

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

In the Matter of Summit Natural Gas of)	
Missouri, Inc., and Brightspeed of Missouri,)	
LLC Concerning a Natural Gas Incident at)	<u>File No. GS-2025-0197</u>
Craig-Hurt Funeral Home Garage in)	
Mountain Grove, Missouri)	

RESPONSE TO STAFF'S INITIAL REPORT

COMES NOW Summit Natural Gas of Missouri, Inc. ("SNGMO" or "Company"), and pursuant to the Missouri Public Service Commission's ("Commission") Order Opening File and Directing Responses ("Order") issued on January 8, 2025, respectfully submits the following Response:

1. On June 26, 2023, A&A Cable Contractors, Inc. ("the excavator"), performing boring work on behalf of Brightspeed of Missouri, LLC ("Brightspeed"), struck SNGMO's gas main on W 4th Street in Mountain Grove, Missouri. This resulted in a fire at the Craig-Hurt Funeral Home Garage, causing damage to the garage structure and two vehicles.

2. Safety Engineering Staff of the Commission ("Staff") investigated the incident and issued informal data requests to both SNGMO and Brightspeed.

3. On January 6, 2025, Staff filed its Incident Report ("Report") and requested that the Commission open a docket for accepting Staff's Initial Report and asking that SNGMO and Brightspeed respond to Staff's Report. Staff further requested authority from the Commission to submit an advisory notice to wireline communication and video companies registered within the Commission's jurisdiction and to report the incident to the Missouri Attorney General's Office.

4. On January 8, 2025, the Commission issued an Order accepting Staff's Initial Report and directing SNGMO and Brightspeed to respond no later than February 7, 2025. The

Order also authorized Staff to submit Staff's proposed advisory notice and report the incident to the Missouri Attorney General's Office.

5. Staff's Report found sufficient facts and information existed to assert that Brightspeed failed to maintain a minimum of 12 inches of separation between communications facilities and gas lines and that Brightspeed failed to confirm the horizontal and vertical location of the natural gas main in the vicinity of the proposed excavation through an appropriate method. SNGMO agrees with these findings by Staff.

6. In its Report, Staff also noted that SNGMO properly marked its facilities prior to the excavation work being completed and did not find SNGMO in violation of Commission rules pertaining to SNGMO's emergency response, pipelines safety or damage prevention program.

7. Staff did find sufficient facts and information existed to assert two violations pertaining to the Company's Distribution Integrity Management Program ("DIMP"): (1) failure to develop and monitor performance measures for the number of hazardous leaks either eliminated or repaired, categorized by material; and (2) failure to conduct a complete DIMP program re-evaluation at least every five years.

8. SNGMO appreciates Staff's review of the incident and its efforts to ensure safe digging practices across the state. The Company generally agrees with Staff's findings, but it would like to clarify a few points pertaining to the noted DIMP violations as well as add additional information regarding the Company's actions after the incident. A more detailed response regarding the Company's response to the alleged violations can be found in **Attachment A**.

- a. The two violations noted by Staff have been addressed by SNGMO and incorporated as part of the Company's new DIMP plan that was put in place in May 2023, prior to the incident under investigation. The Company believes it is in compliance with the

rules and was in compliance with the rules at the time of the incident. SNGMO takes compliance with all gas pipeline rules very seriously and welcomes the opportunity to continue to discuss SNGMO's DIMP with Staff.

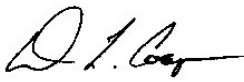
- b. On page 41 of the Report, Staff notes that the Company did not report the incident to the Missouri Attorney General's Office – a step not required but recommended by Staff in future incidents. While it is correct that this was not reported to the Attorney General's Office, SNGMO did report the incident to the city of Mountain Grove, which resulted in the banning of the excavator from doing any more work within the municipal boundaries.

9. The Company further agrees with a majority of Staff's recommendations, and will address each recommendation listed in **Attachment A**.

WHEREFORE, Summit Natural Gas of Missouri, Inc. respectfully requests that the Commission consider this response to Staff's Report and issue such orders as it believes to be reasonable and just.

Respectfully Submitted,

BRYDON, SWEARENGEN & ENGLAND P.C.

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**ATTORNEYS FOR SUMMIT NATURAL GAS
OF MISSOURI, INC.**

CERTIFICATE OF SERVICE

The undersigned certifies that a true and correct copy of the foregoing document was sent by electronic mail to the following counsel this 7th day of February, 2025, to:

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ATTACHMENT A

File No. GS-2025-0197

SNGMO'S RESPONSE TO THE MISSOURI PUBLIC SERVICE COMMISSION STAFF INCIDENT REPORT

BACKGROUND

On June 26, 2023, A&A Cable Contractors, Inc. (“the excavator”) on behalf of Brightspeed of Missouri LLC (“Brightspeed”), was performing planned excavation work on W 4th Street in Mountain Grove, Missouri. Prior to beginning the excavation work, SNGMO properly marked the location of its facilities in the area. Unfortunately, the excavator bore underground using improper techniques, resulting in damage to SNGMO’s gas main and significant property damage to the Craig-Hurtt Funeral Home Garage and two vehicles within the garage.

