

**STATE OF MISSOURI
PUBLIC SERVICE COMMISSION
JEFFERSON CITY
September 28, 2000**

CASE NO: GX-2001-91

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

General Counsel
Missouri Public Service Commission
P.O. Box 360
Jefferson City, MO 65102

Enclosed find certified copy of an ORDER in the above-numbered case(s).

Sincerely,

A handwritten signature in black ink that reads "Dale Hardy Roberts". The signature is written in a cursive, flowing style.

**Dale Hardy Roberts
Secretary/Chief Regulatory Law Judge**

**STATE OF MISSOURI
PUBLIC SERVICE COMMISSION**

At a Session of the Public Service
Commission held at its office
in Jefferson City on the 28th
day of September, 2000.

In the Matter of Proposed Amendments)
to Commission Rules 4 CSR 240-40.020) Case No. GX-2001-91
and 40.030)

ORDER FINDING NECESSITY FOR RULEMAKING

On August 15, 2000, the Staff of the Missouri Public Service Commission (Staff) filed a Motion for Finding of Necessity for Rulemaking pursuant to Section 536.016, RSMo (Cum. Supp. 1999). An amended motion was filed on September 21, 2000. The amended motion was filed because after the filing of the original motion the amendment of federal rule section 192-89 was reported in the September 8, 2000 Federal Register and will go into effect October 10, 2000 and, therefore, should be included in this rulemaking.

In the amended motion, Staff stated that a certification agreement between the Missouri Public Service Commission (Commission) and the United States Department of Transportation-Office of Pipeline Safety was executed pursuant to federal law, 49 U.S.C. 60105(b), and that the actual written agreement is kept in offices of the Commission's Gas Safety Staff. The certification agreement requires the Commission to adopt regulations that are at least as stringent as the federal regulations. Staff further stated that federal regulations have been adopted that are more stringent than the current Commission regulations. Staff noted that the proposed rulemaking will amend Commission rule 4 CSR 240-40.020 - Incident, Annual and Safety-Related Condition Reporting Requirements, and 4 CSR 240-40.030 - Safety

Standards-Transportation of Gas by Pipeline, to incorporate the following federal amendments to 49 Code of Federal Regulation parts 191 and 192:

- Part 191-14 - provides metric equivalents
- Part 192-82 - provides for mandatory participation in qualified one-call systems
- Part 192-83 - provides for customer notification regarding excess flow valves
- Part 192-84 - provides updated reference documents and minor clarifications to three regulations
- Part 192-85 - provides metric equivalents
- Part 192-86 - provides for operator qualification
- Part 192-87 - provides for determining the extent of corrosion
- Part 192-88 - provides for new technologies to be used when repairing steel pipe
- Part 192-89 - provides for reporting of abandoned pipelines in navigable waterways.

The statutory authority for Commission rules 4 CSR 240-40.020 and 40.030 is Sections 386.250 and 386.310, RSMo (Cum. Supp. 1999), and Section 393.140, RSMo (1994). Staff noted that Section 386.310 specifically authorizes the Commission to adopt regulations to require every jurisdictional gas pipeline operator to maintain and operate its system in such a manner as to promote and safeguard the health and safety of its employees, customers and the public.

Staff stated that there is no fiscal impact expected from the proposed rulemaking beyond the fiscal impact of the federal amendments being adopted. Staff further stated that the increased expenditures to be incurred under the federal amendments were considered during the federal rulemaking process, and therefore, those costs will already be effective even if these proposed state rules are not adopted.

Pursuant to Section 536.016, RSMo (Cum. Supp. 1999), a state agency is required to find, based on substantial evidence on the record, that a

proposed rule is necessary to carry out the purposes of the statute that granted the rulemaking authority. Based on the record, the Commission finds that the proposed amendments to Rules 4 CSR 240-40.020 - Incident, Annual and Safety-Related Condition Reporting Requirements, and 4 CSR 240-40.030 - Safety Standards-Transportation of Gas by Pipeline, are necessary to carry out the purposes of Section 386.310, RSMo (Cum. Supp. 1999).

IT IS THEREFORE ORDERED:

1. That the Staff of the Missouri Public Service Commission is authorized in accordance with the procedures of the Commission and applicable procedures of administrative rulemaking to file a proposed rule for the Commission's consideration.

2. That this order shall become effective on October 11, 2000.

BY THE COMMISSION



Dale Hardy Roberts
Secretary/Chief Regulatory Law Judge

(S E A L)

Lumpe, Ch., Drainer, Murray, Schemenauer,
and Simmons, CC., concur

Register, Regulatory Law Judge

Alt/Sec'y:

Register/Boyer

Date Circulated

9-26

CASE NO.

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Lumpke, Chair

Draine, Vice Chair

Murray, Commissioner

Schemenauer, Commissioner

Simmons, Commissioner

Agenda Date

9-28

Action taken:

5-OAS

Must Vote Not Later Than

OK

STATE OF MISSOURI

OFFICE OF THE PUBLIC SERVICE COMMISSION

I have compared the preceding copy with the original on file in this office and

I do hereby certify the same to be a true copy therefrom and the whole thereof.

WITNESS my hand and seal of the Public Service Commission, at Jefferson City,

Missouri, this 28th day of Sept. 2000.

Dale Hardy Roberts

Dale Hardy Roberts

Secretary/Chief Regulatory Law Judge

