

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

In the Matter of the Adoption of Rules )     **File No. GX-2019-0177**  
Regarding Liquefied Natural Gas Safety )

**STAFF'S MEMORANDUM**

**COMES NOW** the Staff of the Missouri Public Service Commission ("Staff"), by and through the undersigned counsel, and respectfully files the attached *Memorandum* pursuant to General Procedure 1, stating Staff's finding that the actual cost of implementing the rules within this docket to public and private entities has not exceeded the estimates by more than 10 percent or, where appropriate, has not exceeded five hundred dollars.<sup>1</sup>

**WHEREFORE**, Staff files this *Memorandum* for the Commission's information and consideration.

Respectfully Submitted,

**/s/ Travis J. Pringle**

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<sup>1</sup> Madeline McKernan, a Rule 13-certified summer associate with Staff Counsel, contributed to the drafting of this pleading.

**CERTIFICATE OF SERVICE**

I hereby certify that copies of the foregoing have been mailed, hand delivered, transmitted by facsimile or electronically mailed to all parties and/or counsel of record on this 26<sup>th</sup> day of August, 2021.

**/s/ Travis J. Pringle**

## **MEMORANDUM**

**TO:** Missouri Public Service Commission Official Case File No. GX-2019-0177

**FROM:** Kathleen A. McNelis, P.E. on Behalf of Commission Staff

**SUBJECT:** Staff's Review of Costs Incurred for Rulemakings In the Matter of the Adoption of Rules Regarding Liquefied Natural Gas Safety, Case No. GX-2019-0177, as required by Section 536.200, RSMo and the Commission's General Procedure GP-1

**DATE:** August 26, 2021

On December 19, 2018, the Missouri Public Service Commission (Commission) issued a Notice of Finding of Necessity and Order to file an Emergency Rule regarding Liquefied Natural Gas (LNG) Safety, 4 CSR 240-40.033.<sup>1</sup> The Commission proposed to amend those rules to conform with the LNG safety standards in the Code of Federal Regulations (CFR) at 49 CFR part 193.

This rule was originally filed as an emergency rule, 4 CSR 240-40.033, on December, 19, 2018, became effective on December 29, 2018, and expired on June 26, 2019.

Original Rule 4 CSR 240-40.033 was subsequently filed on December 20, 2018 and a notice of proposed rulemaking was published in the Missouri Register on February 1, 2019 (44 MoReg 500-501). The public comment period ended on March 4, 2019 and a public hearing was held on March 5, 2019. The rule became effective July 30, 2019, and moved to 20 CSR 4240-40.033, effective Aug. 28, 2019.

The Commission Staff has investigated the cost of implementing the rule through this case, and reports that it has not discovered any information that would show that the cost estimates for this rule as published in the *Missouri Register* were inaccurate.

Additionally, Staff reports that it has not received any information from any party potentially or actually affected by the implementation of the subject rules that would show that the cost estimate to implement the Rules published in the *Missouri Register* was inaccurate.

The Commission's General Procedure GP-1 ("GP-1") requires that, within 30 days before the end of the first full fiscal year after the implementation of a rule, amendment or rescission, the Staff is to investigate whether the cost to all affected entities, including the Commission, has exceeded by ten percent or more the estimated cost in the fiscal note, or, where appropriate, has exceeded five hundred dollars.

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<sup>1</sup> Effective August 28, 2019, all of the Commission's regulations were transferred from the Department of Economic Development's (DED) Title 4 to the Department of Commerce and Insurance's (DCI) (formerly Department of Insurance, Financial Institutions and Professional Registration) Title 20. The amended rules can now be found at 20 CSR 4240-40.033.

GP-1 also requires Staff to prepare a memorandum showing the results of its investigation within thirty (30) days after the end of the first full fiscal year of the implementation of the subject rule, amendment or rescission. If the Staff investigation shows that the costs have not exceeded ten percent for all entities or, where appropriate, the estimated five hundred dollars, Staff's Memorandum shall be entered into EFIS under the rulemaking's docket number.

Staff's response regarding the accuracy of the published cost estimates is within the time frame specified by Section 536.200, RSMo 2019. This statute requires publication in the *Missouri Register* of a report of costs exceeding ten percent for all entities or cost over five hundred dollars, where appropriate, within 90 days after the close of the "first full fiscal year" after the implementation of the subject rule, amendment or rescission. The rule that was the subject of this case became effective on July 30, 2019. The first full fiscal year after implementation of the rule thus ended on June 30, 2021. Accordingly, September 28, 2021, would represent the 90-day expiration period for the publication of a report regarding excess cost information in the *Missouri Register*. Since the Staff's investigation indicates that the published cost estimates related to the changes in the rule have not been exceeded, no *Missouri Register* publication is required under Section 536.200, RSMo 2019.

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In the Matter of the Adoption of Rules            )  
Regarding Liquefied Natural Gas Safety        )     **File No. GX-2019-0177**

**AFFIDAVIT OF KATHLEEN A. MCNELIS, PE**

STATE OF MISSOURI        )  
                                      )  
COUNTY OF COLE        )     ss.

**COMES NOW** Kathleen A. McNelis, PE, and on her oath declares that she is of sound mind and lawful age; that she contributed to the foregoing *Staff's Memorandum*; and that the same is true and correct according to her best knowledge and belief, under penalty of perjury.

Further the Affiant sayeth not.

  
Kathleen A. McNelis, PE

Subscribed and sworn before me, a duly constituted and authorized Notary Public, in and for the County of Cole, State of Missouri, at my office in Jefferson City, on this 26th day of August, 2021.

  
NOTARY PUBLIC