Once notified, SNGMO responded quickly and appropriately to the notification of damage to its facilities. The Company worked with local emergency responders to ensure that the area was safe and secure by shutting off the gas, evacuating nearby buildings, and assessing the amount of gas released in the area. Afterwards, the Company made all necessary repairs, and appropriately documented and reported the incident to Staff, the NRC and PHMSA.

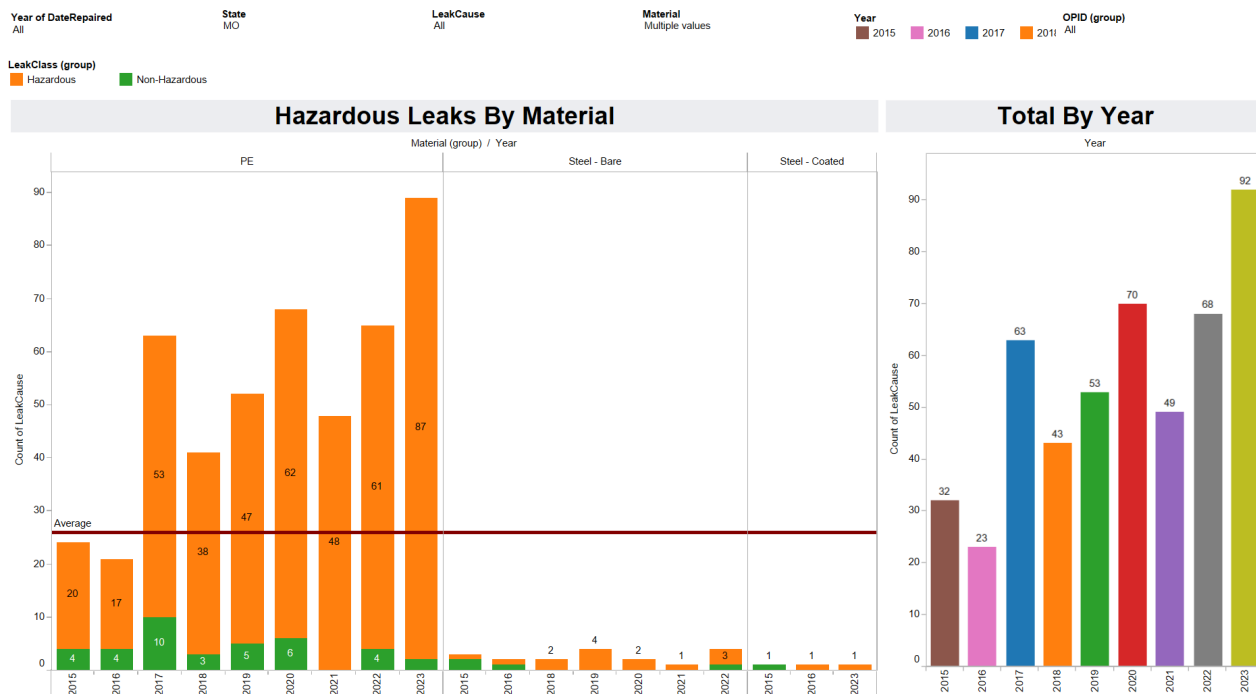
On January 6, 2025, Staff filed its Incident Report with the Commission. While Staff did not find SNGMO’s emergency response, pipeline safety or damage prevention program to be in violation of any Commission rules, they suggested recommendations regarding the Company’s incident reporting and one recommendation regarding its Distribution Integrity Management Plan (“DIMP”). Staff cited two violations in its Report that do not directly pertain to the incident but were of consideration in Staff’s investigation. The Company will respond to each of these violations as well as the six recommendations, not including subparts, below.

SNGMO'S RESPONSE TO VIOLATIONS

- 1. Failure to develop and monitor performance measures for the number of hazardous leaks either eliminated or repaired as required by 20 CSR 4240-40.030(14)(C)1., categorized by material, was a violation of 20 CSR 4240-40.030(17)(D)5.A.(V).*

This concern was addressed during the Company’s previous DIMP audit in 2022 as displayed in the graph below. Data for hazardous leaks by material is available back through 2015. Also of note, since the 2022 audit SNGMO’s ultimate parent, Summit Utilities, Inc. (“SUI”), has made major investments in maturing DIMP data collection and risk modeling processes, including an entirely new SUI DIMP plan implemented in May of 2023, and an industry best practice probabilistic model for SNGMO distribution assets

in 2024. SNGMO was in compliance with the rules cited by Staff at the time of the Mountain Grove incident and is in compliance to date.



