

STATE OF MISSOURI
PUBLIC SERVICE COMMISSION

At a Session of the Public Service
Commission held at its office
in Jefferson City on the 25th
day of January, 1995.

In the matter of the application of the)
Altenburg-Frohna Municipal Gas System) CASE NO. GO-95-170
for permanent waiver from certain)
provisions of 4 CSR 240-40.030.)

ORDER GRANTING WAIVER

On November 23, 1994, the Altenburg-Frohna Municipal Gas System (System) filed an application for a waiver from the Commission's Gas Pipeline Safety Regulations, specifically 4 CSR 240-40.030(4)(GG)2.B. 4 CSR 240-40.030(4)(GG)2.B adopts the federal standards in 49 CFR 192.203(b)(2) and requires instrument, control and sampling pipe design to meet the following conditions of service:

- (1) a shutoff valve must be installed in each takeoff line as near as practicable to the point of takeoff; and
- (2) blowdown valves must be installed where necessary.

In support of its application, the System states that the regulation pertains to regulator station control lines which have been designed and installed without shutoff valves since 1967, when the System initiated operations. The System indicates that no problems or unsafe conditions have been experienced with this design since the regulator stations have been in operation. The System believes the regulation requires installation of control line valves at every regulator station at great cost with no safety benefit. The System asserts that a control line valve could actually cause an unsafe condition if inadvertently left in the off position after maintenance is performed.

On December 12, 1994, the Staff of the Commission (Staff) filed a memorandum concerning the System's application. Staff states that in August, 1994, it became aware that the regulator control lines at the Altenburg and Frohna town border regulator stations had no shutoff valves. At that time, Staff and the System discussed a waiver request. Staff notes that the Commission approved a similar waiver requested by the City of Perryville in Case No. GO-92-73. Staff also notes that while 4 CSR 240-40.030(4)(GG)2.B applies to instrument lines, sampling lines, and all control lines, the System's application is limited to a waiver for the installation of shutoff valves in regulator control lines.

Staff indicates there are two reasons for installing a shutoff valve in regulator control lines: (1) the shutoff valve can facilitate regulator testing; and (2) should the control line be ruptured, the shutoff valve can be used to stop the flow of blowing gas.

Staff states that the System's regulator stations were designed with two regulators located in parallel piping runs with a common downstream relief device. Each of the two piping runs consists of an inlet valve, a regulator, and an outlet valve, with the regulator control line tap located upstream of the outlet valve. Staff points out that the gas flow can be diverted from one piping run to the adjacent parallel piping run for the purpose of testing the regulators. Staff also points out that should a control line be ruptured, the blowing gas could be stopped by using the inlet and outlet valves for that piping run, and that the downstream relief device will protect the distribution system regardless of the piping run used.

Staff recommends that the Commission grant the System a partial waiver from 4 CSR 240-40.030(4)(GG)2.B. Specifically, Staff recommends a waiver from the requirement to install a shutoff valve in the regulator

control lines for the Altenburg and Frohna regulator stations. Staff states that such a waiver is not inconsistent with gas pipeline safety.

Staff notes that 49 USC Section 60118(d) provides that the Secretary of Transportation, through the U. S. Department of Transportation's Associate Administrator for Pipeline Safety, must receive written notice at least 60 days prior to the effective date of any waiver. Staff recommends that the effective date of any waiver granted by the Commission be set 75 days from the date the order is issued in order to provide adequate processing and mail time, and not detract from the time for review by the U. S. Department of Transportation.

Upon review of the System's application, Staff's memorandum and commission regulations, the Commission finds that the purposes of a shutoff valve in regulator control lines are adequately met by the current design of the System's regulator stations and that a waiver as recommended by Staff would not compromise public safety. Thus, the Commission determines that the System should be granted a partial waiver from 4 CSR 240-40.030(4)(GG)2.B as recommended by Staff.

IT IS THEREFORE ORDERED:

1. That the Altenburg-Frohna Municipal Gas System is hereby granted a waiver of the requirement to install a shutoff valve in the regulator control lines for the Altenburg and Frohna regulator stations pursuant to 4 CSR 240-40.030(4)(GG)2.B.

2. That the waiver granted in Ordered Paragraph 1 shall become effective on April 11, 1995.

3. That the Executive Secretary of the Commission shall send notice of the waiver granted in Ordered Paragraph 1 to the Secretary of Transportation, through the U. S. Department of Transportation's Associate Administrator for Pipeline Safety, including copies of the contents of the

official file in this case, by certified mail within ten (10) days of the issuance of this Order.

4. That this Order shall become effective on February 7, 1995.

BY THE COMMISSION

A handwritten signature in cursive script that reads "David L. Rauch".

David L. Rauch
Executive Secretary

(S E A L)

Mueller, Chm., McClure, Perkins,
Kincheloe and Crumpton, CC., Concur.