



U.S. Department  
of Transportation

**Research and  
Special Programs  
Administration**

400 Seventh Street, S.W.  
Washington, D.C. 20590

MAY - 8 1998

Mr. Jon F. Jacquot  
Engineering Supervisor  
Public Service Commission  
Suite 300 Hansen Building  
2515 Warren Avenue  
Cheyenne, WY 82002

Dear Mr. Jacquot:

We have considered your letter of March 10, 1998, notifying us that the Public Service Commission of Wyoming has granted Northern Gas Company, KN Energy, Inc., and Northern Gas of Wyoming a waiver from 49 CFR 192.739. The waiver permits these operators to avoid annual inspections and tests of regulators installed at certain multi-meter farm tap installations.

We are concerned that the waiver could adversely affect safety because these farm taps have up to five customers, long distribution lines, and non-service-type regulators, resembling small distribution systems to which § 192.739 was intended to apply. Other state waivers of § 192.739 have involved service regulators connected to piping that does not resemble a small distribution system. The justification offered for the waiver (adequate regulator installation and monthly observation by meter readers) does not adequately substitute for the requirements of § 192.739.

Therefore, we object to the waiver, and under 49 U.S.C. § 60108(d), the Commission's action granting the waiver is stayed. Within 90 days the Commission may appeal this matter in writing and request an opportunity for a hearing.

Sincerely,

Richard B. Felder

Associate Administrator for Pipeline Safety



## Public Service Commission

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2515 WARREN AVENUE  
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CHEYENNE, WYOMING 82002  
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SECRETARY AND CHIEF  
COUNSEL  
DAVID M. MOSIER  
ADMINISTRATOR

March 10, 1998

VIA: FEDEX

Mr. Richard Felder  
Associate Administrator for Pipeline Safety  
Research and Special Programs Administration  
U.S. Department of Transportation  
400 Seventh St., S.W.  
Washington, DC 20590

RE: WAIVER OF THE REQUIREMENTS OF 49 CFR 192.739 FOR NORTHERN GAS COMPANY, KN ENERGY, INC., AND NORTHERN GAS OF WYOMING DIVISION OF KN ENERGY, INC., WYO. P.S.C. DOCKET NOS. 31001-GA-98-22, 30004-GA-98-52, AND 30006-GA-98-32

Dear Mr. Felder:

Please find enclosed the order of the Public Service Commission of Wyoming in the referenced matter. We are submitting the order to your agency for its review and action in accordance with 49 USC 60118(d).

If the Commission does not receive a response from your agency within sixty days of receipt of this order, we understand that NGCo., KNE, and NGW will be free to proceed under the provisions of the order.

If you have any questions regarding this matter, please contact Dick Valent at 307-777-5701 or myself at 307-777-5741. We will be happy to provide you with whatever information you require.

Very truly yours,

Jon F. Jacquot  
Engineering Supervisor

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enc.

xc: Zach Barrett, DOT-RSPA, Lakewood  
W.S. Evans, KNE, Casper

**BEFORE THE PUBLIC SERVICE COMMISSION OF WYOMING**

IN THE MATTER OF THE APPLICATION OF )  
NORTHERN GAS COMPANY FOR AUTHORITY ) DOCKET NO. 31001-GA-98-22  
FOR A WAIVER OF FEDERAL SAFETY )  
STANDARD 49 C.F.R. Section 192.739 )

AND

IN THE MATTER OF THE APPLICATION OF )  
K N ENERGY, INC., FOR AUTHORITY FOR ) DOCKET NO. 30004-GA-98-52  
A WAIVER OF FEDERAL SAFETY STANDARD )  
49 C.F.R. Section 192.739 )

AND

IN THE MATTER OF THE APPLICATION OF )  
NORTHERN GAS OF WYOMING FOR ) DOCKET NO. 30006-GA-98-32  
AUTHORITY FOR A WAIVER OF FEDERAL )  
SAFETY STANDARD 49 C.F.R. Section 192.739 )

**NOTICE AND ORDER**  
**(Issued February 24, 1998)**

This matter is now before the Commission upon the applications of Northern Gas Company (NGC), K N Energy, Inc., (K N) and Northern Gas of Wyoming (NGW) (hereinafter collectively the Companies) for a waiver of the requirements of the Federal Safety Standard contained in 49 C.F.R. Section 192.739.

The Commission, having reviewed the application and attachments provided, its files regarding NGC, K N and NGW, applicable Wyoming and Federal law and rules applicable to natural gas pipeline safety, and otherwise being fully advised in the premises, FINDS and CONCLUDES:

1. NGC, K N and NGW are duly certified natural gas public utilities over which the Commission has jurisdiction pursuant to W.S. § 37-1-101, et seq.