2. *Failure to conduct a complete distribution integrity management program re-evaluation at least every five years was a violation of 20 CSR 4240-40.030(17)(D)6.*

While SNGMO did not undergo a rewrite of its DIMP plan until 2023, the Company was compliant with the 5 year reevaluation of its DIMP as documented in the OPR-300 IMP annual program evaluation review forms for 2017, 2019, and 2020.

The new DIMP plan has been in place since May 31, 2023. The Company is currently in compliance with 20 CSR 4240-40.030(17)(D)6 and was in compliance at the time of the incident. Moving forward, the Company plans to continue to improve its DIMP and engage in annual reviews of its DIMP.

SNGMO'S RESPONSE TO STAFF RECOMMENDATIONS

1. *Staff recommends that Summit revise its incident reporting procedures to clarify how it determines when a reportable incident (Missouri and Federal Incidents) has occurred, including at minimum the inclusion of the definition of "confirmed discovery".*

SNGMO currently utilizes an incident reporting form for Missouri and Federal Incidents that identifies when there is a reportable incident. The Company agrees to further modify this form to define "confirmed discovery".

2. *Staff recommends that Summit take actions to ensure that copies of initial and supplemental incident reports submitted electronically to PHMSA are submitted concurrently to designated commission personnel.*

SNGMO strives to submit incident reports made to PHMSA concurrently to designated commission personnel and such requirement is included in Section 14.5.1 of the Company's Operation and Maintenance Manual.

3. *Staff recommends that Summit take actions to ensure that all incident reporting done by Summit is sufficiently documented with supporting information.*

The Company agrees with this recommendation. SNGMO already utilizes a reporting document and will make further revisions in light of Staff's recommendations in this proceeding. This incident reporting document will be utilized for all state and federal incident reporting.

4. *Staff further recommends that Summit ensure that the following is documented at minimum:*

SNGMO's Incident Event Reporting Checklist has been revised to include Staff Recommendations a-h below.

- a) *The approximate date and time that Summit determines that a reportable incident (Missouri and Federal Incidents) has occurred;*
- b) *The date and time that Summit provides notification to the NRC, including the NRC report number, when a Federal Incident has occurred;*
- c) *The date and time that Summit provides telephonic notice to designated commission personnel after Summit has determined that a reportable incident (Missouri and Federal Incidents) has occurred;*
- d) *The date and time that Summit confirms or revises its notification to the NRC, including the additional NRC report number, when a Federal Incident has occurred;*
- e) *The date that Summit submits the initial incident report to PHMSA, along with documentation that a copy of initial incident report was provided concurrently to designated commission personnel, when a Federal Incident has occurred;*
- f) *The date that Summit submits the initial incident report to designated commission personnel when a Missouri Incident has occurred;*
- g) *The date(s) that Summit submits supplemental incident reports to PHMSA, along with documentation that copies of supplemental incident reports were provided concurrently to designated commission personnel, when a Federal Incident has occurred; and,*

h) The date(s) that Summit submits supplemental incident reports to designated commission personnel when a Missouri Incident has occurred.

5. *Staff recommends that Summit amend its Damage Prevention Plan, Section 8: Damage Prevention & Public Education, of the Summit Utilities, Inc. O&M Manual, to require providing a general notification to the public in the vicinity of the pipeline of the requirements to use Missouri 811 prior to excavating at least semiannually.*

The Company currently provides semiannual notification to the public in the vicinity of its pipeline of the requirements to use Missouri 811. SNGMO agrees with Staff's recommendation and will revise Section 8 of its Damage Prevention Plan to also document this requirement.

6. *Staff recommends that Summit add excavation damage sub-threats to its DIMP. At a minimum Summit should consider adding the excavation damage root causes of failure to notify one-call, locating practices not sufficient and excavation practices not sufficient as sub-threats for the general excavation damage threat category.*

SNGMO believes its current practices address this. The Company tracks data and reports this information as part of SUI's damage prevention program. This tracking and reporting program also aligns with the PHMSA 2024 7100 annual reporting requirements. SNGMO is part of SUI's DIMP program that has recently moved to a more robust probabilistic risk model that incorporates the inclusion of excavation damage algorithms that factor in both second and third party damage risks separately. The Company is open to discussing additional details regarding the new risk model with Staff.

7. *Staff recommends that Summit add reporting of excavators who damage accurately marked SNGMO facilities to the Missouri Attorney General's Office as an additional accelerated action in its DIMP to address excavation damages caused by the root cause of excavation practices not sufficient.*

The Company appreciates Staff's efforts to reduce excavator damages in the state. SNGMO is considering the feasibility of the incorporation of this recommendation as part of our existing Damage Prevention practices that feed into our DIMP Additional Preventative Actions (APAs) and will continue to engage with Staff on these efforts.