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January 17, 2001

Mr. Dale Hardy Roberts  
Public Service Commission  
P. O. Box 360  
Jefferson City, MO 65102

**FILED<sup>2</sup>**  
JAN 17 2001  
Missouri Public  
Service Commission

**RE: MEP Pleasant Hill, LLC - Case No. GE-2001-390**

Dear Mr. Roberts:

Enclosed for filing in the above-referenced proceeding please find an original and eight copies of an Application for Waiver/Variance. Please stamp the enclosed extra copy "filed" and return same to me.

If you have any questions concerning this matter, then please do not hesitate to contact me. Thank you very much for your attention to this matter.

Sincerely,

BRYDON, SWEARENGEN & ENGLAND P.C.

By:

*Dean L. Cooper*  
Dean L. Cooper  
*ly Rg*

DLC/rhg

Enclosures

cc: Office of the Public Counsel

BEFORE THE PUBLIC SERVICE COMMISSION  
OF THE STATE OF MISSOURI

FILED<sup>2</sup>  
JAN 17 2001  
Missouri Public  
Service Commission

In the Matter of the Application )  
of MEP Pleasant Hill, LLC )  
for a Waiver/Variance from )  
Provisions of Commission Rule )  
4 CSR 240-40.030(12)(P). )

Case No. GE-2001-390

**APPLICATION FOR WAIVER/VARIANCE**

Comes now MEP Pleasant Hill, LLC ("MEP"), in accordance with Commission Rules 4 CSR 240-40.030(16) and 4 CSR 240-2.060(14), and, as its application for a waiver/variance from provisions of Commission Rule 4 CSR 240-40.030(12)(P), states to the Missouri Public Service Commission ("Commission") as follows:

**GENERAL BACKGROUND**

1. MEP is a limited liability company organized under and by virtue of the laws of the State of Delaware, in good standing in all respects, with its principal office and place of business at 25111 East 175<sup>th</sup> Street, Pleasant Hill, Missouri, 64080. A certified copy of MEP's Certificate of Corporate Good Standing-Foreign Corporation as issued by the Secretary of State of the State of Missouri is marked Appendix 1 and attached hereto. MEP has no pending action or final unsatisfied judgments or decisions against it from any state or federal agency or court which involve customer service or rates. MEP is not a "public utility" as defined by section 386.020(42), RSMo (Supp. 1999) and, thus, has no annual report or assessment fees which are overdue.

2. MEP is constructing and will operate a 600 MW combined cycle combustion turbine generation plant in Cass County, Missouri, near Pleasant Hill, Missouri which has been designated as an exempt wholesale generator ("EWG").<sup>1</sup> In connection therewith, MEP is constructing and will

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<sup>1</sup> The Commission addressed the Power Sales Agreement between UtiliCorp United Inc. and MEP in Commission Case No. EM-99-369.

operate a natural gas transmission pipeline (the "Pipeline") which will be used to transport natural gas from interstate natural gas pipelines to the generation facilities of the EWG.

3. The Pipeline will be 16 inch steel line pipe and will extend approximately 7 ½ miles from the Williams Gas Pipeline Central and CMS Panhandle Eastern interstate natural gas pipelines near Harrisonville, Missouri, on one hand, to the MEP generation facility, on the other hand, all in Class I type location (least dense population).

4. All correspondence, communications, notices, order and decisions of the Commission with respect to this matter should be sent to counsel for MEP.

#### **WAIVER/VARIANCE**

5. Commission Rule 4 CSR 240-40.030(12)(P) requires that combustible gas in a transmission line contain a natural odorant or be odorized.

6. The interstate pipelines that will deliver natural gas to the Pipeline are not required to be odorized. MEP desires a waiver/variance from Commission Rule 4 CSR 240-40.030(12)(P) so that it does not have to install special odorization equipment for the Pipeline. MEP does not seek a waiver from any federal requirements.

7. The combined cycle combustion turbine being installed by MEP has a heightened sensitivity to sulfur products which can condense into acids in sections of the heat recovery equipment. MEP desires not to inject additional sulfur based odorant into the gas stream in order to minimize the potential for this corrosion and to protect the integrity the SCR (Selective Catalytic Reduction) equipment which helps minimize the Ammonia and NOx emissions from the plant. Providing odorization equipment will also cause an unnecessary increase to the cost of the electricity to be produced.

8. Commission Rule 4 CSR 240-40.030(16) provides an opportunity to apply for a waiver of safety standards which are more stringent than minimum federal requirements, if a showing can be made that gas safety will not be compromised.

