

BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

In the Matter of the Application of Roeslein)
Alternative Energy Services, LLC for a)
Permanent Waiver From Certain Provisions)
of 20 CSR 4240-40.030)

File No. GE-2020-0238

ORDER DIRECTING NOTICE AND SETTING DEADLINES FOR INTERVENTION APPLICATIONS AND STAFF'S RECOMMENDATION

Issue Date: February 13, 2020

Effective Date: February 13, 2020

On February 6, 2020, Roeslein Alternative Energy Services, LLC filed an application requesting a waiver of compliance with gas odorization required by 20 CSR 4240-40.030(12)(P) in operation of a gas transmission line in Mercer County, Missouri. On February 10, 2020, Roeslein filed an amended application. Roeslein proposes to collect methane from hog waste lagoons and transmit the gas for injection into an interstate gas pipeline in Mercer County. Roeslein also requests waiver of the Commission's 60-day notice requirement under 20 CSR 4240-4.017.

The Commission will direct notice be given and set a deadline for intervention applications. The Commission will also direct Commission Staff to file a recommendation with regard to Roeslein's amended application.

THE COMMISSION ORDERS THAT:

1. The Commission's data center shall provide notice of this order and Roeslein Alternative Energy Services, LLC's amended application to the county commission for Mercer County, Missouri.
2. The Commission's Public Policy and Outreach Department shall provide notice of Roeslein Alternative Energy Services, LLC's amended application to the

members of the General Assembly representing residents of Mercer County, as well as to the news media serving residents of Mercer County.

3. Applications for intervention shall be filed no later than March 16, 2020. Any such filing shall be submitted through the Commission's electronic filing and information system or delivered to:

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

4. No later than March 26, 2020, the Commission's Staff shall file either a recommendation regarding Roeslein Alternative Energy Services, LLC's amended application or a status report indicating when it expects to file a recommendation.

5. This order shall be effective when issued.



BY THE COMMISSION

A handwritten signature in dark ink that reads "Morris L. Woodruff".

Morris L. Woodruff
Secretary

Jana C. Jacobs, Regulatory Law Judge,
by delegation of authority pursuant to
Section 386.240, RSMo (2016).

Dated at Jefferson City, Missouri,
on this 13th day of February, 2020.

In the Matter of the Application of)
Roeslein Alternate Energy Services, LLC) File No. GE-2020-0238
for a Permanent Waiver From Certain)
Provisions of 20 CSR 4240-40.030)

COMES NOW Roeslein Alternative Energy Services, LLC (“RAES” or “Company”), pursuant to 20 CSR 4240-2.060(4), 20 CSR 4240-40.030(18), 20 CSR 4240-2.080(18), and 20 CSR 4240-4.017(1), and, for its *First Amended Application for Waivers*,¹ respectfully states as follows to the Missouri Public Service Commission (“Commission”).

THE APPLICANT

1. RAES is a Missouri Limited Liability Company, organized and existing under the laws of the state of Missouri, with a registered address of 9200 Watson Road, Suite 200, St. Louis, Missouri, 63126. RAES' Certificate of Good Standing from the Missouri Secretary of State's Office was provided to the Commission in File No. GA-2016-0271, and such status remains current and correct.² RAES has no pending actions or final unsatisfied judgments or decisions against it from any state or federal agency or court that involve customer service or rates and has no overdue annual reports or assessment fees.

2. Pleadings, notices, orders, and other correspondence and communications regarding this docket should be addressed to the undersigned

¹ Commission Rule 20 CSR 4240-40.030(18) provides that parties may amend a pleading within ten days of filing. RAES has corrected an erroneous abbreviation in this *First Amended Application for Waivers*.

² See Commission Rule 20 CSR 4240-2.060(1)(G).

counsel for RAES and also to:

Chris Roach, Director
Roeslein Alternative Energy Services, LLC
9200 Watson Road, Suite 200
St. Louis, MO 63126-1528
(314) 270-9133
croach@roesleinae.com

3. RAES is an affiliate company to Roeslein Alternative Energy, LLC (RAE).

The mission of RAE is to discover and implement alternative biomass and energy solutions, with the goal of restoring millions of acres of grasslands on marginal land throughout the Midwest region. RAE creates renewable natural gas (RNG), pipeline-quality natural gas produced from organic inputs and natural processes. The complimentary mission of RAES is to gather this RNG to a point where it may either be compressed and injected into a transmission pipeline.

