

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

The Staff of the Missouri Public	)	
Service Commission,	)	
	)	
Complainant,	)	
v.	)	<u>File No. GC-2025-0273</u>
	)	
City Utilities of Springfield, Missouri.	)	
	)	
Respondent.	)	

STIPULATION AND AGREEMENT

COME NOW, the Staff of the Missouri Public Service Commission ("Staff") and City Utilities of Springfield (the "City Utilities" or "CU"), (collectively, the "Signatories"), by and through counsel, to hereby submit this *Stipulation and Agreement* for approval by the Commission:

BACKGROUND

1. City Utilities of Springfield ("CU") owns and operates a municipal gas system and is subject to Commission jurisdiction for violations of natural gas safety laws, rules or orders.
2. On July 17, 2023, a federal reportable natural gas incident occurred in Springfield, Missouri, an area served by CU. On December 11, 2024, the Staff of the Missouri Public Service Commission filed its *Gas Incident Report*, alleging violations of three Commission pipeline safety standards in 20 CSR 4240-40.030.
3. Staff of the Missouri Public Service Commission filed a *Complaint* in the above-captioned case against City Utilities on April 7, 2025, alleging violations of certain sections of the Commission's Gas Pipeline Safety Rules in 20 CSR 4240-40.030, related to a natural gas pipeline incident that occurred in Springfield, Missouri on July 17, 2023,

in an area served by City Utilities. Specifically, staff alleged violations of commission rules 20 CSR 4240-40.030(12)(C)2.A., 20 CSR 4240-40.030(13)(V)2., and 20 CSR 4240-40.030(17)(C).

4. In response to Staff's *Complaint*, CU filed a *Motion to Dismiss* on April 24, 2025. Specifically, CU alleged that the Commission lacks jurisdiction to hear Staff's *Complaint*, and that neither the undisputed cause of the incident nor Counts I, II, III and IV of the *Complaint* involve a violation by CU of any applicable gas safety laws, rules or orders and thus do not state a claim upon which relief may be granted.

5. Staff filed a Response to CU's *Motion to Dismiss* on May 15, 2025, explaining the statutory authority of the Commission to hear and adjudicate complaints against public utilities for acts done or omitted by that corporation, and further explaining the basis for Counts I, II, III and IV.

6. On May 23, 2025, the Commission ordered that parties file a joint proposed procedural schedule including dates for an evidentiary hearing.

7. CU filed a Reply in Support of Motion to Dismiss Missouri Public Service Commission Staff's *Complaint* on May 27, 2025.

8. Thereafter, City Utilities, by its attorneys, and Staff by its attorney, had discussions regarding the matters and a possible settlement of the issues in the *Complaint*. This *Stipulation and Agreement* is the result of those negotiations.

AGREEMENT AMONG THE SIGNATORIES

9. The Signatories agree to the following:

a. CU will review and revise, as necessary, its emergency response procedures to require that analysis and investigation to determine the causes of

any of incidents or failures occur as soon after the end of the emergency as possible to minimize the possibility of a recurrence;

b. To the extent that CU has personnel available who can perform the required tasks, CU will utilize personnel who were not directly involved in the incident to perform the emergency response actions;

c. CU will revise its procedures to require that the level of combustible gas concentration in the atmosphere be determined before work is performed on facilities containing gas in enclosed or semi-confining locations where gas can concentrate or employee egress could be delayed;

d. CU will reevaluate its designation of DOT and non-DOT valves from a perspective of which valves are essential to ensure 100% isolation of any portion of its distribution system (including all feeder line segments);

e. CU will revise its Operations & Maintenance (O&M) Manual to include procedures that address each of the requirements of 20 CSR 4240-40.030(12)(C)2., including but not limited to all of the requirements of 20 CSR 4240-40.030(13)(V)3;

f. CU will develop and implement the following pre-work procedures when it performs work on pipeline segments containing natural gas:

- i. Identify the specific DOT valves that would be needed to isolate the area where work is to be conducted; and
- ii. Prior to beginning work, verify that these DOT valves had been inspected and serviced within the previous 15 months, were accessible and operational during the most recent inspection, and

perform an inspection of any valves for which the most recent inspection was not completed within the previous 14 months;

g. CU will update its procedure for investigation of incidents to address the currently effective requirements of 20 CSR 4240-40.030(12)(L). This should include provisions that apply to both distribution and transmission pipelines;

h. CU will develop a procedure to formally evaluate potential hazards and abnormal conditions that may occur prior to performing non-routine activities on its pipelines containing natural gas, which may include a review of the pipeline design, construction, significant post-construction changes, and the environment in which the pipe is installed;

i. CU will review its operator qualification tests to identify essential task specific questions that must be answered correctly in order to pass;

j. CU will re-evaluate its DIMP Plan going forward at least every three years; and

k. In its next re-evaluation of its DIMP Plan, CU will include and evaluate the risks associated with the threat of performing maintenance work in proximity to pipeline segments that are joined by mechanical fittings which may not meet the requirements of 20 CSR 4240-40.030(6)(B) to be designed and installed so that each joint will sustain the longitudinal pullout or thrust forces caused by contraction of expansion of the piping or by anticipated external or internal loading.

l. In the interest of resolution of this case, City Utilities agrees to pay the sum of \$60,000 to the Public-School Fund of the State of Missouri. The

payment shall be due within thirty (30) calendar days after the effective date of a Commission order approving this Agreement.

m. Staff agrees not to seek or support the imposition of penalties for any additional alleged violations or other matters specifically related to the facts of the incident at issue in this Agreement.

GENERAL PROVISIONS

10. **Entire Agreement.** This Agreement constitutes the entire agreement between Staff and City Utilities, and there are no other oral, written, express or implied promises, agreements, representations or inducements not specified in this Agreement. The Recitals are incorporated into this Agreement.

