

**STATE OF MISSOURI  
PUBLIC SERVICE COMMISSION**

At a session of the Public Service  
Commission held at its office in  
Jefferson City on the 21<sup>st</sup> day  
of December, 2022.

In the Matter of the Application of Roeslein )  
Alternative Energy Services, LLC for a ) **File No. GE-2023-0096**  
Permanent Waiver from Certain Provisions )  
of 20 CSR 4240-40.030 (MAOP) )

**ORDER GRANTING PERMANENT WAIVER  
FROM CERTAIN PROVISIONS OF 20 CSR 4240-40.030**

Issue Date: December 21, 2022

Effective Date: February 28, 2023

On September 12, 2022,<sup>1</sup> Roeslein Alternative Energy Services, LLC (RAES), filed an *Application for Waivers* (Application). RAES requested a permanent waiver of the requirement under Commission Rule 20 CSR 4240-40.030(3)(I)3.B.(I) that sets a design pressure limit of 100 psig (pounds per square inch gauge) for polyethylene (PE) pipe with a design factor (DF) of 0.40. RAES seeks to upgrade the maximum allowable operating pressure (MAOP) to 125 psig for an existing pipeline in Mercer County, Missouri. RAES also requests waiver of the Commission's 60-day notice requirement under Commission Rule 20 CSR 4240-4.017.

On November 30, the Staff of the Commission (Staff) filed its recommendation. Staff had reviewed the Application, conducted discovery, reviewed applicable Commission rules and prior orders, and coordinated with the United States Department of Transportation (USDOT) Pipeline and Hazardous Materials Safety Administration (PHMSA) regarding federal pipeline safety requirements. Staff recommended the

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<sup>1</sup> Unless otherwise noted, all dates refer to the year 2022.

Commission grant RAES's waiver request with certain conditions. On December 2, RAES filed its *Response to Staff Recommendation* in which it stated that it had no objection to the conditions Staff recommended.

No parties have intervened in this matter or filed objections to Staff's recommendation to grant RAES's waiver request.

In its Application, RAES described the background behind its waiver request:

Impermeable covers have been installed on existing lagoons to harvest renewable natural gas from hog finishing farms, using anaerobic digestion technology developed and installed by RAES affiliates. The covers turn the lagoons into anaerobic digesters, where naturally occurring microorganisms decompose the manure in an oxygen free environment. Bio-gas rises to the top where it is collected and cleaned of impurities. What remains is more than 98 percent methane, with approximately the same chemical composition as natural gas, that can be used for vehicle fuel or injected into the natural gas grid system. The un-digestible solid residue can be used by local farmers as a natural fertilizer, and the water can be safely used for irrigation. As a part of this process, RAES constructs RNG [renewable natural gas] gathering systems to bring this gas to a site for injection into the ANR Pipeline (an interstate pipeline under the jurisdiction of the Federal Energy Regulatory Commission).

In the situation at issue in this Application, RAES is requesting to upgrade the MAOP of the existing pipeline from the Somerset Farm located in Mercer County, Missouri, to the existing interconnect with the ANR Pipeline, also located in Mercer County. The requested upgrade would raise the MAOP from the current 100 psig to 125 psig. This intrastate gas transmission pipeline is approximately 8.4 miles long and is located in a Class 1 location.<sup>2</sup> RAES seeks a permanent waiver from Commission Rule 20 CSR 4240-40.030(3)(l)(3)(B)(l) as to that portion of its transmission line described above pursuant to Commission Rule 20 CSR 4240-40.030(18).

The Application further described the reason RAES is requesting a waiver:

RAES intends to construct a new pipeline from the Badger-Wolf farm, located south of the Somerset farm, to the Somerset farm and tie this new pipeline into the existing pipeline from the Somerset farm to the existing interconnect with the ANR Pipeline system located north of Mercer, Missouri. The combined flow from the Somerset farm and from the Badger

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<sup>2</sup> 20 CSR 4240-40.030(1)(C)2 defines a Class 1 location as (i) an offshore area; or (ii) any class location unit that has ten or fewer buildings intended for human occupancy.

Wolf farm, and from other future connections south and east of the Badger Wolf farm, will be greater than the capacity of the existing line if operated at 100 psig. Upgrading the MAOP to 125 psig would allow this combined gas flow to be accommodated. Without this waiver, RAES will have to install an additional pipeline parallel to the existing pipeline. This additional pipeline would add considerable cost to the project and further encumber the public and private ROWS [rights-of-way] along the route.

Commission Rule 20 CSR 4240-40.030(18) allows the Commission to waive, in whole or part, compliance with any of the requirements contained in 20 CSR 4240-40.030, upon a showing that gas safety is not compromised. As previously stated, Staff recommends the Commission grant RAES's waiver request with certain conditions.

Commission Rule 20 CSR 4240-40.030(18) states that "[i]f the waiver request would waive compliance with a federal requirement in 49 CFR part 192, additional actions shall be taken in accordance with 49 USC 60118 except when the provisions of subsection (17)(G) apply." Specifically, 49 U.S.C. § 60118(d) pertains to waivers granted by state authorities and requires that the state authority must give the Secretary of the USDOT written notice of the waiver at least 60 days before its effective date.

The Commission has reviewed RAES's Application and Staff's recommendation and finds that a grant of a permanent waiver of Commission Rule 20 CSR 4240-40.030(3)(l)3.B.(l), subject to the conditions recommended by Staff, will not compromise gas safety. The Commission will grant the requested waiver.