4. RAES is neither a “gas corporation” nor a “public utility” as those terms are defined at §386.020, RSMo. However, it does operate “gas plant” that is subject to the Commission’s gas safety jurisdiction.³

BACKGROUND

5. Impermeable covers have been installed on existing lagoons to harvest renewable natural gas from hog finishing farms, using anaerobic digestion technology developed and installed by RAE. The covers turn the lagoons into anaerobic digesters, where naturally occurring microorganisms decompose the manure in an oxygen free environment. Bio-gas rises to the top where it is collected and cleaned of impurities. What remains is more than 98 percent methane, with approximately the same chemical composition as natural gas, that can be used for vehicle fuel or injected into

³ See *Order Denying Application in Part and Dismissing Application in Part*, File No. GA-2016-0271 (Issued August 3, 2016).

the natural gas grid system. The un-digestible solid residue can be used by local farmers as a natural fertilizer, and the water can be safely used for irrigation. As a part of this process RAES constructs RNG gathering systems to bring this gas to a site for injection into the ANR Pipeline (an interstate pipeline under the jurisdiction of the Federal Energy Regulatory Commission).

6. In the situation at issue in this Application, RAES is constructing a transmission line from a gathering system on Somerset Farm in Mercer County, Missouri, to a point of injection on the ANR Pipeline, also in Mercer County, Missouri.

(See the map attached as **Appendix A**)

20 CSR 4240-40.030 WAIVER

7. The Applicant requests that the Commission grant a permanent waiver of compliance ("waiver") for the above described gas transmission line. The purpose of the waiver is to exempt RAES from the provisions of 20 CSR 4240-40.030(12)(P), which, in relevant part, require as follows:

(P) Odorization of Gas. (192.625)

1. A combustible gas in a transmission line or distribution line must contain a natural odorant or be odorized so that at a concentration in air of one-fifth (1/5) of the lower explosive limit, the gas is readily detectable by a person with a normal sense of smell. . . .

8. Waivers from these gas safety rules are permitted. Commission Rule 20 CSR 4240-40.030(18) states as follows:

(18) Waivers of Compliance. Upon written request to the secretary of the commission, the commission, by authority order and under such terms and conditions as the commission deems appropriate, may waive in whole or part compliance with any of the requirements contained in this rule. Waivers will be granted only on a showing that gas safety is not compromised. If the waiver request would waive compliance with a federal requirement in 49 CFR part 192, additional actions shall be taken in accordance with 49 USC 60118 except when the provisions of subsection (17)(G) apply.

9. RAES seeks a permanent waiver from Commission Rule 20 CSR 4240-40.030(12)(P) as to that portion of its transmission line described above pursuant to Commission Rule 20 CSR 4240-40.030(18).

10. Gas in the interstate pipeline system is not odorized, and gas to be injected into the interstate pipeline system is not permitted to be odorized. The ANR Pipeline Company Federal Energy Regulatory Commission ("FERC") tariff provides, in part, as follows (Part 6.13 – Quality):

- (a) shall be commercially free from objectionable odors, dust, water and any other solid or liquid matter which might interfere with its merchantability or cause injury to or interference with proper operation of the equipment through which it flows and any substance that might become separated from the gas in Transporter's facilities.

11. Odorant at the level required by the Commission regulations would violate the ANR Pipeline tariff. If RAES is required to odorize the gas moving from the gathering area to the ANR Pipeline, it will also be required to remove that odorization from the gas before injection. Such a process would provide a great amount of additional cost without a significant safety benefit.

12. Safety will not be compromised by the requested waiver because of the nature of the transmission line in question. Odorization is generally required such that it would be detected by a person with a "normal sense of smell." This creates a "warning system" in homes or other locations where gas is consumed. However, the gas flowing on the line for which RAES seeks a waiver will not be used for service to any end users, only to deliver gas to the interstate pipeline. Accordingly, the odorization is not necessary for its purpose.

