

**John R. Ashcroft**

Secretary of State  
Administrative Rules Division

**RULE TRANSMITTAL**

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DEC 19 2018

SECRETARY OF STATE  
ADMINISTRATIVE RULES

Rule Number 4 CSR 240-40.033

Use a "SEPARATE" rule transmittal sheet for EACH individual rulemaking.

Name of person to call with questions about this rule:

Content Morris Woodruff Phone 573-751-2849 FAX 573-526-6010

Email address morris.woodruff@psc.mo.gov

Data Entry Christine Koenigsfeld Phone 573-751-4256 FAX 573-526-6010

Email address Christine.Koenigsfeld@psc.mo.gov

Interagency mailing address Public Service Commission, 9<sup>th</sup> Floor Gov. Office Bldg, JC, Mo

TYPE OF RULEMAKING ACTION TO BE TAKEN

☒ Emergency Rulemaking ☒ Rule ☐ Amendment ☐ Rescission ☐ Termination

Effective Date for the Emergency Dec. 29, 2018

☐ Proposed Rulemaking ☐ Rule ☐ Amendment ☐ Rescission

☐ Rule Action Notice ☐ In Addition ☐ Rule Under Consideration

☐ Request for Non-Substantive Change

☐ Statement of Actual Cost

☐ Order of Rulemaking ☐ Withdrawal ☐ Adopt ☐ Amendment ☐ Rescission

Effective Date for the Order \_\_\_\_\_

☐ Statutory 30 days OR Specific date \_\_\_\_\_

Does the Order of Rulemaking contain changes to the rule text? ☐ NO

☐ YES—LIST THE SECTIONS WITH CHANGES, including any deleted rule text:

Small Business Regulatory  
Fairness Board (DED) Stamp

SMALL BUSINESS  
REGULATORY FAIRNESS BOARD

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JOINT COMMITTEE ON

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ADMINISTRATIVE RULES



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**RYAN A. SILVEY**  
Chairman

**WILLIAM P. KENNEY**

**DANIEL Y. HALL**

**SCOTT T. RUPP**

**MAIDA J. COLEMAN**

***Missouri Public Service Commission***

POST OFFICE BOX 360  
JEFFERSON CITY, MISSOURI 65102  
573-751-3234  
573-751-1847 (Fax Number)  
<http://psc.mo.gov>

**SHELLEY BRUEGGEMANN**  
General Counsel

**MORRIS WOODRUFF**  
Secretary

**LOYD WILSON**  
Director of Administration

**NATELLE DIETRICH**  
Staff Director

December 19, 2018

Secretary of State  
Administrative Rules Division  
600 West Main Street  
Jefferson City, Missouri 65101

Re: 4 CSR 240-40.033 Safety Standards -- Liquefied Natural Gas Facilities

Dear Secretary Ashcroft,

**CERTIFICATION OF ADMINISTRATIVE RULE**

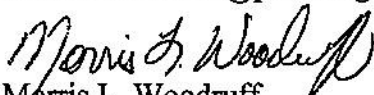
I do hereby certify that the attached is an accurate and complete copy of the emergency rulemaking lawfully submitted by the Missouri Public Service Commission.

I further certify that this emergency rule is supported by a compelling governmental interest, the reasons for which are stated in the emergency statement.

Statutory Authority: section 386.250, 386.310, and 393.140, RSMo.

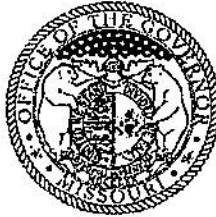
If there are any questions regarding the content of this emergency rulemaking, please contact:

Morris Woodruff, Chief Regulatory Law Judge  
Missouri Public Service Commission  
200 Madison Street, P.O. Box 360  
Jefferson City, MO 65102  
(573) 751-2849  
[Morris.Woodruff@psc.mo.gov](mailto:Morris.Woodruff@psc.mo.gov)

  
Morris L. Woodruff  
Chief Regulatory Law Judge

Enclosures

STATE CAPITOL  
201 W. CAPITOL AVENUE, ROOM 216  
JEFFERSON CITY, MISSOURI 65101



(573) 751-3222  
WWW.GOVERNOR.MO.GOV

*Michael L. Parson*

GOVERNOR  
STATE OF MISSOURI

December 17, 2018

Mr. Ryan Silvey  
Public Service Commission  
200 Madison Street  
PO Box 360  
Jefferson City, MO 65102

RE: *Proposed and Emergency Rulemaking*

Dear Ryan:

This office has received your proposed and emergency rule for 4 CSR 240-40.033 Safety Standards – Liquefied Natural Gas Facilities.

