

**Staff Rulemaking Report**  
**Gas Safety Standards Proposed Rule Amendments**  
**GX-2021-0406**  
**September 1, 2021**

**I. What are the affected rules (rule numbers and titles)?**

20 CSR 4240-40.020 Incident, Annual, and Safety-Related Condition Reporting Requirements – proposing to amend sections (2), (5), (6), (10), (11), (12) and (13)

20 CSR 4240-40.030 Safety Standards – Transportation of Gas by Pipeline – proposing to amend sections (1), (2), (3), (4), (5), (6), (9), (10), (12), (13), (16) and the Purpose, Appendix E and Authority section

20 CSR 4240-40.080 Drug and Alcohol Testing – proposing to amend section (1)

**II. Background:**

**a. Discuss and describe topic/mechanism/theory/context of current rule.**

The current rules require certain safety-related reporting; contain certain safety standards for the transportation of gas by pipeline; and require certain drug and alcohol testing.

**b. How does the rule work?**

The Commission’s Safety Engineering Department is granted authority to implement the state pipeline safety program by annual certification from the United States Department of Transportation (“DOT”).

**c. What does the underlying statute require, if applicable?**

Federal law requires that each state take measures to adopt each applicable federal pipeline safety standard within a prescribed period of time. 49 U.S. Code Section 60105 requires, among other things, that the state authority adopt each applicable federal pipeline safety standard by the date of its annual certification, or in the event a standard was established within 120 days before the date of the certification, be taking steps to adopt that standard. Goals are set for state programs by the Pipeline and Hazardous Materials Safety Administration (“PHMSA”) and enforcement of those goals is by reductions in federal grant-in-aid funding and the potential loss of federal certifications if those goals are not met.

**III. What is the problem/issue the rulemaking addresses?**

The proposed amendments are based on relevant federal pipeline rules that the Commission’s Safety Engineering Department has identified as being newly relevant to Missouri.

**IV. Summary of rationale for proposed rule language.**

The proposed amendments purport to incorporate the recent changes to Federal amendments 49 CFR parts 40, 191, 192, and 199 and to make clarifications and editorial changes.

**V. Who will be affected by this rule?**

**a. Summary**

Entities that are regulated for pipeline safety by the Commission and potentially the customers of the owners and operators.

Owners and operators include:

- Public natural gas utilities;
- Municipal natural gas systems;
- Natural gas distribution systems where natural gas, excluding petroleum gas, is measured by a single meter and distributed to other users within a single structure or to multiple structures;
- High pressure natural gas pipelines which are supplied, directly or indirectly, by an intrastate and interstate pipeline, where natural gas, excluding petroleum gas, is supplied to the owner or operator of the high pressure pipeline solely for consumption by the owner or operator; and
- Operators and owners of gas plants where natural gas is supplied directly or indirectly, other than for consumption by and on the property of the supplier, to institutional buildings including, but not limited to, schools and hospitals

**VI. Discussion of other states' actions on issue**

**a. Other states' statutes, regulations, orders**

Federal law requires that each state take measures to adopt each applicable federal pipeline safety standard within a prescribed period of time. Goals are set for state programs by PHMSA.