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November 22, 1999

**GORDON L. PERSINGER**  
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**DALE HARDY ROBERTS**  
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General Counsel

Mr. Dale Hardy Roberts  
Secretary/Chief Regulatory Law Judge  
Missouri Public Service Commission  
P. O. Box 360  
Jefferson City, MO 65102

**RE: Case No. GO-2000-279**

Dear Mr. Roberts:

Enclosed for filing in the above-captioned case are an original and fourteen (14) conformed copies of **STAFF'S RECOMMENDATION IN SUPPORT**.

This filing has been mailed or hand-delivered this date to all counsel of record.

Thank you for your attention to this matter.

Sincerely yours,

*Thomas R. Schwarz, Jr.*

Thomas R. Schwarz, Jr.  
Deputy General Counsel  
(573) 751-5239  
(573) 751-9285 (Fax)

TRS:sw  
Enclosure  
cc: Counsel of Record

**FILED<sup>2</sup>**  
NOV 22 1999  
Missouri Public  
Service Commission

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

**FILED<sup>2</sup>**

NOV 22 1999

Missouri Public  
Service Commission

In the Matter of the Petition of )  
the City of Fulton, Missouri, )  
for Approval in Accordance with )  
4 CSR 240-40.030(4)(HH)3., that )  
It Was Impracticable to Construct )  
an Emergency Replacement to )  
Accommodate Instrumented Internal )  
Inspection Devices. )

Case No. GO-2000-279

**STAFF'S RECOMMENDATIONS IN SUPPORT**

**COMES NOW** the Staff of the Missouri Public Service Commission ("Staff"), and for its Recommendations in Support of the Petition for Approval filed by the City of Fulton ("Fulton" or "City") respectfully states as follows:

**I. Procedural Background**

1. On October 15, 1999, Fulton filed a petition titled PETITION FOR APPROVAL (Petition) as provided for in 4 CSR 240-40.030(4)(HH)3., and in accordance with 49 CFR §190.9. The City seeks Commission approval that in September 1999, it was impracticable to construct an emergency replacement in a manner that would accommodate the passage of instrumented internal inspection devices.

2. In an Order dated October 25, 1999, the Missouri Public Service Commission ("Commission") ordered the Staff to investigate the circumstances of the City's Petition and recommend to the Commission whether approval should be granted and whether any conditions should be imposed.

## **II. Factual Background**

3. On September 17, 1999, a contractor excavating for a lake hit the City's 8-inch steel transmission line. The transmission line was well marked at this location, and no notice of the intent to excavate was made to the City or to Missouri One-Call Systems, Inc. The transmission line is the only gas supply for approximately 4,000 customers in Fulton, including several industrial and large-commercial customers. The City attempted to repair the transmission line in a manner that would accommodate an instrumented internal inspection device, by installing a full encirclement welded split-sleeve. Due to installation problems and other stresses imposed on the pipe in the area, the split-sleeve did not achieve a leak-free installation and permanent repair. To make permanent repairs, the City decided to use two bottom-out line stoppers to relocate and lower 640 feet of 8-inch steel transmission line around the proposed lake. The City arranged for a contractor to begin work on September 20, 1999. The City believed the decision to install bottom-out line stoppers was the only reasonable alternative, since this line is the only supply for approximately 4,000 customers. An instrumented internal inspection device will not pass through a bottom-out line stopper, because of the short-radius 90° turn within the fitting.

4. City personnel have also informed the Staff that the contractor was planning additional excavation at the same location for the proposed lake, which would have imposed more stresses upon the existing transmission line and reduced the amount of cover. To make permanent repairs and minimize future risk at this location, the Staff believes that the City's decision to relocate and lower the 8-inch steel transmission line around the proposed lake was appropriate. The use of bottom-out stopper fittings allowed the transmission line to remain in service during the relocation project, but these fittings will not accommodate the passage of

instrumented internal inspection devices. Alternative methods of relocation would have required the transmission line to be taken out of service during the work, would have been much more expensive, or would not have allowed for the transmission line to be relocated around the proposed lake. For these reasons, bottom-out stopper fittings have been, and continue to be, the preferred relocation method used by distribution system operators like Fulton.

5. The City has records that six other bottom-out line stoppers were used at three different sites along the City's transmission line, with two bottom-out line stoppers installed at each site. At each of these sites, short-radius 90° elbows were installed below the bottom-out line stopper. These line stoppers and elbows will not accommodate the passage of instrumented internal inspection devices. The City believes that there may be other such obstructions that were installed at the time of construction and in the 1970s, for which the City has no records.

6. The City asserts that compliance with the applicable regulations in the design and construction of the emergency relocation described above was impracticable for the following reasons:

- A. This transmission line is the only supply to the City and could not be removed from service.
- B. The transmission line has several other known (and possibly unknown) obstructions already existing in the line that would not accommodate the passage of an instrumented internal inspection device.
- C. The other known and unknown obstructions would also have to be removed before the City's transmission line could accommodate the passage of an instrumented internal inspection device.