2. In their applications, the Companies seek a waiver of the federal safety requirement found at 49 C.F.R. Section 192.739. The Companies have supplied information showing that the Research and Special Programs Administration of the United States Department of Transportation (RSPA) has granted waivers to certain natural gas providers in the past. 49 C.F.R. Section 192.739 requires annual tests and inspections on multi-meter farm taps. The proposed waivers would be limited to the following situations: (1) installations with five (5) or fewer taps; (2) regulators which are traditionally non-serviceable in nature (i.e., Big Joe, S251C, etc.); and (3) by-pass type meter sets will not be installed.

3. Section 417 of the Commission's rules states, in relevant part that:

"All pipelines and pipeline facilities for the transportation of gas within the State of Wyoming shall conform with and be subject to all the provisions of Sections 191.1 through and including 191.19 and 192.3 through and including 192.753, and all appendixes incorporated therein, of the Federal Minimum Safety Standards promulgated by the United States Department of Transportation by dictate of the Natural Gas Pipeline Safety Act of 1968, which standards appear in Part 191 and 192 of Title 49 of the Code of Federal Regulations."

4. The public interest must be weighed carefully in deciding upon the waiver of a safety rule. The Companies aver that the regulations set forth in 49 C.F.R. Section 192.739 are intended to be applicable to regulator stations serving a network of piping resembling a distribution system. The Companies further state that the proposed waivers will not jeopardize public safety as the facilities involved will be properly installed and adjusted when installed and will be observed during monthly meter reading activities. The Companies note that these facilities have historically been trouble free and rarely fail.

5. In general, we find that granting a waiver allowing the Companies to forego the required annual testing and inspections required is not inconsistent with natural gas pipeline safety in Wyoming, subject to the condition that the Companies must immediately report to the Commission any changes in its procedures and practices relating to the subject multi-meter taps and report any changes to operating pressures of pipelines supplying gas to these multi-meter taps.

6. Waivers are granted only to those entities and only for those facilities subject to the jurisdiction of the Commission.

7. The Commission directs that the public notice in this matter be in the following form:

## PUBLIC NOTICE

Northern Gas Company (NGC), K N Energy, Inc., (K N) and Northern Gas of Wyoming (NGW) have applied to the Wyoming Public Service Commission (PSC) for a waiver of the requirements of the Federal Safety Standard contained in 49 C.F.R. Section 192.739 which requires annual tests and inspections on multi-meter farm taps. The proposed waivers would be limited to the following situations: (1) installations with five (5) or fewer taps; (2) regulators which are traditionally non-serviceable in nature (i.e., Big Joe, S251C, etc.); and (3) by-pass type meter sets will not be installed.

Approval of these applications is subject to the condition that K N, NGW and NGC must immediately report to the PSC any changes in their respective procedures and practices relating to the subject multi-meter taps and report any changes to operating pressures of pipelines supplying gas to these multi-meter taps.

You may review the applications at the PSC in Cheyenne during regular business hours.

To intervene, request a hearing, file a statement or protest this application, you must file with the PSC, mentioning Docket Nos. 30004-GA-98-52, 30006-GA-98-32 and 31001-GA-98-22, on or before March 24, 1998.

If you wish to participate and require reasonable accommodation for a disability, call the PSC at (307) 777-7427 or write the PSC at 2515 Warren Avenue, Suite 300, Cheyenne, Wyoming 82002. Communications impaired persons may contact the PSC through Wyoming Relay at 1-800-877-9965.

Dated February 24, 1998.

### IT IS THEREFORE ORDERED THAT:

1. The applications of NGC, K N and NGW for a waiver of the annual inspection and testing requirements of 49 C.F.R. Section 192.739 as it relates to the types of multi-meter taps set forth in Paragraph 2 above is hereby granted subject to the condition set forth hereinabove at paragraph 6 of this Order.

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2. The Commission's engineering staff shall promptly transmit a copy of this Order to the Research and Special Programs Administration of the United States Department of Transportation and shall thereafter promptly inform the Commission of any federal action taken with respect to it.


3. This Order is effective immediately.

MADE and ENTERED at Cheyenne, Wyoming, this 24th day of February, 1998.

PUBLIC SERVICE COMMISSION OF WYOMING

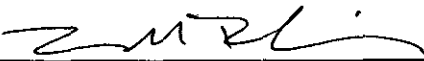
  
\_\_\_\_\_  
STEVE ELLENBECKER, Chairman

  
\_\_\_\_\_  
KRISTIN H. LEE, Commissioner

  
\_\_\_\_\_  
STEVE FURTNEY, Commissioner



ATTEST:

  
\_\_\_\_\_  
MICHAEL M. ROBINSON, Assistant Secretary