

MAY 17 2002
Mr. Leo M. Haynos
Chief of Pipeline Safety
Kansas Corporation Commission
1500 SW Arrowhead Road
Topeka, KS 66604-4027

Dear Mr. Haynos:

We have considered your letter of February 28, 2002, notifying us the Commission has granted the Kansas Gas Service Company a waiver from the plastic pipe joining requirements of 49 CFR 192.285(a)(2) and (c). Under § 192.285(a)(2), no person may make a plastic pipe joint using an applicable procedure until that person qualifies by making a specimen joint according to the procedure that passes an inspection and test. Under § 192.285(c), a person must requalify, if, during any 12-month period that person does not join under the procedure, or has 3 joints or 3 percent of the joints made, whichever is greater, found unacceptable by pressure testing.

The waiver permits the gas company to requalify personnel once a year, but at intervals not more than 15 months. In addition, in the case of mechanical and electrofusion joints, the waiver permits persons to requalify by reviewing and taking all steps leading up to joint production but without completing the joint.

The rationale for the waiver is that compliance with 49 CFR 192.285(c) involves extensive recordkeeping and does not allow sufficient flexibility in scheduling requalifications. Also, given the automated nature of electrofusion and mechanical joints, requalification by process review rather than by inspecting and testing a completed joint is considered a satisfactory measure of a person's ability to continue to make sound joints after initial qualification.

We note that the Commission analyzed the alternatives allowed by the order and concluded they are consistent with pipeline safety. We concur and have no objection to the waiver.

Sincerely,
Stacey L. Gerard
Associate Administrator for Pipeline Safety

Kansas Corporation Commission

February 28, 2002

Mr. James Reynolds
U.S. Department of Transportation
RSPA/ Office of Pipeline Safety Room 7128
400 Seventh Street, SW
Washington, DC 20590

RE: Request for Waiver to Modify the Requirements of 49 C.F.R. Part 192.285(a)(2) and 192.285(c)

Dear Mr. Reynolds:

The Kansas Corporation Commission hereby gives notice to the Secretary of Transportation that it has granted Kansas Gas Service Company, a Division of ONEOK, Inc., (KGS), a waiver to the requirements of 49 C.F.R. §192.285(a)(2) and §192.285(c) as adopted by K.A.R. 82-11-4. A copy of Docket No. 02-KGSG-587-MIS granting this waiver is attached for your review.

The waiver would allow KGS to qualify personnel for joining plastic pipe once each calendar year but at intervals not to exceed 15 months. It would also allow personnel to be requalified for mechanical and electrofusion connections by reviewing the procedures and not completing the process of making a specimen joint.

Pursuant to 49 U.S.C. 60118, if the Commission receives no objection from your office regarding this waiver, it will go into effect 60 days after your receipt of this notice.

Leo M. Haynos
Chief of Pipeline Safety
Cc: Ivan Huntoon

THE STATE CORPORATION COMMISSION
OF THE STATE OF KANSAS

Before Commissioners: John Wine, Chair
Cynthia L. Claus
Brian J. Monline

In the Matter of the Application of)
Kansas Gas Service Company, a)
Division of ONEOK, Inc., Filing a)
Request to Modify the Requirements) Docket No. 02-KGSG-587-MIS
Of 49 C.F.R. part 192.285(c) as)
Adopted by K.A.R. 82-11-4 Last)
Amended February 25, 1999)

ORDER

NOW, the above-captioned matter comes before the State Corporation Commission of the State of Kansas ("Commission"). Having examined its files and records, and being duly advised in the premises, the Commission finds and concludes as follows:

I. BACKGROUND

1. On February 4, 2001, Kansas Gas Service Company, a Division of ONEOK, Inc. ("Kansas Gas Service" or "Applicant"), filed an informal application for waiver of the requirements of 49 C.F.R. §192.285(a)(2) and § 192.285(c), as adopted by K.A.R. 82-11-4, and requesting modification of the criteria utilized for re-qualification of their employees who engage in the joining of plastic pipe, as well as the frequency of re-qualification.

