

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

In the Matter of the Application of Spire Missouri Inc. 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	

SPIRE MISSOURI’S RESPONSE TO STAFF’S RECOMMENDATION

COMES NOW Spire Missouri Inc. (“Spire Missouri or “the Company”) and respectfully submits this Response to Staff’s Memorandum and recommendations in the above-captioned docket, stating the following:

1. On September 23, 2022, Spire Missouri submitted its Application requesting a permanent waiver of compliance for certain Spire Missouri facilities, specifically the Reynolds regulation stations, 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 pipeline safety standards of the Missouri Public Service Commission (“Commission”).
2. On September 26, 2022, the Commission directed Staff to file its recommendation no later than October 26, 2022.
3. Staff has filed a series of Status Reports and Motions for Extensions to file its recommendation. Over its year-long review, during which Staff coordinated with the Pipeline and Hazardous Materials Safety Administration (“PHMSA”), Spire has been responsive to data requests and has filed additional supplements to its application.
4. On July 28, 2023, the Commission issued an order directing Staff to file a Recommendation no later than September 29, 2023.
5. On September 29, 2023, Staff submitted its Memorandum with the recommendation that the Commission deny Spire Missouri’s Application for a waiver as filed and

supplemented. Staff recommends denial of the waiver because, although there are measures that are being and can be implemented to provide a high level of safety and mitigate the safety risks that could result from a Reynolds regulator station failure, the risk of a failure of the stations cannot be eliminated. Staff had three additional recommendations, all of which the Company will respond to below.

6. **Staff Recommendation 1.** Spire Missouri does not accept this recommendation and continues to request that the Commission approve the Company's Application for a waiver. The Company understands Staff's concerns, but as noted in the Memorandum, there has only been one overpressure event in the Company's low-pressure system, which occurred in May 2019. The increased pressure on the system triggered an alarm in Spire Missouri's control room, and the issue was rectified before the pressure reached a level at which customer equipment could be damaged. As Staff noted, the overpressurization of low-pressure systems is not expected, and after that event, the Company installed relief valves and implemented a revised procedure to address the situation and minimize the possibility of this happening again. Moreover, as discussed further below, Spire Missouri has developed an accelerated schedule to address Staff's concerns with these stations and also commits to additional, interim measures to provide a high level of safety and mitigate safety risks. As such, Spire Missouri requests that the Commission reject Staff's recommendation and approve this Application for a waiver.

7. **Staff Recommendation 2.** Staff's second recommendation is for Spire Missouri to take actions to comply with the rules noted in Paragraph 1 of this response, with acceptable options being (A) replacement of the Reynolds regulator stations with a different regulator station to provide adequate overpressure protection, such as temporary worker-monitor stations that Spire already utilizes; (B) installation of additional overpressure protection device(s) at the Reynolds

stations in combination with the Company's existing relief valves; or (C) abandonment or deactivation of the Reynolds regulator station. Spire Missouri accepts this recommendation and provides the following proposal to meet this recommendation.

8. The Company will either install temporary worker-monitor stations at the Reynolds stations or abandon such stations, which are the acceptable options A and C provided by Staff. The temporary worker-monitor stations will be installed in compliance with the applicable requirements of 20 CSR 4240-030. The accelerated schedule for these actions is attached as **Exhibit A**.

9. Currently, the Company has 26 remaining Reynolds stations, and the proposed plan is to install temporary worker-monitor stations at 14 of the Reynolds stations and abandon the other 12. For the installation of the temporary worker-monitor stations, this schedule accounts for the time for easement acquisitions, equipment procurement, system stability requirements, and workforce scheduling. As shown in Exhibit A, Spire Missouri anticipates completing the installation of the temporary worker-monitor stations by July 2025, with more than half of the required stations being installed by August 2024. The design and construction of the eight stations to be installed by August 2024 are already in progress. Once those stations are installed, the Company will re-model and review the status of the program and then initiate the additional station replacements. For abandonments, three stations are already shut-off and planned to be abandoned, five stations are anticipated to be to be abandoned with the replacement of main by December 2025, and four additional stations are anticipated to not be needed after temporary stations are installed and will be abandoned, also by December 2025.

10. The Company understands that there may be concerns with the timeline set by this schedule, specifically that the overpressure protections recommended by Staff will not be

accomplished until 2025. Replacement of existing stations is inherently a long process with temporary stations that require design, ordering of materials, pre-fabrication, acquisition of additional right-of-way, and construction in an urban environment while taking all necessary safety precautions. As these replacements occur, the system needs to be remodeled and reassessed to establish highest priority station replacements based on the latest information. These replacements are also influenced by the progress of the low-pressure system piping being replaced with intermediate-pressure piping. Spire Missouri would also note that the installation of the additional devices at the Reynolds stations in combination with the existing relief valves would not be a more expeditious process. The process would be both cost, space, and time prohibitive to install the devices on stations that will be phased out with the Company's low-pressure system.

11. Finally, the Company is committing to additional measures to provide an interim high level of safety and mitigate the risks from a Reynolds station failure, as discussed in response to Staff's third recommendation. These measures will provide stopgap protection until the process of installing the temporary worker-monitor stations or abandonment can be completed.

12. **Staff Recommendation 3.** Staff recommends that the Company follow the additional measures described in Spire Missouri's *Supplement to Application* until the Reynolds regulator stations have overpressure protection devices installed or are abandoned. Spire Missouri initially proposed these measures and continues to believe that they provide a high level of safety and mitigate the risks from a Reynolds Station failure, and the Company accepts Staff's recommendation.

13. **Staff Recommendation 4.** Spire Missouri commits to continue to evaluate other safety measures that can be implemented until the schedule attached as Exhibit A may be completed. The Company will continue both creating individual Gas Interruption Procedures and

utilizing the procedure in Confidential Exhibit C to the Application and will be installing temporary worker-monitor stations as described above.

14. The Company believes that its proposed accelerated schedule and additional safety measure commitments provides the best path forward for addressing the Reynolds regulator stations.

WHEREFORE, Spire Missouri respectfully requests that the Commission approve Spire Missouri's Application for a waiver, issuing an order in accordance with this Response, and grant any other relief as is just and reasonable.

Respectfully submitted,

/s/ J. Antonio Arias

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ATTORNEYS FOR SPIRE MISSOURI INC.

CERTIFICATE OF SERVICE

I do hereby certify that a true and correct copy of the foregoing document has been sent by electronic mail to all counsel of record on this 11th day of December, 2023.

/s/ J. Antonio Arias

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