

**STATE OF MISSOURI
PUBLIC SERVICE COMMISSION**

At a session of the Public Service
Commission held by telephone
and internet audio conference on
the 30th day of December, 2020.

In the Matter of the Application of)	
Roeslein Alternative Energy Services, LLC)	<u>File No. GE-2021-0049</u>
for a Permanent Waiver From Certain)	
Provisions of 20 CSR 4240-40.030)	

ORDER APPROVING APPLICATION FOR WAIVER

Issue Date: December 30, 2020

Effective Date: March 1, 2021

Roeslein Alternative Energy Services, LLC (RAES) applied on August 24, 2020, for waiver of compliance with gas odorization required by Commission Rule 20 CSR 4240-40.030(12)(P) in operation of a gas transmission line in Putnam County, Missouri. RAES also requested waiver of the 60-day notice requirement under 20 CSR 4240-4.017.

RAES' pipeline will transport "renewable natural gas" (RNG) about 4 miles for injection into the ANR interstate pipeline. RAES uses lagoons to harvest RNG from hog finishing farms. The Putnam County transmission line will connect a gathering system on Whitetail Farm to a point of injection on the ANR Pipeline, also in Putnam County. The line will also carry RNG gathered from three other farms, Green Hills, South Meadows and Locust Ridge. Gas in the ANR pipeline is not odorized, pursuant to the tariff established by the Federal Energy Regulatory Commission, so any odorant would have to be removed before injection in the interstate pipeline.

On December 8, 2020, Staff recommended that the Commission approve RAES' application for waiver subject to conditions. RAES indicated no objection to Staff's

recommendation to approve the application with the specified conditions, nor has any objection been received from the Office of the Public Counsel. There are no intervenors in this case.

The Commission may waive compliance with any of the requirements of Commission Rule 20 CSR 4240-40.030 upon a showing that gas safety is not compromised.¹ The Commission has reviewed and considered RAES' application and Staff's recommendation and determines waiver of the gas odorization requirement, with Staff's proposed conditions, will not compromise gas safety.

Staff's proposed conditions require leakage surveys and patrols at intervals of no more than four and one-half months, an annual class location study of the pipeline, and direct monitoring of the pipeline during excavation. In addition, no customers may be served from the pipeline in Missouri without Commission approval. Staff also recommends RAES be required to notify the Staff of the Commission no less than 60 days before starting construction on any new gas pipelines to transport gas from Green Hills, South Meadows and/or Locust Ridge farms to Whitetail Farm. Finally, any waiver granted in this order applies only to combustible gas transported in the 3.79-mile long intrastate gas transmission pipeline described in RAES' application in this case. Connection of an additional pipeline would require Commission approval.

The Commission will grant the waiver request with conditions, as recommended by Staff.

In addition, the Commission will grant RAES' request for waiver of the 60-day notice requirement under 20 CSR 4240-4.017. The Commission finds good cause exists

¹ 20 CSR 4240-40.030(18).

for waiver, based on RAES' verified declaration that it had no communication with the Office of the Commission regarding substantive issues in the application within 150 days before RAES filed its application.

Finally, federal law requires at least 60 days' written notice to the U.S. Secretary of Transportation, pursuant to 49 U.S.C. § 60118, when a state commission would waive a requirement under 49 C.F.R. part 192. Contact information posted on the U.S. Department of Transportation website requests electronic communications rather than correspondence by mail, given the COVID-19 pandemic.² The Commission will direct immediate written notice of this order to the Secretary of the U.S. Department of Transportation by email to the address provided on the department's website. To accommodate the notice requirement, the Commission will make this order effective 61 days after the date of issuance.

THE COMMISSION ORDERS THAT:

1. RAES' application for waiver from compliance with gas odorization required by Commission Rule 20 CSR 4240-40.030(12)(P) in operation of a gas transmission line in Putnam County, Missouri, is granted, subject to the following conditions:
 - a. RAES may not serve any Missouri customers from the gas transmission pipeline in Putnam County, Missouri, subject to this waiver without prior Commission approval;
 - b. RAES shall conduct leakage surveys and patrols along the entire length of the pipeline at intervals not exceeding four and one-half months and at least four times per calendar year;

² Assistance to the Public During COVID-19, U.S. Department of Transportation (March 27, 2020), <https://www.phmsa.dot.gov/news/assistance-public-during-covid-19> (accessed Dec. 22, 2020) (requesting correspondence via email and providing list of email addresses).

