- With respect to the OQ inspection, the City did not provide a response. Staff provided the City with the details on the remaining requirements in a letter dated May 11, 2018 and discussed them with the City during Staff's June 14, 2018 on-site follow-up with the City.

3. Third Progress Report:

On December 28, 2018, Staff filed a progress report addressing certain changes in City personnel who are involved with operation of the natural gas system, and the City's progress on unresolved inspection items.

With respect to personnel changes:

On August 7, 2018, the Mayor of the City of New Florence informed Staff that the City Superintendent had been replaced. The Mayor stated the new City Superintendent would be in contact with Staff regarding the unresolved inspection items.

On August 17, 2018, Staff contacted the new City Superintendent by telephone to set up a meeting. It was agreed that Staff would visit either August 22, or 23, 2018. During the phone call, the City Superintendent mentioned that the City had some turnover with its mayor. On August 20, 2018, Staff called the City Superintendent to confirm the meeting the following week. The City Superintendent informed Staff he planned to terminate his employment with the City effective sometime during the same week.

On August 21, 2018, Staff was informed by the City Clerk that the City Superintendent had terminated his employment with the City. Staff was informed that the City of Hermann would be operating the natural gas system for the City of New Florence.

In the past, the City of New Florence retained the City of Hermann as a contractor to perform certain covered tasks on the City of New Florence's natural gas system, including certain tasks that the New Florence City Superintendent was not qualified to perform. Apart from this work, the City of Hermann operates natural gas systems in the cities of Hermann and Middletown, Missouri, and provides natural gas to the City of New Florence. There were no unresolved findings as the result of Staff's most recent Standard Records and Field Inspection, and Operator Qualification Program Inspection conducted with the City of Hermann.

Staff contacted the new Mayor Pro Tempore of the City of New Florence on August 21, 2018. The Mayor Pro Tempore stated that the City of New Florence intended to contact the City of Hermann to let it know of the situation in the City so that it will be prepared to respond in the event of an emergency.

On September 13, 2018, Staff contacted the City of New Florence City Clerk to inquire about the status of the operation of the City's natural gas system. The City Clerk informed Staff that a new City Superintendent was in the City's employ, but was not yet prepared to take over the City's natural gas system. The City stated that the City of Hermann had been retained for any emergency work necessary on the system.

On November 1, 2018, Staff met with the City of New Florence's new City Superintendent. Staff discussed operator qualification requirements for natural gas operators in the State of Missouri. Staff also informed the City Superintendent that the City was due for a Standard Records and Field inspection, and that someone from Staff would be in contact to set up a date for the inspection.

With respect to unresolved inspection items:

- The remaining APV from the July 6, 2016 Standard Records and Field inspection pertained to the qualification of the City's former superintendent to perform specific covered tasks on the pipeline. Since that individual was no longer employed by the City, Staff no longer found this issue relevant to this investigation. Staff stated that it planned to address any new or continuing issues with the new City Superintendent. Staff then scheduled a

Standard Records and Field inspection of the City for January 2, 2019, with the new City Superintendent.

- No additional progress was made by the City on its PAP and PAPEE inspection findings. Staff intended to renew its efforts to ensure compliance with the requirements of 20 CSR 4240-40.030(12)(K) following the January Standard Records and Field inspection.
- No additional progress was made by the City on its DIMP inspection findings. Staff intended to renew its efforts to ensure compliance with the requirements of 20 CSR 4240-40.030(17) following the January Standard Records and Field inspection.
- No additional progress was made by the City on its OQ inspection findings. Staff intended to renew its efforts to ensure compliance with the requirements of 20 CSR 4240-40.030(12)(D) following the January Standard Records and Field inspection.

Additionally, during the interim period between opening the June 29, 2018 and December 28, 2018 Progress Reports, Staff conducted one additional routine inspection. Staff conducted an Operations and Maintenance (O&M) and Emergency Response Plan inspection on December 18, 2018 with the New City Superintendent.

4. Fourth Progress Report:

On March 29, 2019, Staff filed a progress report addressing the City's progress on unresolved inspection items:

- A Standard Records and Field inspection was conducted on February 12, 2019. An inspection summary letter was provided to the City on February 25, 2019 describing 15 APVs and one AC. Staff requested a response from the City within 30 days of the February 25, 2019 letter, indicating any actions that have been taken or will be scheduled as a result of the Staff's comments. The City sent a response dated March 11, 2019 to Staff's inspection summary. At the time of the fourth progress report filing, Staff had not yet completed its review of the City's response.