13. However, as an additional precaution, RAES proposes the waiver be subject to the following conditions as to the line that is the subject of this waiver:

- RAES will conduct leak testing on a semi-annual basis;
- RAES will conduct patrols of the line four (4) times per year; and,
- RAES will conduct an area classification study on an annual basis.

14. The federal statute referenced by Commission Rule 20 CSR 4240-40.030(18) (49 U.S.C. 60118) states in relevant part that:

(d) WAIVERS BY STATE AUTHORITIES.

If a certification under section 60105 of this title or an agreement under section 60106 of this title is in effect, the State authority may waive compliance with a safety standard to which the certification or agreement applies in the same way and to the same extent the Secretary may waive compliance under subsection (c) of this section. However, the authority must give the Secretary written notice of the waiver at least 60 days before its effective date. If the Secretary makes a written objection before the effective date of the waiver, the waiver is stayed. After notifying the authority of the objection, the Secretary shall provide a prompt opportunity for a hearing. The Secretary shall make the final decision on granting the waiver.

15. RAES asks that the Commission grant the permanent waiver requested herein and take such further steps as are necessary to confirm the non-objection of the United States Secretary of Transportation.

20 CSR 4240-4.017(1) WAIVER

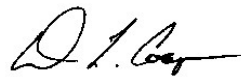
16. Rule 20 CSR 4240-4.017(1) provides that “(a)ny person that intends to file a case shall file a notice with the secretary of the commission a minimum of sixty (60) days prior to filing such a case.” A notice was not filed 60 days prior to the filing of this Petition, and RAES seeks a waiver of the 60-day notice requirement.

17. Rule 20 CSR 4240-4.017(1)(D) provides that a waiver may be granted for good cause. Good cause exists in this case. RAES declares (as verified below)

that it has had not communication with the office of the Commission (as defined by Commission Rule 20 CSR 4240-4.015(10)) within the prior 150 days regarding any substantive issue likely to be in this case, other than those pleadings filed for record. Accordingly, for good cause shown, RAES moves for a waiver of the 60-day notice requirement of Rule 20 CSR 4240-4.017(1) and acceptance of this Application.

WHEREFORE, RAES respectfully requests the Commission to grant the Company a waiver from the requirements of Commission Rule 20 CSR 4240-4.030(12)(P), as described herein.

Respectfully submitted,



Dean L. Cooper Mo. Bar 36592
BRYDON, SWEARENGEN & ENGLAND
P.C.
312 East Capitol Avenue
P.O. Box 456
Jefferson City, MO 65102-0456
Telephone: (573) 635-7166
dcooper@brydonlaw.com

ATTORNEYS FOR ROESLEIN
ALTERNATIVE ENERGY SERVICES,
LLC

CERTIFICATE OF SERVICE

The undersigned certifies that a true and correct copy of the foregoing document was sent by electronic mail to the following counsel this 10th day of February, 2020:

Office of the General Counsel
staffcounsel@psc.mo.gov

Office of the Public Counsel
opc@opc.mo.gov



VERIFICATION

STATE OF MISSOURI)
COUNTY OF St. Louis) ss

I, Chris Roach, having been duly sworn upon my oath, state that I am the President for Roeslein Alternative Energy Services, LLC ("RAES"), that I am authorized to execute this verification on behalf of RAES, and that the matters and things stated in the foregoing pleading are true and correct to the best of my information, knowledge, and belief. Additionally, no representative of RAES has had any communication with the office of the Missouri Public Service Commission as defined in Commission Rule 20 CSR 4240-4.015(10), within the immediately preceding 150 days regarding the subject matter of this Application.

Chris Roach

Chris Roach, President

Subscribed and sworn to before me, a notary public, on this 6 day of February, 2020.

Dawn M. Null

Notary Public

My Commission expires: 2-12-2022



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 13th day of February 2020.




Morris L. Woodruff
Secretary

MISSOURI PUBLIC SERVICE COMMISSION

February 13, 2020

File/Case No. GE-2020-0238

**Missouri Public Service
Commission**

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County of Mercer, Missouri

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**Roeslein Alternative Energy
Services, LLC**

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Enclosed find a certified copy of an Order or Notice issued in the above-referenced matter(s).

Sincerely,



**Morris L. Woodruff
Secretary**

Recipients listed above with a valid e-mail address will receive electronic service. Recipients without a valid e-mail address will receive paper service.