- c. RAES shall conduct an annual class location study of the gas transmission pipeline in Putnam County, Missouri, and notify Commission Staff of any class location changes within 30 days of discovery;
 - d. Whenever RAES is aware, through notice by Missouri One Call or another source, that the pipeline lies within the area described in a notice of excavation, or is within 2 feet of such area, in addition to following the requirements of Chapter 319 of the Revised Statutes of Missouri to locate its line, RAES will have personnel onsite to monitor for damage to its pipeline during excavation;
 - e. RAES shall notify Commission Staff no fewer than 60 days before starting construction on any new gas pipeline that would transport combustible gas from the Green Hills, South Meadows and/or Locust Ridge farms to Whitetail Farm; and
 - f. Waiver under this order is limited to the intrastate gas transmission pipeline described in RAES' application in this case. Commission approval is necessary to extend a waiver to any additional pipeline connected to the pipeline described and considered in this case.
2. The 60-day notice requirement of Commission Rule 20 CSR 4240-4.017(1) is waived for good cause.
3. By no later than 5 p.m. December 30, 2020, the Commission's data center shall provide written notice of this order to the U.S. Secretary of Transportation by attaching a copy of this order in an email message addressed to PHMSA.Pipelinesafety@dot.gov with "Notice to Secretary of Transportation" indicated in the subject line.
4. This order shall be effective on March 1, 2021.

5. This file shall close on March 2, 2021.



BY THE COMMISSION

A handwritten signature in dark ink, reading "Morris L. Woodruff".

Morris L. Woodruff
Secretary

Silvey, Chm., Kenney, Rupp, Coleman, and
Holsman CC., concur.

Jacobs, Regulatory Law Judge

In the Matter of the Application of)
Roeslein Alternate Energy Services, LLC) File No. GE-2021-_____
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 *Application for Waivers*, 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.¹ 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 counsel for RAES and also to:

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

Chris Roach, President
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 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.²

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 the natural

² See *Order Denying Application in Part and Dismissing Application in Part*, File No. GA-2016-0271 (Issued August 3, 2016).

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 Whitetail Farm in Putnam County, Missouri, to a point of injection on the ANR Pipeline, also in Putnam County, Missouri (the "Whitetail Line"). (See the map attached as **Appendix A**). This intrastate gas transmission pipeline will be approximately four (4) miles long and will be in a Class 1 location. The Whitetail Line will be used to transport RNG gathered at the Whitetail Farm, as well as to transport RNG gathered from the Locust Ridge, South Meadows, and Green Hills farms, which will be injected into the Whitetail Line at the Whitetail Farm.

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, upon a showing that

gas safety is not compromised. 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, that gas injected into the pipeline "shall be commercially free from objectionable odors...". (Part 6.13 2.– Quality):

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 as RAES is unaware of any commercially available equipment for the removal of odorant from gas and, thus, RAES would have to design and construct equipment capable of removing odorant from gas.

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. 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.

14. 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.

CONDITIONS

15. In conjunction with a grant of the waiver requested herein, RAES recommends that the Commission include the following conditions:

- a. RAES may not serve any Missouri customers from this pipeline without prior Commission approval;

b. RAES shall conduct leakage surveys and patrols along the entire length of the pipeline at intervals not exceeding four and one-half (4½) months, but at least four (4) times per calendar year;

c. RAES shall conduct a class location study of the RAES transmission pipeline annually, notifying Commission Staff of any class location changes within 30 days of discovery;

d. Whenever RAES is made aware (through notification by Missouri One Call, or other source) that its pipeline lies within the area described in the notice of excavation, or is within two (2) feet of such area, in addition to following the requirements of RSMo Chapter 319 to locate its line, RAES will have personnel onsite monitoring for damages to its pipeline during excavation work.

20 CSR 4240-4.017(1) WAIVER

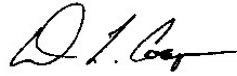
16. Rule 20 CSR 4240-4.017(1) provides that “(a)ny person that intends to file a case shall file a notice with the secretary of the commission a minimum of sixty (60) days prior to filing such a case.” A notice was not filed 60 days prior to the filing of this Petition, and RAES seeks a waiver of the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

40.030(12)(P), as described herein.

Respectfully submitted,



Dean L. Cooper Mo. Bar 36592
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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 24th day of August, 2020:

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


Office of the Public Counsel
opcservice@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 of 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, President

Subscribed and sworn to before me, a notary public, on this 19 day of August, 2020.


Notary Public

My Commission expires: _____



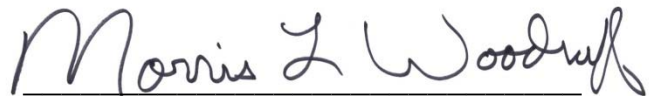
STATE OF MISSOURI

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 30th day of December, 2020.**




Morris L. Woodruff
Secretary

MISSOURI PUBLIC SERVICE COMMISSION

December 30, 2020

File/Case No. GE-2021-0049

**Missouri Public Service
Commission**

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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.