9. The Commission's rule is more stringent than minimum federal requirements as can be seen by the fact that the interstate pipelines are not required to odorize the natural gas transported.

10. Safety will not be compromised by the granting of the requested waiver. There is no domestic use of natural gas that will be transported on the Pipeline. Thus, the need to provide a method to detect natural gas in homes is not present on the Pipeline. Also, the turbine enclosures and boiler facility are currently the only locations planned for the consumption of natural gas.

11. MEP and Staff have discussed the proposed waiver and the specifics of the waiver request. The Staff has indicated that such request would be appropriate, specifically as it applies to MEP's situation as was presented to the Staff in the facts supporting the request, with the inclusion of the following:

- a) The boiler facility and the turbine enclosures will contain combustible gas detection equipment which insures safety at the plant and which does not depend on the "odor" of the natural gas. This detection equipment will contain audible and visible alarms and be tied to MEP's supervisory control and data acquisition ("SCADA") system;
- b) The detection equipment described above will be maintained to function properly and the maintenance will include performance tests;
- c) If a "farm tap" is ever added to the Pipeline, such lateral will comply with all applicable safety requirements, to include odorization;
- d) MEP will agree to perform patrols and leakage surveys on a more frequent basis than required by Commission Rules 4 CSR 240-40.030(13)(C & D). Specifically patrols and leak surveys will be performed six (6) times per calendar year at intervals not exceeding three (3) months at highway and railroad crossings and at twice the frequency at all other locations along the Pipeline; and,
- e) MEP will review the class location density designations along the Pipeline annually. If the class location along the Pipeline changes to something other than Class I, MEP

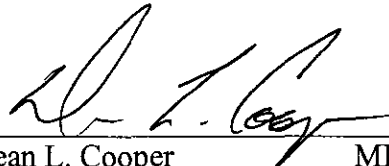
will notify the Commission Staff within 45 days of MEP's discovery of such change so that the waiver can be reassessed based upon that changed class location information.

12. As stated above, the Pipeline will be used to supply a MEP generation facility. MEP hopes to flow gas through the Pipeline by February 15, 2001. Accordingly, MEP respectfully asks that the Commission take this timing into account and issue its decision concerning this waiver application by January 30, 2001.

WHEREFORE, MEP requests a Commission order:

- a) granting MEP a variance from Commission Rule 4 CSR 240-40.030(12)(P) in accordance with the terms stated herein; and,
- b) granting such further relief as may be necessary which is consistent with the relief requested herein.

Respectfully submitted,



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[dcooper@brydonlaw.com](mailto:dcooper@brydonlaw.com)

ATTORNEYS FOR MEP PLEASANT HILL, LLC

AFFIDAVIT

State of Missouri )  
County of Jackson ) ss

I, Nicholas LaPorte, having been duly sworn upon my oath, state that I am the Project Manager for MEP Pleasant Hill, L.L.C., that I am duly authorized to make this affidavit on behalf of MEP Pleasant Hill, L.L.C., and that the matters and things stated in the foregoing application and appendices thereto are true and correct to the best of my information, knowledge and belief.

Nicholas LaPorte

Subscribed and sworn before me this 5 day of January, 2001.

DONNA L. SHACKELFORD  
Notary Public - State of Missouri  
County of Jackson  
My Commission Expires 06/05/2002

Donna L. Shackelford  
Notary Public



No. FL0025772

# STATE OF MISSOURI



**Rebecca McDowell Cook**  
**Secretary of State**

## CERTIFICATE OF GOOD STANDING

### FOREIGN LIMITED LIABILITY COMPANY

I, REBECCA McDOWELL COOK, Secretary of State of the State of Missouri, do hereby certify that the records in my office and in my care and custody reveal that

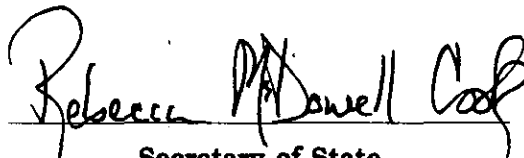
MEP PLEASANT HILL, LLC

using in Missouri the name

MEP PLEASANT HILL, LLC

a DELAWARE Limited Liability Company filed its application for registration in this office on the 18th day of FEBRUARY, 1999, and is in good standing having fully complied with all requirements of this office.

IN TESTIMONY WHEREOF, I have set my hand and imprinted the GREAT SEAL of the State of Missouri, on this, the 18th day of DECEMBER, 2000.

  
Secretary of State