RAES also requested a waiver of Commission Rule 20 CSR 4240-4.017(1) requiring notice with the Commission of intent to file an application 60 days before filing the application. RAES requests such a waiver under Commission Rule 20 CSR 4240-4.017(1)(D). Based on RAES's verified declaration that it had no communication with the office of the Commission regarding any substantive issue likely

to be in this case within the 150 days prior to filing its Application, the Commission finds good cause for the waiver of the 60-day notice requirement.

**THE COMMISSION ORDERS THAT:**

1. RAES is granted a waiver of the 60-day notice requirement of Commission Rule 20 CSR 4240-4.017(1).

2. For the pipeline described in its application, RAES is granted a permanent waiver of the provision under Commission Rule 20 CSR 4240-40.030(3)(I)3.B.(I) that sets a design pressure limit of 100 psig for polyethylene (PE) pipe with a DF of 0.40. This waiver allows RAES to upgrade the MAOP to 125 psig for said pipeline, subject to the following conditions:

- a. RAES may not serve any Missouri customers from this pipeline without prior Commission approval;
- b. To the extent that placement of pipeline markers does not interfere with soil or crop cultivation, RAES shall install additional pipeline markers to provide markers at a minimum of line-of-site distance along the length of the pipeline;
- c. RAES shall perform a minimum eight hour pressure test in accordance with Commission Rule 20 CSR 4240-40.030(12)(M)1.B.(I) and 20 CSR 4240-40.030(10)(G) for the intrastate transmission pipeline from the Somerset Farm to the existing interconnect with the ANR Pipeline to establish a MAOP of 125 psig;
- d. If natural gas is used as the test medium in the pressure test conducted in accordance with the requirements of 20 CSR 4240-40.030(10)(G), RAES shall develop and follow a written procedure to conduct the testing in a manner consistent with protecting public safety, including but not limited to continuous monitoring of pressure gauges during the test to detect indications of leakage, and monitoring for leakage along the pipeline right-of way during the testing. A copy of this written procedure will be provided to Commission Staff for review prior to conducting the test;

- e. RAES shall conduct a leakage survey before and after the pressure test to 188 psig from the Somerset Farm to the existing interconnect with the ANR Pipeline to establish a new MAOP of 125 psig;
- f. All leaks from the leakage surveys must be repaired prior to operating above 100 psig;
- g. RAES shall install and utilize instrumentation to continuously monitor and record the temperature of all gas sources prior to introduction into the pipeline;
- h. RAES shall utilize automatic controls to limit the temperature of all gas sources introduced into the pipeline to no higher than 73° F;
- i. RAES shall conduct leakage surveys with instrumented gas leakage detection equipment and patrols along the entire length of the pipeline at intervals not exceeding four and one-half months, but at least four times per calendar year;
- j. Each detected leak indication or any leak call from the general public, police, fire or other authorities or notification of damage to facilities by contractors other outside sources shall require immediate investigation and classification as required in 20 CSR 4240-40.030(14);
- k. Leaks shall be repaired as required in 20 CSR 4240-40.030(14), except that any Class 2 and Class 3 leaks must be repaired within 15 days. All Class 1 leaks shall require immediate corrective action;
- l. RAES shall conduct a class location study that includes identification of any new High Consequence Areas and Moderate Consequence Areas of the RAES transmission pipeline annually, notifying Commission Staff of any class location changes within 30 days of discovery;
- m. Whenever RAES is made aware (through notification by Missouri One Call, or other source) that its pipeline lies within the area described in the notice of excavation, or is within two feet of such area, in addition to following the requirements of RSMo Chapter 319 to locate its line, RAES will have personnel on site monitoring for damages to its pipeline during excavation work; and

- n. This waiver of compliance is only applicable to the approximately 8.4 mile long intrastate gas transmission pipeline described in the RAES Application. In the event any additional segment of PE pipeline is connected to this pipeline, RAES must seek a modification of this waiver in order to operate any additional segment of PE pipeline above 100 psig.

3. By no later than December 22, 2022, the Commission's Data Center shall provide written notice of this order to the Secretary of the USDOT by attaching a copy of this order and the Application to an e-mail message addressed to [phmsa.pipelinesafety@dot.gov](mailto:phmsa.pipelinesafety@dot.gov) with "Notice to Secretary of Transportation" in the subject line of the e-mail.

4. This order shall be effective on February 28, 2023.
5. This file shall be closed on March 1, 2023.



**BY THE COMMISSION**

A handwritten signature in black ink that reads "Morris L. Woodruff".

Morris L. Woodruff  
Secretary

Silvey, Chm., Rupp, Coleman, Holsman, and  
Kolkmeier CC., concur.

Seyer, Regulatory Law Judge


**STATE OF MISSOURI**

**OFFICE OF THE PUBLIC SERVICE COMMISSION**

**I have compared the preceding copy with the original on file in this office and I do hereby certify the same to be a true copy therefrom and the whole thereof.**

**WITNESS my hand and seal of the Public Service Commission, at Jefferson City, Missouri, this 21<sup>st</sup> day of December, 2022.**



  
**Morris L. Woodruff**  
**Secretary**

**MISSOURI PUBLIC SERVICE COMMISSION**

**December 21, 2022**

**File/Case No. GE-2023-0096**

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**Enclosed find a certified copy of an Order or Notice issued in the above-referenced matter(s).**

**Sincerely,**



**Morris L. Woodruff  
Secretary**

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Recipients listed above with a valid e-mail address will receive electronic service. Recipients without a valid e-mail address will receive paper service.