2. Kansas Gas Service states that under the strict 12-month "clock" presently imposed by the criteria of 49 C.F.R. § 192.285(c), large natural gas utility operators with numerous personnel qualified to make plastic joints are faced with the practical difficulties associated with tracking the joints made by each person on an individual basis as prescribed by the regulation. Consequently, Kansas Gas Service, like many large operators, has opted to simply re-qualify their personnel within the 12-month requirement. In order to comply with the current 12-month re-qualification language of the regulation, Kansas Gas Service has found it necessary to establish training schedules on an 11-month basis in order to allow for scheduling conflicts. For efficiency reasons, Kansas Gas Service attempts to schedule the re-qualification of personnel during periods of inclement weather in order to maximize total construction days. Kansas Gas Service further states that its ability to efficiently schedule large numbers of employees to take advantage of these weather-related lulls in construction activity has been severely hampered by having to re-qualify every employee on an 11-month basis. In order to accommodate a degree of flexibility in scheduling, the company proposes that a person be re-qualified at least once each calendar year, but at intervals not exceeding 15 months, a practice that is permitted elsewhere in the pipeline safety regulations. Kansas Gas Service maintains that their proposed approach will not jeopardize safety as the employees will still be required to re-qualify on an annual (calendar year) basis, but it will permit a measure of flexibility so that the scheduling of re-qualifications can occur when weather or other conditions do not permit normal work activities.

3. In addition to the requested waiver discussed in paragraph 2 above, Kansas Gas Service also proposes an alternative with respect to the process for re-qualification of persons making mechanical and/or electrofusion joints. The company believes that each person, during his or her initial qualification regarding a plastic joint, should make a complete assembly of each type of mechanical and electrofusion joint. However, during subsequent annual re-qualification the company proposes that the person participate in a joining process review for each assembly procedure covering the knowledge needed for each specimen joint assembly and procedure, including all steps leading up to the actual production of a joint, but that the joint not be completed. Kansas Gas Service maintains that the granting of its requested waiver and permitting implementation of the requested alternative means of re-qualification will not compromise safety. Additionally, the company believes the change will result in efficiency and cost benefits by saving training time and minimizing the number of non-reusable plastic mechanical joints that are destroyed in the training process.

4. 49 C.F.R. §192.285(a)(2) and §192.285(c), as adopted by K.A.R. 82-11-4, presently read as follows:

(a) No person may make a plastic pipe joint unless that person has been qualified under the applicable joining procedure by:

- (1) Appropriate training or experience in the use of the procedure; and
- (2) Making a specimen joint from pipe sections joined according to the procedure that passes the inspection and test set forth in paragraph (b) of this section. (emphasis added)

(c) A person must be requalified under an applicable procedure, if during any 12-month period that person:

- (1) Does not make any joints under that procedure; or
- (2) Has 3 joints or 3 percent of the joints made, whichever is greater, under that procedure that are found unacceptable by testing under §192.5 13. (emphasis added)

The Commission Staff ("Staff") has thoroughly investigated Kansas Gas Service's request and concludes that for the reasons indicated in the Memorandum of Leo M. Haynos, Chief of Pipeline Safety, dated February 4, 2002, that the changes proposed by Kansas Gas Service in paragraphs 2 and 3 above are fully consistent with pipeline safety requirements, and under certain conditions, they are more stringent than current regulation. Staff recommends approval of Kansas Gas Service's request for waiver and modification of the requirements of 49 C.F.R. §192.285(a)(2) and § 192.285(c), as adopted by K.A.R. 82-11-4, as follows:

"(a) No person may make a plastic pipe joint unless that person has been qualified under the applicable joining procedure by:

- (1) Appropriate training or experience in the use of the procedure; and
- (2) Except when re-qualifying for mechanical or electrofusion joints under §192.285(c)(1), making a specimen joint from pipe sections joined according to the procedure that passes the inspection and test set forth in paragraph (b) of this section.

(c) A person must be requalified under an applicable procedure at the following frequencies:

- (1) Once each calendar year, but at intervals not to exceed 15 months; or
- (2) Whenever that person has 1 joint made under that procedure that is found unacceptable by testing under §192.513."

Staff recommends approval of Kansas Gas Service's request to waive the requirements of 49 C.F.R. § 192.285(a)(2) and § 195.285(c) in accordance with modification of the procedures for re-qualification as set forth above. Staff further notes that Kansas Gas Service's requested waiver will also require approval of the U.S. Department of Transportation under 49 U.S.C.A. 1671, et seq., as amended, now 49 U.S.C. 60101, et seq.