### III. Applicable Regulations

7. The U.S. Department of Transportation - Research and Special Programs Administration (RSPA) has adopted 49 CFR §192.150, which requires certain new and replacement gas transmission lines to be designed and constructed to accommodate the passage of instrumented internal inspection devices. After this regulation was adopted, RSPA issued a notice announcing "a suspension of enforcement for compliance with the final rule requirements for certain gas transmission lines". This RSPA notice limited application of the regulation for replacement of gas transmission lines to the actual replaced line pipe, fitting, or other line component.

8. In Case No. GX-98-386, the Commission adopted this federal regulation, as limited by an RSPA notice, into 4 CSR 240-40.030(4)(HH). Paragraph 4 CSR 240-40.030(4)(HH)3., which adopted 49 CFR §192.150(c), states:

An operator encountering emergencies, construction time constraints or other unforeseen construction problems need not construct a new or replacement segment of a transmission line to meet paragraph (4)(HH)1., if the operator determines and documents why an impracticability prohibits compliance with paragraph (4)(HH)1. Within thirty (30) days of discovering the emergency or construction problem the operator must petition, under section 190.9 of 49 CFR part 190, for approval that design and construction to accommodate passage of instrumented internal inspection devices would be impracticable. If the petition is denied, within one (1) year after the date of the notice of the denial, the operator must modify that segment to allow passage of instrumented internal inspection devices.

9. In 49 CFR part 190, §190.9 is titled "Petitions for finding or approval." That section requires that operators seeking approval that involves intrastate transportation send petitions to the appropriate state agency. For intrastate pipeline transportation in Missouri, the appropriate state agency is this Commission. Petitions are to be processed in accordance with §190.9(d), that states:

The Administrator [of RSPA] will make all findings or approvals of petitions initiated under this section. A participating state agency receiving petitions initiated under this section shall provide the Administrator a written recommendation as to the disposition of any petition received by them. Where the Administrator does not reverse or modify a recommendation made by a state agency within 10 business days of its receipt, the recommended disposition shall constitute the Administrator's decision on the petition.

#### **IV. Reasons for Staff Support of Petition**

10. The federal regulation at 49 CFR §192.150(c), as adopted in 4 CSR 240-40.030(4)(HH)3, envisions that operators will encounter emergencies that will make it impracticable to construct the replacement segment to accommodate the passage of instrumented internal inspection devices. If the operator determines that it is impracticable, the operator may proceed with the construction and within 30 days of discovering the emergency must petition for regulatory approval under 49 CFR §190.9. In this case, the City encountered an emergency that required a segment of the transmission line to be replaced and relocated. The City determined that it was impracticable to construct the replacement segment without using bottom-out stopper fittings for the reasons described in paragraphs 3 through 6 above. The City constructed the replacement segment using bottom-out stopper fittings and filed the Petition on October 15, 1999, which was within 30 days of discovering the emergency on September 17, 1999. The Petition was correctly sent to the Commission, as required by 49 CFR §190.9(b)(1).

11. In this case, the Commission ordered the Staff to investigate the circumstances of the City's Petition and recommend to the Commission whether approval should be granted and whether any conditions should be imposed. The federal regulation at 49 CFR §190.9(d) designates that the Administrator of RSPA will decide whether the Petition will be approved. 49 CFR §190.9(d) further prescribes that the Commission shall provide the Administrator a written

recommendation as to the disposition of the Petition. The Staff believes that the Commission should provide the Administrator with a written recommendation to approve Fulton's Petition, for reasons related to practicality, cost, and safety risk that are further explained in paragraphs 12 through 14 below. Further, the Staff does not believe that any conditions need to be imposed in the written recommendation to approve the Petition.

12. The Staff agrees with Fulton's determination that it was impracticable to construct the emergency replacement segment in a manner that would accommodate the passage of instrumented internal inspection devices, because using bottom-out stopper fittings was appropriate and necessary for the circumstances involved. Even if the City were able to construct the replacement segment in a manner that would accommodate the passage of instrumented internal inspection devices, the City's transmission line already has three other pairs of bottom-out stopper fittings and short-radius elbows that would not. Before the City could pass an instrumented internal inspection device through its transmission line, it would have to initiate three significant construction projects to replace the transmission line segments containing these bottom-out stopper fittings. In addition, the City would have to identify and remove any other unknown obstructions that may exist in the transmission line. It would be difficult, if feasible at all, to identify these obstructions because their locations are unknown. If all obstructions could be identified and removed, the City would then have to install launching and receiving stations at the start and end of the transmission line to insert and extract the instrumented internal inspection device. The City would have to obtain the services of a contractor who would inspect the transmission line with the instrumented internal inspection device and interpret the data. The cost to the City to ready the transmission line and conduct

such an inspection would be very high, would exceed the benefits that could be gained, and might exceed the City's ability to pay.

