

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

In the Matter of the Application of Spire)
Missouri, Inc. d/b/a Spire for a Permanent)
Waiver from the Requirement to use a)
“Device” for Overpressure Protection in)
20 CSR 4240-40.030(4), (12) and (13) for)
Certain Spire East Facilities)

Case No. GE-2023-0112

STAFF RECOMMENDATION

COMES NOW the Staff of the Missouri Public Service Commission (“Staff”) and for its *Staff Recommendation*, states as follows:

1. On September 23, 2022, Spire Missouri Inc. d/b/a Spire (“Spire Missouri”), filed an application requesting a permanent waiver of compliance for certain Spire Missouri facilities from 20 CSR 4240-40.030(4)(CC), 20 CSR 4240-40.030(4)(EE)9., 20 CSR 4240-40.030 (4)(FF)3., 20 CSR 4240-40.030(12)(M)2., and 20 CSR 4240-40.030(13)(R)1.G. of the Commission’s pipeline safety standards.

2. Staff has filed a series of Status Reports and Motions for Extensions, the latest was filed on July 28, 2023, in which Staff has noted it was continuing discovery into this matter; continuing coordination with the Pipeline and Hazardous Materials Safety Administration (PHMSA) and asking additional data requests of Spire Missouri based on PHMSA’s inquires; requesting clarification from Spire Missouri on a number of issues; and working on its own analysis.

3. On July 28, 2023, the Commission issued an order granting Staff’s motion and directing Staff to file a Recommendation no later than September 29, 2023.

4. As further described in the attached Memorandum, Staff reviewed the Application, conducted discovery, reviewed applicable Commission rules and prior

orders, and coordinated with the U.S Department of Transportation (U.S.DOT) Pipeline and Hazardous Materials Safety Administration (PHMSA) regarding federal pipeline safety requirements.

5. Commission rule 20 CSR 4240-40.030(18) allows the Commission to waive, in whole or part, compliance with any of the requirements contained in 20 CSR 4240-40.030, upon a showing that gas safety is not compromised. Based on Staff's review and investigation, and discussions with PHMSA, Staff does not agree with Spire's assertion that granting the waiver would not compromise gas safety; therefore, Staff recommends the Commission deny Spire Missouri's waiver request Application as filed and supplemented.

6. Staff further recommends the Commission order Spire Missouri to take actions to comply with Commission's requirements set forth in 20 CSR 4240-40.30(4)(CC), (4)(EE)9, (4)(FF)3, (12)(M)2, and (13)(R)1, which require adequate overpressure protection to be provided at all district regulator stations. Acceptable options include:

- a. Replacement of the Reynolds regulator station with a regulator station that provides adequate overpressure protection of the downstream distribution system. For example, Spire has installed other regulator stations that meet these requirements and has used temporary worker-monitor style regulator stations for this purpose as described in the Application.
- b. Installation of additional overpressure protection device(s) at the Reynolds regulator station that in combination with existing 1-inch

relief valve will provide adequate overpressure protection of the downstream distribution system.

c. Abandonment or deactivation of the Reynolds regulator station.

7. Staff further recommends Spire Missouri follow the additional safety measures that are described in the *Supplement to Application* for the remaining Reynolds regulator stations until such time as adequate overpressure devices are installed at each station or the station is retired. The following measures are included in the Supplement:

- a. Spire Missouri will follow Amended Exhibit D, its Low Pressure Overpressure Protection Program, which is attached to the Supplement filing.
- b. For all remaining Reynolds stations, Spire Missouri will complete weekly inspections to confirm stations are operating correctly and safely.
- c. Spire Missouri will complete monthly pressure and alarm testing with the control room.
- d. Spire Missouri will replace Reynolds stations that are currently a single feed into a downstream system with temporary modern monitor type stations prior to October 1, 2023, and replace other Reynolds stations prior to becoming a single feed into a downstream system.
- e. Spire Missouri will replace the one remaining station that is served by an intermediate pressure (IP) system prior to December 1, 2023.

8. Moreover, Staff recommends that Spire evaluate what other safety measures can be implemented until the remaining Reynolds regulator stations have been retired or an adequate overpressure device is installed at the station. Examples of additional measures that Spire should evaluate and consider are listed below.

- a. Determine how much time it will take, or a best estimate of the time it will take, between the activation of a high-pressure alarm and a system pressure exceeding safe limits of operation for each remaining Reynolds regulator station, and develop a plan to provide on-site response and evaluation for each high-pressure alarm in time to prevent overpressure of customer appliances;
- b. Develop and implement individualized project plans that require added precautions during replacement and other work on the remaining low-pressure systems and continue to use the procedure in Exhibit C to the Application; and
- c. Obtain or construct additional temporary worker-monitor regulator stations and use them to replace the remaining Reynolds regulator stations where permitted by the location, minimum station capacity necessary to meet customer peak demand, and other pertinent considerations.

9. Spire Missouri's Application contained a request that the Commission waive the 60-day filing notice required by 20 CSR 4240-4.017(1). Spire Missouri's Application provided a verified declaration that it had not had communication with the office of the commission (as defined by 20 CSR 4240-4.015(10)) within the prior 150 days regarding

any substantive issues likely to be in this case, and, therefore, Staff agrees good cause exists, pursuant to 20 CSR 4240-4.017(1)(D), to waive the 60-day notice requirement.

WHEREFORE, Staff respectfully submits this *Staff Recommendation* for the Commission's information and consideration and hereby recommends the Commission deny the *Application for Waivers* as filed and *supplemented*, Order Spire Missouri to follow the recommendations as set forth in Paragraphs 6 through 8, and waive the 60-day notice requirement.

Respectfully submitted,

/s/ J. Scott Stacey
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**ATTORNEY FOR STAFF OF THE
PUBLIC SERVICE COMMISSION**

CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing have been transmitted by electronic mail to counsel of record this 29th day of September, 2023.

/s/ J. Scott Stacey