Executive Order 17-03 requires this office's approval before state agencies release proposed regulations for notice and comment, amend existing regulations, rescind regulations, or adopt new regulations. After our review of this rulemaking, we approve the rule's submission to the Joint Committee on Administrative Rules and the Secretary of State.

Sincerely,

A handwritten signature in black ink, appearing to read "Jessie Eiler". The signature is fluid and cursive, with a large loop at the end.

Jessie Eiler  
Deputy Counsel

COPY

**Title 4—Rules of Department of Economic Development  
Division 240—Public Service Commission  
Chapter 40—Gas Utilities and Gas Safety Standards**

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**EMERGENCY RULE**

SECRETARY OF STATE  
ADMINISTRATIVE RULES

**4 CSR 240-40.033 Safety Standards – Liquefied Natural Gas Facilities**

*PURPOSE: This rule prescribes safety standards for liquefied natural gas facilities used in the transportation of gas by pipeline that is subject to the pipeline safety standards in 4 CSR 240-40.030. This rule adopts the federal regulations on this subject matter that apply to operators of liquefied natural gas facilities used in the transportation of gas by pipeline that is subject to the federal pipeline safety laws and pipeline safety standards.*

*EMERGENCY STATEMENT: This emergency rule is necessary because the first liquefied natural gas facility that will be used in the transportation of gas by pipeline was established in Missouri in November 2018. The Missouri Public Service Commission is the state agency designated to protect the public health, safety and welfare of the citizens of Missouri as those protections relate to intrastate natural gas pipelines. The emergency rule adopts the federal pipeline safety laws and standards to place the liquefied natural gas facility under the safety jurisdiction of the commission. The Public Service Commission finds a compelling interest requires this emergency action since, absent adoption of federal pipeline safety laws and standards, the Commission lacks the authority to enforce liquefied natural gas safety regulations. A proposed rule, which covers the same material, is published in this issue of the Missouri Register. The scope of this emergency rule is limited to the circumstances creating the emergency and complies with the protections extended in the Missouri and United States Constitutions. The emergency rule is fair to all interested stakeholders and parties under the circumstances. This emergency rule was filed December 19, 2018, becomes effective December 29, 2018, and expires June 26, 2019.*

(1) As set forth in the *Code of Federal Regulations* (CFR) dated October 1, 2017, 49 CFR part 193 is incorporated by reference and made a part of this rule. This rule does not incorporate any subsequent amendments to 49 CFR part 193. The *Code of Federal Regulations* is published by the Office of the Federal Register, National Archives and Records Administration, 8601 Adelphi Road, College Park, MD 20740-6001. The October 1, 2017 version of 49 CFR part 193 is available at [www.gpo.gov/fdsys/search/showcitation.action](http://www.gpo.gov/fdsys/search/showcitation.action).

(2) The commission adopts the federal pipeline safety regulations for liquefied natural gas facilities, 49 CFR part 193, as rules of the commission.

(3) For purposes of this rule, the following substitutions should be made for certain references in the federal pipeline safety regulations adopted by reference in section (2) of this rule:

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(A) The references to “state agency” in sections 193.2017, 193.2019 and 193.2515 of 49 CFR part 193 should refer to “the commission” instead;

(B) The reference to “state procedures” in section 193.2017 should refer to “Commission procedures” instead.

(C) The reference in 49 CFR 193.2011 to “Part 191 of this subchapter” for reporting of incidents, safety-related conditions, and annual pipeline summary data for LNG plants or facilities should refer to “4 CSR 240-40.020” instead.

(D) The reference in 49 CFR 193.2605 to “Part 191.23 of this subchapter” for reporting requirements for safety related conditions should refer to “4 CSR 240-40.020(12)” instead.

(E) The reference in 49 CFR 193.2001 to “Part 192 of this chapter” for applicability of the standards should refer to “4 CSR 240-40.030” instead.

(F) The reference in 49 CFR 193.2629 to “§192.461 of this chapter” for protective coatings should refer to “4 CSR 240-40.030(9)(G)” instead.

(G) The references in 49 CFR 193.2629 and 193.2635 to “§192.463 of this chapter” for cathodic protection should refer to “4 CSR 240-40.030(9)(H)” instead.

(4) The federal pipeline safety regulations for liquefied natural gas (49 CFR part 193) adopted in section (2) of this rule contain subparts on general, siting requirements, design, construction, equipment, operations, maintenance, personnel qualifications and training, fire protection and security.