5. Granting the requested waiver and modification will not compromise pipeline safety and offers efficiency in personnel testing and re-qualification, as well as cost benefits by minimizing the number of non-reusable plastic mechanical joints destroyed in the training process.

II. AUTHORITY

6. K.S.A. 66-1,150 authorizes the Commission to adopt such rules and regulations as may be necessary to be in conformance with the Natural Gas Pipeline Safety Act of 1968, 49 U.S.C.A. 1671, et seq., as amended, now 49 U.S.C. 60101, et seq.

7. This application seeks a waiver of the requirements of 49 C.F.R. §192.285(a)(2) and §192.285(c), as adopted by K.A.R. 82-11-4.

8. K.A.R. 82-11-9(b) provides that the Commission may grant waivers of compliance with gas pipeline safety regulations in K.A.R. 82-11-1, et seq., after notice and opportunity for hearing, if the Commission determines that the waiver is consistent with pipeline safety. Staff has recommended that a waiver be granted as being consistent with pipeline safety.

9. Pursuant to K.A.R. 82-1-202(a), the Commission has the power to waive

any of its regulations, and can waive the requirement of notice and opportunity for hearing if the Commission determines that a waiver of the requirement contained in K.A.R. 82-11-9(b) is in the public interest.

10. Staff has reviewed the proposal and the applicable regulations, believes the proposed waiver is consistent with public safety, and recommends approval of the application, subject to adoption of Staff's recommendations..

III. FINDINGS

The Commission finds as follows:

a. Findings of Fact:

(1) The Commission, pursuant to K.S.A. 66-1,150, is authorized to adopt such rules and regulations as may be necessary to be in conformance with the Natural Gas Pipeline Safety Act of 1968, 49 U.S.C.A. 1671, et seq., as amended, now 49 U.S.C. 60101 et seq.

(2) Applicant is a certificated public utility authorized to transact the business of a natural gas public utility within the State of Kansas.

(3) The Commission has the authority to grant the waiver requested by Kansas Gas Service under K.A.R. 82-1-9(b).

(4) The Commission has the authority, under K.A.R. 82-1-202(a), to waive requirements of its regulations, including the requirement for notice and opportunity for hearing under K.A.R. 82-11-9(b), and the Commission finds that it is in the public interest to do so in this matter.

(5) The Applicant's request for a waiver of the requirements of 49 C.F.R. §192.285(a)(2) and § 192.285(c) and modification of the personnel re-qualification procedures is consistent with pipeline safety.

b. Conclusions of Law:

(1) The Commission concludes that it has the authority under applicable statutes and regulations referenced above to grant the requested waiver and modification.

(2) The Commission finds that granting the waiver and modification requested is in the public interest, is consistent with pipeline safety and should be granted.

IT IS THEREFORE BY THE COMMISSION ORDERED THAT:

(A) The application for waiver is granted, subject to the following conditions:

- The requirements of 49 C.F.R. §192.285(a)(2) and § 192.285(c) are hereby waived and modified in accordance with the revisions recommended by Staff in paragraph 4 above.
- Approval of Applicant's waiver by the U.S. Department of Transportation under 49 U.S.C.A. 1671, et seq., as amended, now 49 U.S.C. 60101, et seq.

(B) The parties have fifteen (15) days from the date of this order, plus an additional three (3) days if service of this order is by mail, to file a petition for reconsideration of this order.

(C) The Commission retains jurisdiction of the subject matter and the parties for the purpose of entering such further order or orders as it may deem necessary and proper.

BY THE COMMISSION IT IS SO ORDERED.

Wine, Chr.; Claus, Corn.; Moline, Corn.

Dated Feb 14, 2002

MEMORANDUM

TO: John Wine, Chair
Cynthia L. Claus, Commissioner
Brian J. Moline, Commissioner

FROM: Leo M. ilaynos
Chief of Pipeline Safety

SUBJECT: Request by Kansas Gas Service Company, a division of Oneok, Inc. to Modify the Requirements of 49 C.F.R. Part 192.285(c) as adopted by K.A.R. 82-11-4.

Date Memo Prepared by Staff: February 4, 2002

Date Submitted to Legal:2-4-02

Date Submitted to Commissioners:2-11-02

OVERVIEW

Kansas Gas Service, (KGS), has requested waivers to the requirements of 49 C.F.R. Part 192.285(a)(2) and 192.285(c) as adopted by K.A.R. 82-11-4. Paragraph 192.285 requires the operator of a gas distribution system to assure that the personnel joining plastic pipe together for gas service are qualified to perform an approved procedure. This paragraph stipulates the minimum criteria that must be met to qualify a person to make plastic joints, and it stipulates the frequency at which the qualification must be repeated.

