

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

In the Matter of the Proposed Amendment)	
of the Commission's Rules Relating to)	<u>File No. GX-2023-0422</u>
Natural Gas Safety)	

STAFF RECOMMENDATION

COMES NOW the Staff of the Missouri Public Service Commission ("Staff"), by and through counsel, and respectfully files the attached *Memorandum* pursuant to General Procedure 1, stating Staff's finding that the actual cost of implementing the rules within this docket to public and private entities has not exceeded the estimates by more than 10 percent or, where appropriate, has not exceeded five hundred dollars.

WHEREFORE, Staff files this *Memorandum* for the Commission's information and consideration.

Respectfully submitted,

/s/ J. Scott Stacey
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 11th day of August, 2025.

/s/ J. Scott Stacey

MEMORANDUM

TO: Missouri Public Service Commission Official Case
File No. GX-2023-0422

FROM: Kathleen A. McNelis, P.E. on Behalf of Commission Staff

SUBJECT: Staff's Review of Costs Incurred for Rulemakings in the Matter of the Proposed Amendment of the Commission's Rules 20 CSR 4240-40.030 Relating to Natural Gas Safety, File No. GX-2023-0422

DATE: August 11, 2025

On February 27, 2023, the Staff of the Missouri Public Service Commission (Commission) requested that the Commission open a working docket to consider proposed rule amendments, including the adoption of the U.S. Department of Transportation's Pipeline and Hazardous Materials Safety Administration (PHMSA) Amendments Nos. 191-31, 192-130, 192-131, and 192-132 (published in 87 *Federal Register* 20940, 26296, 52224 and 64384). The Commission opened Case No. GW-2023-0272 as a repository for stakeholder comments regarding the proposed rule amendments and their cost impact, if any. Staff reviewed comments and filed its rulemaking whitepaper on May 10, 2023. No comments provided by stakeholders addressed the cost impact, if any, of Staff's proposed gas safety rule amendments.

On July 26, 2023, the Commission issued a Finding of Necessity and Order Directing Proposed Rule 20 CSR 4240-40.030 be filed with the Secretary of State for publication in the Missouri Register as a proposed rulemaking in Case No. GX-2023-0422.

Text of the proposed amendments to 20 CSR 4240-40.030 was published in the September 1, 2023, *Missouri Register* (48 MoReg 1619-1645), with dates established for comment period and a public Rulemaking Hearing on October 4, 2023. The publication included a statement that there would be no cost to state agencies or political subdivisions, and that the cost to private entities would not exceed five hundred dollars (\$500) in total.

On September 29, 2023, Staff provided a written comment proposing additional amendments to adopt the technical corrections to PHMSA Amendment 192-132 (88 *Federal Register* 50056).

On November 16, 2023, the Commission issued a Final Order of Rulemaking for amendments to 20 CSR 4240-40.030 in Commission Case No. GX-2023-0422. An Order of Rulemaking was published in the *Missouri Register* on February 1, 2024 *Missouri Register* (49 MoReg 180-189),

setting an effective date of 30 days after publication in the Missouri Code of State Regulations Regulations(CSR). The effective date of the amendments was March 30, 2024.

On April 1, 2024, the Commission ordered Staff to file the results of its public entity fiscal cost review of this rule no later than August 29, 2025.

The Commission Staff's General Procedure GP-1, revised 10/21/2020, states:

As required by section 536.200.2, RSMo, within thirty (30) days of the end of the first full fiscal year after the implementation of the rule, amendment or rescission, Staff should investigate whether the cost to all affected entities, including the Commission, has exceeded by ten percent or more the estimated cost in the fiscal note or, where appropriate, has exceeded five hundred dollars. Staff will file a motion in the original rulemaking file number seeking stakeholder input on the accuracy of the estimated cost in the fiscal note.

On February 03, 2025, Staff filed a motion requesting the Commission to invite comments from interested stakeholders about whether the estimated costs to comply with the rules set out in the fiscal notes have proved to be accurate. The Commission issued an order inviting stakeholders to offer comments about the accuracy of the fiscal impact stated in the fiscal notes or estimated cost declaration that accompanied the rulemaking by no later than June 16, 2025.

No comments were received in the case on or before June 16, 2025.

The Commission Staff's General Procedure GP-1, revised 10/21/2020, states:

Staff shall prepare a memorandum showing the results of its investigation within thirty (30) days after the end of the first full fiscal year of rule, amendment or rescission. If the investigation shows that the costs have not exceeded ten percent for all entities or, where appropriate, the estimated five hundred dollars, Staff's memorandum shall be entered into EFIS under the rulemaking's docket number.

The Commission Staff has not received any information from any party potentially or actually affected by the implementation of the subject rule amendments that would show that the cost estimate to implement the Rules published in the *Missouri Register* was inaccurate. Accordingly, Staff offers this memorandum to be entered into EFIS in Case No. GX-2023-0422.

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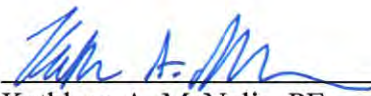
In the Matter of the Proposed Amendment)
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Natural Gas Safety) **File No. GX-2023-0422**

AFFIDAVIT OF KATHLEEN A. MCNELIS, PE


STATE OF MISSOURI)
)
COUNTY OF COLE) ss.

COMES NOW Kathleen A. McNelis, PE, and on her oath declares that she is of sound mind and lawful age; that she contributed to the foregoing *Staff Recommendation, in Memorandum form*; and that the same is true and correct according to her best knowledge and belief, under penalty of perjury.

Further the Affiant sayeth not.


Kathleen A. McNelis, PE

Subscribed and sworn before me, a duly constituted and authorized Notary Public, in and for the County of Cole, State of Missouri, at my office in Jefferson City, on this 29th day of July 2025.


NOTARY PUBLIC

DIANNA L. VAUGHT Notary Public - Notary Seal State of Missouri Commissioned for Cole County My Commission Expires: July 18, 2027 Commission Number: 15207377