(A) The general subpart contains sections on: scope, applicability, definitions, Department of Transportation (DOT) rules of regulatory construction reporting, documents incorporated by reference, plans and procedures, and mobile and temporary liquefied natural gas facilities.

(B) The siting requirements subpart contains sections on: scope, thermal radiation protection, flammable vapor-gas dispersion protection and wind forces.

(C) The design subpart contains sections on: scope, material records, structural requirements for impoundment systems, dikes, covered systems, water removal and impoundment capacity and requirements pertaining to nonmetallic membrane liners in storage tanks.

(D) The construction subpart contains sections on: scope, construction acceptance, corrosion control and nondestructive tests for welds.

(E) The equipment subpart contains sections on: scope, control center and sources of power.

(F) The operations subpart contains sections on: scope, operating procedures, cooldown, monitoring operations, emergency procedures, personnel safety, transfer procedures, investigations of failures, purging, communication systems and operating records.

(G) The maintenance subpart contains sections on: scope, general, maintenance procedures, foreign material, support systems, fire protection, auxiliary power sources, isolating and purging, repairs, control systems, testing transfer hoses, inspecting storage tanks, corrosion protection, atmospheric corrosion control, external corrosion control, internal corrosion control, interference currents, monitoring corrosion control, remedial measures and maintenance records.

(H) The personnel qualifications and training subpart contains sections on: scope, design and fabrication, construction, installation, inspection, and testing, operations and maintenance, security, personnel health, operations and maintenance training, security training, fire protection training and records training.

(I) The fire protection subpart contains a section on fire protection.

(J) The security subpart contains sections on: scope, security procedures, protective enclosures, protective enclosure construction, security communications, security lighting, security monitoring, alternative power sources and warning signs.

*AUTHORITY: sections 386.250, 386.310 and 393.140, RSMo 2016. Emergency rule filed December 19, 2018, effective December 29, 2018, expires June 26, 2019. A proposed rule covering this same material is published in this issue of the Missouri Register.*

# **Small Business Regulator Fairness Board Small Business Impact Statement**

**Date:** December 11, 2018

**Rule Number:** 4 CSR 240-40.033

**Name of Agency Preparing Statement:** Missouri Public Service Commission

**Name of Person Preparing Statement:** Natelle Dietrich

**Phone Number:** 573-751-7427

**Email:** [natelle.dietrich@psc.mo.gov](mailto:natelle.dietrich@psc.mo.gov)

**Name of Person Approving Statement:** Natelle Dietrich

**Please describe the methods your agency considered or used to reduce the impact on small businesses** (*examples: consolidation, simplification, differing compliance, differing reporting requirements, less stringent deadlines, performance rather than design standards, exemption, or any other mitigating technique*).

The emergency rule and proposed rule will adopt federal pipeline safety regulations and standards, so their content cannot be reduced or simplified.

**Please explain how your agency has involved small businesses in the development of the proposed rule.**

The Commission will hold a public hearing on the proposed rule.

**Please list the probable monetary costs and benefits to your agency and any other agencies affected. Please include the estimated total amount your agency expects to collect from additionally imposed fees and how the moneys will be used.**

The costs and benefits have not been quantified; however, should there be a safety issue, the proposed rule will give the Commission jurisdiction to protect the health, safety, and welfare of Missouri residents. Any costs will be absorbed as part of the Commission's on-going safety authority.

**Please describe small businesses that will be required to comply with the proposed rule and how they may be adversely affected.**

At this time there is only one liquefied natural gas facility in Missouri, and it was established by a natural gas operator that does not qualify as a small business.



There are no investor-owned small business natural gas operators in Missouri at this time. The Commission also has safety jurisdiction over municipal gas systems.

**Please list direct and indirect costs (in dollars amounts) associated with compliance.**

None identified.

**Please list types of business that will be directly affected by, bear the cost of, or directly benefit from the proposed rule.**

Business owners that are ratepayers of natural gas operators owning LNG facilities may bear some cost related to the proposed rule. Businesses that are in the general area of the LNG facility will benefit from the Commission's safety oversight as provided by the proposed rule.

**Does the proposed rule include provisions that are more stringent than those mandated by comparable or related federal, state, or county standards?**

Yes\_\_\_ No\_X\_\_

**If yes, please explain the reason for imposing a more stringent standard.**

*For further guidance in the completion of this statement, please see §536.300, RSMo.*