FLORIDA PUBLIC SERVICE COMMISSION

In re: INVESTIGATION OF GAS LEAKS AT) DOCKET NO. 890828-GU WEST FLORIDA NATURAL GAS COMPANY) ORDER NO. 22250 ISSUED: 11/30/89

The following Commissioners participated in the disposition of this matter:

MICHAEL McK. WILSON, Chairman THOMAS M. BEARD BETTY EASLEY GERALD L. GUNTER JOHN T. HERNDON

ORDER CLOSING DOCKET

BY THE COMMISSION:

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This Inquiry Docket was opened because of allegations by an employee of West Florida Natural Gas Company's (West Florida, Company) Ocala Division that the Company was not repairing Grade 1 gas leaks. Grade 1 gas leaks are gas leaks that pose the greatest hazard to life and property. An Inquiry Docket was used rather than a typical Staff evaluation to protect the identity of the employee. The employee had sent a signed letter and copies of some of West Florida's leak reports to the Bureau of Gas Regulation. Without use of an Inquiry Docket, the letter and records would have become public record immediately upon receipt. If West Florida or the media had gained access to the records at that time, both the employee's job and the Staff's evaluation of the allegations could have been endangered. The inquiry procedure protects such information during the life of the Inquiry Docket. Because the employee has since left West Florida for reasons not directly related to this inquiry and Staff has completed its evaluation, we find that this docket can now be closed and the safety issue can be handled under our normal procedures.

All Grade 1 and 2 gas leaks were repaired by the Company within two days of being notified by Commission Staff of a possible problem with gas leaks in Ocala. Grade 1 and 2 gas leaks are those that could be hazardous to life or property if

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not repaired or mitigated. The Company had been using contract personnel, other gas company employees, and its own employees from other operations in the state to repair gas leaks. Apparently, the construction supervisor in charge of repairing leaks had stopped repairing gas leaks in violation of Company procedures and Commission Rules.

At the beginning of the investigation, the construction supervisor resigned. Just before and just after the incident, numerous employees resigned or were later terminated. A sizable number of the resignations and terminations are believed to be drug related.

The Company has recently downsized by selling its larger propane operations in Florida. This downsizing has put top management closer to the daily operations of the natural gas utility thereby helping to resolve some of the management oversight problems. The natural gas operation is being totally reorganized. The Company, in response to Staff's strong recommendation, has hired а consultant to review its operations, training, organization and ability to comply with all safety requirements. Until the results of the study are known and the recommendations implemented, West Florida has permanently transferred an experienced service supervisor to Ocala and placed the Vice President of Operations in charge of its daily operations.

The Staff has made frequent checks of West Florida's operations and has reviewed the other division of the Company for compliance with gas leak repair. Staff has found them to be in compliance regarding Grade 1 and 2 leaks. West Florida has acted aggressively in resolving this problem and has been open and cooperative with Staff. It is, therefore,

ORDERED by the Florida Public Service Commission that Inquiry Docket No. 890828-GU relating to West Florida Natural Gas Company be closed after the time has run in which to file a petition for reconsideration or notice of appeal if such action has not been taken. 500 - B

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By ORDER of the Florida Public Service Commission this 30th day of NOVEMBER , 1989.

STEVE TRIBBLE Director Division of Records and Reporting

(SEAL)

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NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.59(4), Florida Statutes, to notify parties of any administrative hearing or judicial review of Commission orders that is available under Sections 120.57 or 120.68, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for an administrative hearing or judicial review will be granted or result in the relief sought.

Any party adversely affected by the Commission's final action in this matter may request: 1) reconsideration of the decision by filing a motion for reconsideration with the Director, Division of Records and Reporting within fifteen (15) days of the issuance of this order in the form prescribed by Rule 25-22.060, Florida Administrative Code; or 2) judicial review by the Florida Supreme Court in the case of an electric, gas or telephone utility or the First District Court of Appeal in the case of a water or sewer utility by filing a notice of appeal with the Director, Division of Records and Reporting and ORDER NO. 22250 DOCKET NO. 890828-GU PAGE 4

filing a copy of the notice of appeal and the filing fee with the appropriate court. This filing must be completed within thirty (30) days after the issuance of this order, pursuant to Rule 9.110, Florida Rules of Appellate Procedure. The notice of appeal must be in the form specified in Rule 9.900(a), Florida Rules of Appellate Procedure.

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