- An inspection of the City's O&M and Emergency Response program plan was conducted December 18, 2018. Staff provided the City with an inspection summary letter on January 3, 2019, describing the revisions the City needed to make to achieve compliance with the requirements of 20 CSR 4240-40.030(12)(C) and (12)(J). Staff requested a response within 30 days indicating any actions that have been taken or will be scheduled as a result of the inspection and an estimated schedule for completion of scheduled actions. The City sent a response to Staff's inspection summary dated March 11, 2019. The response indicated that the City was working on revisions to the O&M and Emergency Response Plan and would provide a copy of it to Staff when revisions were completed.
- The City had completed some but not all actions identified by Staff's September 11, 2017 PAP and PAPEE inspection to comply with the requirements of 20 CSR 4240-40.030(12)(K). Staff met with the City on March 11, 2019, to discuss the actions required to satisfy the requirements of 20 CSR 4240-40.030(12)(K). The City stated that it planned to begin taking actions to complete compliance during March 2019, and anticipated completion by the end of April 2019.
- The City had not made any progress towards addressing deficiencies noted in Staff's November 6, 2017 inspection summary for the October 31, 2017 OQ inspection. Staff met with the City on March 11, 2019, to discuss the actions required to satisfy the requirements of 20 CSR 4240-40.030(12)(D). Staff requested that the City provide a written response to its November 6, 2017 letter outlining a plan to address remaining items from the inspection.
- The City had not made any additional progress towards addressing the deficiencies noted in Staff's November 7, 2017 inspection summary for the DIMP inspection conducted on October 30, 2017. Staff met with the City on March 11, 2019, to discuss the actions required to satisfy the requirements of 20 CSR 4240-40.030(17). Staff requested that the City provide a written response to its July 30, 2018, letter outlining a plan to address remaining items from the inspection.

5. Fifth Progress Report:

On June 28, 2019, Staff filed a progress report addressing the City's progress on unresolved inspection items. As of the June 28, 2019 filing, the status of unresolved inspection items was as follows:

- The City had one remaining unresolved APV from its February 12, 2019 Standard Records and Field inspection;
- Revisions and updates to the City's O&M and Emergency response plan had not been completed;
- The City had not yet completed the effectiveness evaluation of its public awareness messages to Excavators;
- Revisions and updates to the City's OQ plan had not been completed; and
- Revisions and updates to the City's DIMP plan had not been completed.

6. Sixth Progress Report:

On September 30, 2019, Staff filed a progress report addressing the City's progress on unresolved inspection items. As of the September 30, 2019 filing, the status of unresolved inspection items was as follows:

- The City resolved the one remaining APV from the February 12, 2019 Standard Records and Field inspection. Staff completed field work with City Representative on July 22, 2019 and did not find any additional violations. Staff provided the City with a letter dated July 31, 2019 closing this inspection on the condition that the proposed actions were completed as scheduled and the proposed procedures were implemented. Staff requested that the City send monthly updates of the progress of its employee's Operator Qualification status.
- Staff met with the City on June 19, 2019, to discuss revisions to the O&M and Emergency Response Plan. During this meeting, the City stated that it was still working on unresolved items and stated the plan would be completed by September 30, 2019.

- The City has met the requirements of API Recommended Practice 1162, “Public Awareness Programs for Pipeline Operators”, a standard incorporated by reference in 20 CSR 4240-40.030(12)(K)1.
- Staff met with the City on June 19, 2019, to discuss the progress on the OQ Program and DIMP Inspections. The City has placed priority on completion of the O&M and Emergency Response Plan. The City stated that it would address the inspection items related to the DIMP and OQ Program following its completion of revisions to the O&M and Emergency Response Plan.

7. Seventh Progress Report:

On December 27, 2019, Staff filed a progress report addressing the City’s progress on unresolved inspection items. As of the December 27, 2019 filing, the status of unresolved inspection items was as follows:

- The City resolved the one remaining APV from the February 12, 2019 Standard Records and Field inspection. Staff requested that the City send monthly updates of the progress of its employee’s Operator Qualification status.
- Staff reviewed the City’s revised O & M Plan dated August 16, 2019. The revisions addressed Staff’s comments from the December 18, 2018 inspection. Staff provided the City with a letter dated December 9, 2019 closing this inspection.
- The remaining issues from the September 11, 2017 Public Awareness Effectiveness Evaluation inspection have been resolved. Staff provided the City with a letter dated December 13, 2019 closing this inspection.