13. The safety risk for the City's transmission line is low in comparison to many of the transmission lines to which this federal regulation applies. It is smaller in diameter, shorter in length, and much lower in operating pressure than most transmission lines. The primary criterion for defining transmission lines is an operating pressure exceeding 20% of the pipeline's specified minimum yield strength (SMYS). Many interstate pipelines operate at 40-80% of SMYS, while the City's transmission line only operates at or below 320 pounds per square inch gauge (psig), which equates to 17.5% of SMYS. The only reason that this pipeline is considered by Staff to be a transmission line is that the City established the maximum allowable operating pressure (MAOP) at 475 psig, which equates to 26% of SMYS. As stated in the Petition, the City has no current plans to operate the transmission line above 320 psig.

14. Most interstate transmission lines already have launching and receiving stations that are used to pass cleaning devices called "pigs" through the line. Some such pipelines have been inspected by instrumented internal inspection devices. Currently, the primary purpose of the instrumented internal inspection devices is to inspect for corrosion damage, especially for "grandfathered" transmission lines that are not required to be cathodically protected against corrosion. The City's transmission line is coated and cathodically protected, and has no history of corrosion damage or leakage. The overall public and building exposure is low for this transmission line because it is primarily located in rural areas on private easements across farms until it gets to Fulton. The only exception involves a short section of the transmission line, where it follows a highway right-of-way and serves a public building.



15. The Commission has not received any petitions for finding or approval prior to this case. While the Staff does not know the complete regulatory history of petitions that have been filed with states under §190.9, the Staff is aware of two petitions filed in other states. In both cases, the petitions were granted because the involved transmission lines contained numerous existing obstructions and were the single supply line to one or more communities, so that the "bottom-out" type of pressure-control fittings were the best design and construction alternative.

#### **V. Recommended Procedures**

16. The Staff calls a few items to the Commission's attention in providing a written recommendation to the Administrator of RSPA. 49 CFR §190.9(d) provides that upon receipt of the Commission's written recommendation as to the disposition of the Petition, the Administrator has up to 10 business days to reverse or modify the recommendation. Otherwise, the Commission's recommended disposition shall constitute the Administrator's decision on the Petition. First, to provide the Administrator all available information for consideration, the Staff recommends that copies of the Petition, the Staff's Recommendations in Support, and the Commission's Order should be sent to the Administrator. Second, because the Administrator's timely and documented receipt of the Commission's written recommendation is critical to the process under 49 CFR §190.9(d), the Staff recommends the documents should be sent to the Administrator by overnight mail. For the subject matter of this Petition, copies of the documents should also be sent by overnight mail to the Associate Administrator for Pipeline Safety and the Regional Director for the Office of Pipeline Safety - Central Region.

## **VI. Staff Recommendations**

17. In accordance with 49 CFR §190.9(d), the Commission needs to provide the Administrator of RSPA a written recommendation as to the disposition of the Petition. The Staff recommends that the Commission issue an Order recommending that the Administrator of RSPA approve the PETITION FOR APPROVAL submitted by the City of Fulton.

18. The Staff further recommends that copies of the Petition, the Staff's Recommendations in Support, and the Commission's Order containing the recommended disposition of the Petition be sent by overnight mail to the following addresses:

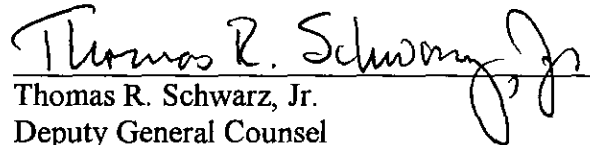
Ms. Kelley Coyner, Administrator  
U.S. DOT – Research and Special Programs Administration  
400 Seventh Street, S.W.  
Washington, DC 20590

Mr. Richard B. Felder, Associate Administrator for Pipeline Safety  
U.S. DOT – RSPA – Office of Pipeline Safety  
DPS-1  
400 Seventh Street, S.W., Room 7128  
Washington, DC 20590

Mr. Ivan Huntoon, Regional Director  
U.S. DOT – RSPA – Office of Pipeline Safety - Central Region  
City Center Square, Suite 1120  
1100 Main Street  
Kansas City, MO 64105

Respectfully submitted,

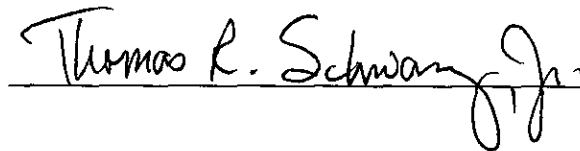
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### **Certificate of Service**

I hereby certify that copies of the foregoing have been mailed or hand-delivered to all counsel of record as shown on the attached service list this 22<sup>nd</sup> day of November, 1999.



**Service List for  
Case No. GO-2000-279  
November 22, 1999**

**Office of the Public Counsel  
P.O. Box 7800  
Jefferson City, MO 65102**

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411 Court Street  
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