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September 15, 2017

TO: Missouri Natural Gas Operators

FROM: Kathleen McNelis, Pipeline Safety Program Manager

SUBJECT: 1) Fall MANGO Meeting October 10, 2017
2) Option to Receive *All Operators Letter* Electronically
3) PSC Working Case Docket GW-2017-0347
4) 2017 Advisory Bulletins

Note: Copies are not sent to all operator personnel. Please forward to appropriate person(s).

1) **Fall MANGO Meeting October 10, 2017**

The date for the MANGO general fall meeting has been set for October 10, 2017 at 10 AM in Jefferson City. The meeting will be on the 4th floor in the Ballroom (Room 450) of the Governor Office Building (GOB). An Agenda is attached.

2) **Option to receive All Operators Letter electronically**

In an effort to save both paper and postage, Staff provided an option to send All Operators Letters via email. If you are currently receiving the letters by standard mail and would prefer to receive all operator letters by email, please indicate so to Clinton Foster at Clinton.Foster@PSC.MO.Gov or to any other Staff member. Staff will continue sending All Operator Letters by standard mail until such notification.

3) **PSC Working Case Docket GW-2017-0347**

The Commission opened a working docket on June 28, 2017 to assist Staff in its review of the Commission's rules regarding natural gas safety. Staff is seeking input from interested stakeholders on how to best conform the Commission's rules to recent changes in federal natural gas safety rules, and how to otherwise clarify, correct, and improve the Commission's natural gas safety rules. This file will serve as a repository for documents and comments.

The recent changes in federal natural gas safety rules to be adopted are discussed in our February 24, 2017 All Operators letter and are summarized here:

- **Final Rule: Pipeline Safety: Expanding the Use of Excess Flow Valves in Gas Distribution Systems to Applications Other Than Single-Family Residences....** This final rule is effective April 14, 2017

Federal Register Volume 81, Number 199 (Friday, October 14, 2016)

Excess flow valves (EFV), which are safety devices installed on natural gas distribution pipelines to reduce the risk of accidents, were previously only 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 made 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 also amended 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.

Link to final rule and additional information:

<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>

Correction to final rule: corrects date that EFV installation must comply with performance standards from April 17, 2016 to April 14, 2017

Link to correction to final rule: <https://www.gpo.gov/fdsys/pkg/FR-2016-10-21/pdf/C1-2016-24817.pdf>

- **Final Rule: Pipeline Safety: Operator Qualification, Cost Recovery, Accident and Incident Notification, and Other Pipeline Safety Changes...** This final rule is effective March 24, 2017

PHMSA amended the pipeline safety regulations to address requirements of the Pipeline Safety, Regulatory Certainty, and Job Creation Act of 2011 (2011 Act), and to update and clarify certain regulatory requirements. Among other provisions, PHMSA added a specific time frame for telephonic or electronic notifications of accidents and incidents and added provisions for farm tap regulator inspections. PHMSA also amended the drug and alcohol testing requirements, and incorporated consensus standards by reference for in-line inspection (ILI) and Stress Corrosion Cracking Direct Assessment (SCCDA).

Link to final rule and additional information:

<https://www.federalregister.gov/documents/2017/01/23/2016-31461/pipeline-safety-operator-qualification-cost-recovery-accident-and-incident-notification-and-other>

4) 2017 Advisory Bulletins

ADB-2017-01: PHMSA issued Advisory Bulletin ADB-2017-01 to inform owners and operators of gas transmission pipelines that PHMSA has developed guidance on threat identification and the minimum criteria for deactivation of threats, as established by a previously issued rule. This Advisory Bulletin also provides guidance to gas transmission pipeline operators regarding documenting their rationale of analyses, justifications, determinations, and decisions related to threat deactivation. Staff recommends that all operators of natural gas transmission pipelines review this advisory bulletin. A link to the publication and additional information is at:

<https://www.federalregister.gov/documents/2017/03/16/2017-05262/pipeline-safety-deactivation-of-threats>.

ADB-2017-02: PHMSA issued Advisory Bulletin ADB-2017-02 to remind operators of natural gas transmission pipelines of PHMSA's expectations regarding how mature IM programs should implement the training and qualification requirements included in § 192.915 and discussed in ASME B31.8S-2004. PHMSA's expectations for operator implementation of each subsection in § 192.915 are outlined in the advisory bulletin and include expectations for qualifications and training for supervisory personnel, personnel performing assessments and evaluating assessment results, and persons responsible for preventive and mitigative measures. Staff recommends that all operators of natural gas transmission pipelines review this advisory bulletin. A link to the publication and additional information is at:

<https://www.federalregister.gov/documents/2017/04/10/2017-06805/pipeline-safety-guidance-on-training-and-qualifications-for-the-integrity-management-program>

Agenda for MANGO General Meeting

October 10, 2017

10:00 a.m.

Room 450 of the Governor Office Building (Ballroom)

1. Open Meeting – Operator and Staff Introductions
2. Minutes from October 9th Board Meeting- Carla Richardson
3. 2018 MANGO Board Positions
4. Treasurer’s Report- Casey Haynes
5. 2017 Safety Seminar Overview
6. 2018 Safety Seminar Planning- Tan Tar A, June 27, 28 & 29.
7. Learfield Public Awareness Program update- KC Dahl
8. Operator Only Session
9. MCGA – Damage Prevention & Excavation Safety Summit, December 6 & 7, 2017 at the Ozark Empire Fairgrounds in Springfield, MO
10. Update- Responding To Utility Emergencies (RTUE) program through MANGO
11. PHMSA Advisory Bulletins

Historic: (<http://phmsa.dot.gov/pipeline/regs/advisory-bulletin>)

2017:

- ADB-2017-01: Deactivation of Threats
- ADB-2017-02: Guidance on Training and Qualification for Integrity Management Program

12. Latest Rulemaking

- i. Operator Qualification, Cost Recovery, Accident and Incident Notification, and Other Pipeline Safety Changes – Final Rule published 01/23/17, effective date 3/24/17
- ii. Expanding the Use of Excess Flow Valves in Gas Distribution Systems to Applications Other Than Single-Family Residences – Final Rule published 10/14/16, effective date 04/14/17