8. Eighth Progress Report:

On March 31, 2020, Staff filed a progress report addressing the City’s progress on unresolved inspection items. As of the March 31, 2020 filing, the status of unresolved inspection items was as follows:

- Three City employees had made progress towards being qualified to perform covered tasks on the natural gas system. Two City employees had completed approximately 15% of the training required to perform covered tasks on the City's natural gas system, and the City superintendent of utilities had completed just over fifty percent of the training.
- The City had informed Staff that it would be using a new OQ Program Plan. As of the date of March 31, 2020, Staff had not received this plan.
- As of March 31, 2020, the City had not yet addressed the plan deficiencies noted in the October 30, 2017 DIMP inspection. The City's superintendent of utilities stated that he would complete the DIMP reevaluation, and once done, send a copy to Staff to review.

9. Ninth Progress Report:

On June 30, 2020, Staff filed a progress report addressing the City's progress on unresolved inspection items. As of the June 30, 2020 filing, the status of unresolved inspection items was as follows:

- Since Staff's March 31, 2020 progress report, no additional progress was made towards completion of training to perform covered tasks on the City's natural gas system. Two employees had completed approximately fifteen percent of their training, and while the Superintendent of Utilities has just over fifty percent of the training complete.
- The City has informed Staff that the City will be using a new OQ Program Plan. Since the date of the last progress report the City has not yet provided the new OQ Program Plan to Staff.
- Staff has not yet received a response from the City regarding the unresolved items from the October 30, 2017 DIMP inspection. Staff requested an update from the City on its progress to revise the DIMP Plan. The City explained to Staff that due to the COVID-19 social distancing requirements, no progress had been made.

Staff Witness: Kathleen A. McNelis, PE

C. Current Progress and Status Report

The City's progress and current status with respect to each unresolved inspection is described below.

1. Standard Records and Field Inspection:

When requested by Staff, the City has been providing Staff updates on its progress towards training and qualifying City personnel to perform covered tasks on the City's natural gas system. The City currently has three employees included in its natural gas qualification program who are in training to perform covered tasks on the natural gas system. Since Staff's June 30, 2020 progress report, these three employees' progress remains the same. Two employees have approximately fifteen percent of their training complete, while the Superintendent of Utilities has just over fifty percent of the training complete.

Staff Witness: Evan P. Neuner

2. Operator Qualification Program Inspection:

The City has informed Staff that the City will be using a new OQ Program Plan. Since the date of the last progress report the City has not yet provided the new OQ Program Plan to Staff. Staff intends to schedule and conduct a new OQ Program Inspection with the City once the new OQ Program Plan is in use by the City and a copy has been reviewed by Staff.

On August 13, 2020, Staff performed an OQ Protocol 9 Field Evaluation of the City's Superintendent of Utilities. Staff observed as the Superintendent performed three covered tasks. Based on a review of the City's records, the Superintendent had met all of the computer based training qualification requirements necessary to perform these covered tasks. However, the Superintendent has not completed the required performance evaluations administered by a qualified individual. Staff sent the City a letter on September 27, 2020, noting the above issue, and requesting a response within 30 days. As of this status report, no response has been received.

Staff Witness: Clinton L. Foster and Evan P. Neuner

3. Distribution Integrity Management Program Inspection:

Staff has not yet received a response from the City regarding the unresolved items from the October 30, 2017 DIMP inspection. Staff requested an update from the City on its progress to revise the DIMP Plan. The City explained to Staff that due to the COVID-19 social distancing requirements, no progress had been made. The City Superintendent of Utilities stated that work on the DIMP Plan would require the use of the City Clerk's desktop computer, paper records, and input from the Superintendent of Utilities, and this would not have been possible for the City due to social distancing requirements.

Staff Witness: Kathleen A. McNelis PE

D. Conclusions and Recommendations

Provided that the City continues to use only qualified individuals to operate its natural gas system, Staff's opinion is that there are no immediate safety concerns regarding unqualified operation of a gas system. However, it is imperative that the City continue to take actions necessary to come into full compliance with the Commission's natural gas pipeline safety regulations.

The City has not made progress towards achieving compliance since Staff's previous progress report, and has indicated that the lack of progress has been due to COVID-19 restrictions.

Staff recommends that the Commission keep the case open. Staff intends to continue monitoring for compliance and proposes to provide an additional progress report, or take other action as necessary, no later than June 30, 2021.

¹ Commission rules have been moved to the Department of Commerce and Insurance and are re-numerated 20 CSR 4240-40.030.