11. **Binding Effect.** This Agreement regarding the resolution of this case is binding upon Staff, City Utilities, and their respective successors, affiliates, trustees, shareholders, partners and subsidiaries, and each of their assigns, officers, directors, agents, servants, current and former employees, and all other representatives at all City Utilities' locations in Missouri.

12. **Modification and Waiver.** No modification or waiver of any provision in this Agreement, nor consent to any departure therefrom, shall in any event be effective unless the same shall be in writing and signed by the party to be charged therewith and then such modification, waiver or consent shall be effective only in the specific instance and for the specific purpose for which given.

13. **Default.** In the event that either party violates any term of this Agreement, or fails to perform any term of this Agreement, the other party shall have the right to pursue all available remedies at law to enforce the Agreement.

14. If City Utilities fails to perform the actions as agreed upon by this Agreement and Stipulation, the Staff maintains its authority to take any actions against City Utilities and pursue any and all remedies available under the law.

15. **Agreement.** This is a negotiated Agreement and is being entered into solely for the purpose of settling all contested issues in the case captioned above and any matters of the same type that occurred or which are alleged to have occurred prior to the date of this Agreement.

16. Except as otherwise expressly specified herein, none of the Signatories to this Stipulation and Agreement shall be deemed to have approved or acquiesced in any ratemaking or procedural principle, including, without limitation, any method of cost determination or cost allocation, depreciation or revenue-related method, or any service or payment standard; and none of the Signatories shall be prejudiced or bound in any manner by the terms of this *Stipulation and Agreement* in any other Commission proceeding. Nothing in this *Stipulation and Agreement* shall be deemed a waiver of any statute or Commission regulation.

17. This *Stipulation and Agreement* has resulted from extensive negotiations among the Signatories, and the terms hereof are interdependent. If the Commission does not approve this *Stipulation and Agreement* unconditionally and without modification, then this *Stipulation and Agreement* shall be void and no Signatory shall be bound by any of the agreements or provisions hereof. In such instance, neither the Agreement nor any matters associated with its consideration by the Commission shall be considered or argued to be a waiver of the rights that any Signatory has to a hearing on the matters presented by the Agreement. The Signatories shall retain all procedural and due process

rights as fully as though this Agreement had not been presented for approval, and any suggestions or memoranda, testimony or exhibits that may have been offered or received in support of or in opposition to this Agreement shall thereupon become privileged as reflecting the substantive content of settlement discussions, and shall be stricken from and not be considered as part of the administrative or evidentiary record before the Commission for any further purpose whatsoever.

18. This *Stipulation and Agreement* embodies the entirety of the agreements between the Signatories in this case on the issues addressed herein, and may be modified by the Signatories only by a written amendment executed by all of the Signatories.

19. If approved and adopted by the Commission, this *Stipulation and Agreement* shall constitute a binding agreement among the Signatories. The Signatories shall cooperate in defending the validity and enforceability of this *Stipulation and Agreement* and the operation of this *Stipulation and Agreement* according to its terms.

20. In the event the Commission accepts the specific terms of this *Stipulation and Agreement* without condition or modification, the Signatories waive, with respect to the issues resolved herein: their respective rights pursuant to § 536.080.1, RSMo, to present testimony, to cross-examine witnesses, and to present oral argument and written briefs; their respective rights to seek rehearing pursuant to § 386.500, RSMo, and their respective rights to judicial review pursuant to § 386.510, RSMo. These waivers apply only upon a Commission order approving this *Stipulation and Agreement* without condition or modification issued in this proceeding and only to the issues that are resolved hereby. These waivers do not apply to any issues explicitly not addressed by this

Stipulation and Agreement.

21. The Signatories agree that any and all discussions, suggestions, or memoranda reviewed or discussed, related to this *Stipulation and Agreement* shall be privileged and shall not be subject to discovery or admissible in evidence in any case, and shall not be in any way used, described or discussed in any case other than the case resolved by this *Stipulation and Agreement*.

22. This *Stipulation and Agreement* does not constitute a contract with the Commission. Acceptance of this *Stipulation and Agreement* by the Commission shall not be deemed as constituting an agreement on the part of the Commission to forego the use of any discovery, investigatory powers or other statutory powers which the Commission presently has. Thus, nothing in this *Stipulation and Agreement* is intended to impinge or restrict in any manner the exercise by the Commission of any statutory right, including the right to access information.

23. The terms set forth herein are an appropriate disposition of this case and entry of this *Stipulation and Agreement* is in the public interest.

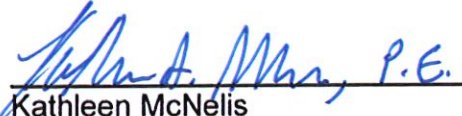
WHEREFORE, for the foregoing reasons, the undersigned Signatories respectfully request that the Commission issue an Order approving the terms and conditions of this *Stipulation and Agreement*.

Respectfully Submitted,

/s/


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**ATTORNEY FOR STAFF OF THE
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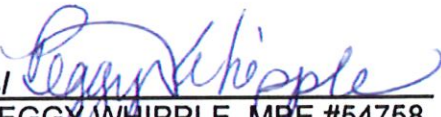
CITY UTILITIES OF SPRINGFIELD,
MISSOURI

By:


Dwayne Fulk (Jul 24, 2025 14:05:47 CDT)

Authorized member

/s/


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**ATTORNEY FOR CITY UTILITIES OF
SPRINGFIELD, MISSOURI**

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing was served by electronic mail, or First Class United States Postal Mail, postage prepaid, on this 29 day of July, 2025, to all counsel of record.

/s/ Carolyn H. Kerr