Subparagraph 192.285(c) states that a person must be requalified every 12 months if that person has not made any joints during that time period, or he has had three joints fail when tested. To comply with this paragraph, KGS has elected to test every 12 months all persons performing plastic joints. In their petition for a waiver, they have requested that the maximum time period be made more flexible by replacing the 12 month requirement with language that states each person must be re-qualified at least once each calendar year but at intervals not exceeding 15 months. It should be noted that the requested waiver would be more stringent than the current regulation if the person performing the fusion does the procedure more than once per year as part of his job duties.

Subparagraph 192.285(a)(2) specifies that each person being qualified must make a specimen joint that meets minimum criteria listed in 192.285(b). For joints with mechanical fittings and joints made using the electrofusion process, KGS has requested a waiver to the requirement of making specimen joints after an initial specimen joint has been qualified for each person. That is, a specimen joint would not be required for the annual re-qualification test.

DISCUSSION

The annual re-qualification of plastic pipe joiners performed by KGS is not required by the pipeline safety regulation. KGS has elected to take this approach as a means of simplifying the record keeping that demonstrates which employees are qualified to join plastic pipe. Most large natural gas utility operators typically have several hundred employees or contractors that are qualified to perform plastic joints. Rather than track whether a person has made a particular type of joint in a 12 month period, the company simply re-qualifies each person for all of the various types of joining procedures they use in their system on an annual basis. Typically, the company tries to schedule the testing activities during the time of the year when weather or other conditions do not permit normal working activities. When large numbers of employees are involved, scheduling and performing the retesting can result in a logistics problem for the company. The alternative proposed by KGS effectively balances the minimum requirement of testing once each calendar year with improvement in testing efficiency by giving the operator some flexibility in scheduling the test.

The second aspect of the alternative proposed by KGS pertains to the plastic pipe joining process that uses mechanical or electrofused joints. KGS agrees that a specimen joint should be made as per 192.285(a)(2) for each person's initial qualification on mechanical or electrofusion joints. However, for subsequent re-qualification, KGS is proposing that the joiner be required to go through a refresher course and demonstrate all the steps of joining preparation up to the final joining of the fitting.

For mechanical connections, pipe and fitting preparation are the critical part of the joining process. For this type of joint, the actual joining of the fitting consists of sliding the pipe into a coupling. For the re-qualification process, the proposed alternative offers efficiency and cost benefits by minimizing the number of non-reusable plastic mechanical joints which are destroyed in the training process. Since the fittings cost \$45 each, the cost savings of the alternative can be considerable when testing several hundred joiners.

As with mechanical joints, pipe and fitting preparation are the critical part of the an electrofusion also. In this case, the actual joining process consists of pushing a button to activate the electric fusion. Completing the fusion by activating the control box only serves to test the electrical operation of the system.

STAFF RECOMMENDATION

Staff recommends approval of the KGS request to modify the requirements of § 192.285(a)(2) and §192.285(c) as adopted by K.A.R 82-11-4 as follows, (present language is stricken, proposed language is underlined):

(a) No person may make a plastic pipe joint unless that person has been qualified under the applicable joining procedure by:

- (1) Appropriate training or experience in the use of the procedure; and
- (2) Except when re-qualifying for mechanical or electrofusion joints under §192.285(c)(1), mMaking a specimen joint from pipe sections joined according to the procedure that passes the inspection and test set forth in paragraph (b) of this section.

(c) A person must be requalified under an applicable procedure, ~~if during any 12-month period that person:~~ at the following frequencies:

- (1) ~~Does not make any joints under that procedure~~ once each calendar year, but at intervals not to exceed 15 months; or
- (2) Whenever that person has 13 joints or 3 percent of the joints made, whichever is greater, under that procedure that is are found unacceptable by testing under §192.513.

Staff believes the language modifications as stated above are fully consistent with pipeline safety requirements, and under certain conditions, they are more stringent than current regulation. It should be noted that this waiver constitutes a modification of federal pipeline safety requirements cited in 49CFR Part 192.285. Therefore, the final approval of the waiver is contingent on approval from the U.S. Department of Transportation.