STATE OF MISSOURI PUBLIC SERVICE COMMISSION

At a Session of the Public Service Commission held at its office in Jefferson City on the 3rd day of April, 1991.

In the matter of the verified request of Laclede Gas)

Company for waivers of compliance with certain)

Specified provisions of 4 CSR 240-40.030)

SUPPLEMENTARY ORDER GRANTING PARTIAL WAIVERS

On January 5, 1990, Laclede Gas Company (Laclede or Company) filed its verified request for waivers of compliance and stays of enforcement regarding several sections of 4 CSR 240-40.030, et seq., the Commission's gas safety rules.

By orders issued on May 29 and June 12, 1990, the Commission, acting on recommendations by its gas safety section, granted certain requests for waivers and stays of enforcement, dissolved previously issued stays of enforcement, and ordered Laclede to undertake field studies regarding the propriety of granting the balance of the waivers originally requested. The only requested waivers still pending are of Sections (13)(V)2. and (13)(V)3., of 4 CSR 240-40.030.

Section (13)(V)2. requires gas operators to "partially operate" all essential or emergency valves on their system every other year. Laclede alleged that such partial operation caused valves to leak and could lead to accidental shut-down or unsafe pressure reductions in the system; Laclede then conducted a field study to ascertain if such results occurred.

On October 5, 1990, the Company provided Staff a copy of the study, from which the Staff concluded and now recommends that gate, gear-operated and plastic valves need not be partially operated as presently required by Section (13)(V)2. Staff continues to recommend the partial operation of Laclede's

steel quarter-turn plug valves, and the Commission finds that all such steel quarter-turn plug valves must be operated in accordance with the rule. The Commission finds, per Staff's recommendation of March 14, 1991, that gate, gear-operated and plastic valves are not made more safe by complying with the quarter-turn requirement. The Commission also finds that waiving the application of Section (13)(V)2 to such valves will not compromise gas safety on Laclede's system. This waiver extends only to the actual turning of the valve; Laclede is still required to ascertain if a valve key can be placed on the valve to, if necessary, operate same. Laclede is also required to ascertain the nature and composition of the 187 valves of unknown type presently in its system. Any such valves that are steel quarter-turn valves are to be tested pursuant to this order.

Laclede also seeks a waiver of Section (13)(V)3, which requires gas operators to expand the number of emergency or essential valves in their annual inspection program. This requirement was previously stayed by the Commission's order of May 29, 1990, pending evaluation of additional evidence regarding the need for additional valves.

Staff now recommends that this section be waived, noting in its filed recommendation that requiring additional valves "would gain no benefit to safety." Staff confines its recommended waiver to Laclede's intermediate pressure systems in the Company's Laclede, St. Charles and Midwest Missouri Divisions. Staff does not recommend waiving this requirement for the Company's Missouri Natural Division or to any future system or systems additions.

Having considered Staff's recommendation, the Commission hereby adopts it in the particulars above set out. The Commission finds that doing so will not compromise gas safety on Laclede's system.

IT IS THEREFORE ORDERED:

- 1. That the requested waiver of 4 CSR 240-40.030(13)(V)2. regarding the partial operation of essential or emergency valves is hereby granted, in part, and only to the extent above provided.
- 2. That the requested waiver of 4 CSR 240-40.030(13)(V)3. regarding the addition of emergency or essential valves is hereby granted in part, and only to the extent above provided.
- 3. That this order applies only to Laclede Gas Company's system and gas safety program and operations. It has no application to any other Missouri gas operator, gas transmission or distribution system, or to any future or pending request(s) for stays or waivers pursuant to 4 CSR 240-40.030(16).
- 4. That this order shall become effective on the 16th day of April, 1991.

BY THE COMMISSION

Breat Stewart

Brent Stewart Executive Secretary

(SEAL)

Steinmeier, Chm., Mueller, Rauch, and McClure, CC., Concur.