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October 20, 2016

TO: Missouri Natural Gas Operators

FROM: Kathleen McNelis, Missouri Public Service Commission

SUBJECTS: 1) DIMP Periodic Evaluation and Improvement

- 2) PHMSA Final Rule Expanding the Use of EFV
- 3) PHMSA Interim Final Rule Implementing the Emergency Order Authority
- 4) Save the date for spring 2017 MANGO Meeting... March 23, 2017

Note: Copies are not sent to all operator personnel. <u>Please forward to the appropriate person(s).</u>

### 1) DIMP Periodic Evaluation and Improvement

As a reminder, the Gas Distribution Pipeline Integrity Management (IM) regulations in 4 CSR 240-40.030(17) required initial implementation of a Distribution Integrity Management Program (DIMP) plan no later than August 2, 2011. 4 CSR 240-40.030(17)(D)7. requires that at intervals not to exceed 5 years, each operator must conduct a complete program re-evaluation and must consider the result of the performance monitoring in these evaluations. The maximum time interval allowed (five years from 2011) is 2016 for a complete DIMP program re-evaluation. Please complete your DIMP program re-evaluations no later than December 31, 2016 and provide an updated DIMP plan to the PSC by January 17, 2017.

For those operators who have already submitted updated DIMP Plans in 2016 – thank you and no further action is required at this time. We will review your submissions and will be in contact with you to schedule a review.

# 2) PHMSA Final Rule – Expanding the Use of EFV

On October 14, 2016, the Final Rule for Pipeline Safety: Expanding the Use of Excess Flow Valves in Gas Distribution Systems to Applications Other Than Single-Family residences was published in the Federal Register. This final rule becomes effective April 14, 2017. While not yet adopted into Missouri regulations, compliance is expected with the new federal regulation. See information at link: <a href="https://www.federalregister.gov/documents/2016/10/14/2016-24817/pipeline-safety-expanding-the-use-of-excess-flow-valves-in-gas-distribution-systems-to-applications">https://www.federalregister.gov/documents/2016/10/14/2016-24817/pipeline-safety-expanding-the-use-of-excess-flow-valves-in-gas-distribution-systems-to-applications</a>

Summary from link: Excess flow valves (EFV), which are safety devices installed on natural gas distribution pipelines to reduce the risk of accidents, are currently required for new or replaced gas service lines servicing single-family residences (SFR), as that phrase is defined in 49 CFR 192.383(a). This final rule makes changes to part 192 to expand this requirement to include new or replaced branched service lines servicing SFRs, multifamily residences, and small commercial entities consuming gas volumes not exceeding 1,000 Standard Cubic Feet per Hour (SCFH). PHMSA is also amending part 192 to require the use of either manual service line shut-off valves (*e.g.*, curb valves) or EFVs, if appropriate, for new or replaced service lines with meter capacities exceeding 1,000 SCFH. Lastly, this final rule requires operators to notify customers of their right to request installation of an EFV on service lines that are not being newly installed or replaced. PHMSA has left the question of who bears the cost of installing EFVs on service lines not being newly installed or replaced to the operator's rate-setter.

If you are unable to access the document using the link provided, please contact a Staff member to request a copy.

## 3) PHMSA Interim Final Rule – Implementing the Emergency Order Authority

On October 14, 2016, the interim final Pipeline Safety: Enhanced Emergency Order Procedures was published in the Federal Register. See information at link: <a href="https://www.federalregister.gov/documents/2016/10/14/2016-24788/pipeline-safety-enhanced-emergency-order-procedures">https://www.federalregister.gov/documents/2016/10/14/2016-24788/pipeline-safety-enhanced-emergency-order-procedures</a>

If you would like a copy but are unable to access the document using the link provided, please contact a Staff member to request a copy.

#### 4) Save the Date for Spring 2017 MANGO Meeting

Save the date notice – the spring 2017 MANGO meeting is scheduled for March 23, 2017.