

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

In the Matter of the Establishment of a Working Case for the Review and Consideration of Amending the Commission's Natural Gas Safety Rules.)) File No. GW-2022-0237))

AMEREN MISSOURI'S INITIAL COMMENTS

COMES NOW Union Electric Company d/b/a Ameren Missouri (“Company” or “Ameren Missouri”), and responds to the Missouri Public Service Commission's ("Commission") *Order Opening a Working Case to Consider Amending the Commission's Natural Gas Safety Rules* effective March 16, 2022, which directs any stakeholder wishing to submit written comments regarding Staff's proposed rule amendments to do so on or before May 2, 2022. Ameren Missouri provides the following initial comments:

1. As a preliminary matter, Ameren Missouri appreciates the opportunity to provide these Comments and otherwise participate in this docket.

2. Regarding Staff's proposed amendments to the Commission's Natural Gas Safety rules as set out in Attachment A to *Staff's Motion to Establish Working Case ("Staff's Motion")*, which incorporate Federal Pipeline Safety Standards amendments and provide further edits, the Company generally supports such amendments. However, the Company would note one small correction/clarification to Attachment A: On page 36 of 37 in Attachment A to Staff's Motion, in section 20 CSR 4240-40.030(17), a closing bracket needs to be added to subpart E as highlighted below.

(E) **Reserved.** [*What Must an Operator Report When a Mechanical Fitting Fails? (192.1009)*]

3. Furthermore, Ameren Missouri would propose two amendments to rule 20 CSR 4240-40.020.4.A(1)(C) so that the definition of Missouri-reportable incidents corresponds or

aligns with the recent amendments to the "Federal incident" reporting thresholds reflected in 20 CSR 4240-40.020.1.D(1)(B) & (C).

a. First, the property damage threshold for Missouri Incidents reported to the Commission by Missouri gas system operators should be amended to correspond with the recent increase in the threshold for estimated property damage under the definition of "Federal incident." As shown on page 1 of 37 in Attachment 1 to *Staff's Motion*, the definition of "Federal incident" has been amended to increase the threshold for estimated property damage from \$50,000 to \$122,000 to reflect inflation. See 20 CSR 4240-40.020.2.D(1)(B). However, *Staff's Motion* does not correspondingly seek to amend the property damage threshold of "Missouri Incidents" to be reported by Missouri gas system operators under 20 CSR 4240-40.020.4.A(1)(C) to reflect inflation. Ameren Missouri recommends that the Missouri incident threshold should be similarly increased to reflect inflation so that the threshold would go from \$10,000 to \$30,000. Many of the State-reportable incidents that would have estimated property damage between (the existing threshold of) \$10,000 and (the proposed increased threshold of) \$30,000 are driven by labor costs that rise with inflation; whereas, incidents with estimated property damage above \$30,000 reflect the out-of-the-ordinary circumstances warranting additional reporting.

b. Second, the lost gas parameter for a Missouri-reportable incident under 20 CSR 4240-40.020.4.A(1)(C) should be separated out to correspond better with the parameters for Federal-reportable incidents under 20 CSR 4240-40.020.2.D(1)(C). Even prior to the most recent amendments to the Federal Pipeline Safety Standards that *Staff's Motion* attempts to address (2021-2022), the definition for a "Federal incident" has separated out "[u]nintentional estimated gas loss of three (3) million cubic feet or more" to be a separate threshold requiring reporting. 20 CSR 4240-40.020.2.D(1)(C). In contrast, the definition of "Missouri incident" has expressly included

"the cost of gas lost" in the estimated property damage threshold set out in 20 CSR 4240-40.020.4.A(1)(C), and does not establish a volume of lost gas threshold for "Missouri incidents."

The price of natural gas may fluctuate significantly due to market conditions. For example, in the last two years, the spot price of natural gas has fluctuated from under \$2 per MMBTU to over \$7 per MMBTU. This would mean that the threshold for Missouri incident reporting would correspondingly fluctuate. Ameren Missouri proposes to mirror the separate threshold of the "Federal incident" definition and reduce the market fluctuation impact on reporting thresholds by specifying a separate volume-based lost gas threshold for Missouri incident reporting.

c. Therefore, using the same highlighting scheme as *Staff's Motion*,¹ Ameren Missouri proposes the following additional amendments to rule 20 CSR 4240-40.020.4.A(1):

(4) Immediate Notice of Missouri Incidents.

(A) Within two (2) hours following discovery by the operator, or as soon thereafter as practicable if emergency efforts to protect life and property would be hindered, each gas operator must notify designated commission personnel by telephone of the following events within areas served by the operator:

1. An event that involves a release of gas involving the operator's actions or pipeline system, or where there is a suspicion by the operator that the event may involve a release of gas involving the operator's actions or pipeline system, and results in one (1) or more of the following consequences—

A. A death;

B. A personal injury involving medical care administered in an emergency room or health care facility, whether inpatient or outpatient, beyond initial treatment and prompt release after evaluation by a health care professional;

~~[or]~~

C. Estimated property damage of ~~[ten]~~ **thirty** thousand dollars (\$~~10~~**30**,000) or more, including loss to the gas operator or others, or both, and ~~[including]~~ **excluding** the cost of gas lost; **or**

D. Unintentional estimated gas loss of three (3) million cubic feet or more;

2. An event that is significant, in the judgement of the operator, even though it did not meet the criteria of paragraph (4)(A)1.; or

3. An event that is reported as a Federal incident under section (3).

¹ Brackets, italics and yellow highlighting are used to show text to be deleted, and bold with yellow highlighting shows text to be added.

Respectfully submitted,

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Dated: May 2, 2022

CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing have been emailed to the parties of record on this 2nd day of May, 2022.

/s/ Jermaine Grubbs

Jermaine Grubbs