

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Initiation of rulemaking to amend rules
in Chapter 25-12, F.A.C., pertaining to safety
of gas transportation by pipeline.

DOCKET NO. 090396-GU
ORDER NO. PSC-09-0792-FOF-GU
ISSUED: December 1, 2009

The following Commissioners participated in the disposition of this matter:

MATTHEW M. CARTER II, Chairman
LISA POLAK EDGAR
NANCY ARGENZIANO
NATHAN A. SKOP

NOTICE OF ADOPTION OF RULES

BY THE COMMISSION:

NOTICE is hereby given that the Florida Public Service Commission, pursuant to Section 120.54, Florida Statutes, has adopted without changes the amendments to Rules 25-12.004, 25-12.005, 25-12.008, 25-12.022, 25-12.027, 25-12.040, 25-12.041, 25-12.080, 25-12.084, and 25-12.085, Florida Administrative Code, relating to safety of gas transportation by pipeline.

The rules were filed with the Department of State on November 25, 2009 and will be effective on December 15, 2009. A copy of the rules as filed with the Department is attached to this Notice.

This docket is closed upon issuance of this notice.

By ORDER of the Florida Public Service Commission this 1st day of December, 2009.



ANN COLE
Commission Clerk

(SEAL)

KC

DOCUMENT NUMBER - DATE

11639 DEC-18

FPSC-COMMISSION CLERK

25-12.004 Definitions.

Definitions contained in codes or standards adopted by these rules are applicable to the rules and the adopted codes or standards with the following exceptions:

(1) "Commission". Unless a different intent clearly appears from the context, the word "Commission" shall mean the Florida Public Service Commission, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-~~08500868~~, area code (850) 413-6770.

(2) "Utility" or "Operator". Except where a different meaning clearly appears from the context, the word "Utility" or "Operator" shall be every person, corporation, partnership, association, public agency, municipality, cooperative gas district or other legal entity and their lessees, trustees, or receivers, now or hereafter owning, operating, managing or controlling any gas transmission or distribution facility transporting gas as defined herein and not specifically exempt from state jurisdiction by the Pipeline Inspection, Protection, Enforcement, and Safety Act of 2006 (PIPES Act), Pub. L. 109-468 (codified as amended at 49 U.S.C. §60101 (2006)). ~~Natural Gas Pipeline Safety Act of 1968, Public Law 90-481.~~

(3) "Gas". Gas as used herein shall mean natural, manufactured, liquefied petroleum gas with air admixture, or any similar gaseous substances, but shall not include liquefied petroleum gas in either the liquid or gaseous form except when stored or used for peak shaving or standby fuels in conjunction with an operator's system.

(4) "Inspector". The term "Inspector" shall apply to a person designated by the utility vested with the authority to initiate action to assure compliance with the adopted codes.

(5) "Distribution System". As used in these rules shall mean any group of interconnected pipe and facilities operating at a hoop stress of less than 20 percent% specified minimum yield strength which transports gas from a common source of supply or storage facility to a customer.

(6) “Low Pressure Distribution System” is a gas distribution piping system or portion thereof which supplies gas to more than 10 customers through a common pressure reducing device(s) at a pressure substantially the same as the pressure provided to the customer.

(7) “Fusion” means the union of two plastic surfaces that have been heated, or have had solvents applied, sufficiently to melt and fuse them together.

(8) “Gas Meter” means an instrument manufactured primarily for use in measuring, and indicating or recording the measurement of, the volume of gas that has moved through the instrument.

(9) “Master Meter System” means a pipe system that receives gas through a gas meter and transports that gas to or for the public, with the gas being delivered through another gas meter prior to consumption.

(10) “Pipeline” means all parts of those physical facilities through which gas moves in transportation, including pipe, valves, and other appurtenances attached to pipe, compressor units, metering stations, regulator stations, delivery stations, holders, and fabricated assemblies. “Pipeline,” for the purposes of these rules, unless stated otherwise, includes mains and service lines.

(11) “Main” means a distribution pipeline that serves as a common source of supply for more than one service line.

(12) “Service line” means a distribution pipeline that transports gas from a common source of supply to a gas meter prior to consumption.

(13) “Weld” means the union of metals which have been heated sufficiently to melt and fuse them together.

67, Amended 3-7-70, 11-14-70, 9-21-74, Repromulgated 10-7-75, Amended 10-2-84, Formerly 25-12.04, Amended 1-7-92.

25-12.005 Codes and Standards Adopted.

The Minimum Federal Safety Standards and reporting requirements for pipeline facilities and transportation of gas prescribed by the Pipeline and Hazardous Materials Safety Administration~~United States Department of Transportation~~ in 49 C.F.R. 191 and 192 (2008) as amended in 74 Fed. Reg. 2889-01 (January 16, 2009)~~Parts 191 and 192 of Title 49, Code of Federal Regulations (CFR) as amended through January 1, 2001~~, are adopted as part of these rules. 49 C.F.R. Part 199 (2008), “Drug and Alcohol Testing,” as amended in 74 Red. Reg. 2889-01 (January 16, 2009)~~through January 1, 2001~~, is adopted to control drug use, by setting standards and requirements to apply to the testing and use of all emergency response personnel under the direct authority or control of a gas utility or pipeline operator, as well as all employees directly or indirectly employed by gas pipeline operators for the purpose of operation and maintenance and all employees directly or indirectly employed by intrastate gas distribution utilities for on-site construction of natural gas transporting pipeline facilities. Part 199 also is adopted to prescribe standards for use of employees who do not meet the requirements of the regulations.

Rulemaking Specific Authority 368.05(2), 350.127(2) FS. Law Implemented 368.03 FS.

History—New 11-14-70, Amended 9-24-71, Revised 9-21-74, Amended 10-7-75, 11-30-82, 10-2-84, Formerly 25-12.05, Amended 8-8-89, 1-7-92, 5-13-99, 4-26-01.

25-12.008 New, Reconstructed or Converted Facilities.

(1) No new or reconstructed system or portion thereof may be:

(a) Constructed, until written construction specifications complying with these rules are

developed.

(b) Placed in service until:

~~1. The pipeline facilities have been inspected and found to comply with the construction specifications; and~~

~~2. Operating and Maintenance Plans have been filed with the Commission.~~

(2) Before a piping system can be converted to a regulated gas, the operator must:

(a) Have on file with the Commission a general conversion procedure as a part of its operation and maintenance plan.

(b) File a conversion plan with the Commission for the specific system at least 15 days prior to start of conversion. This plan need not be filed for minor conversions which are scheduled to be completed in one day and where sectionalizing of the system to be converted is not planned.

(c) Have sufficient inspections performed of the pipeline to assure that it was constructed in accordance with standards applicable at the time of installation. Visual inspection of the underground facilities may not be required if adequate construction and testing records have been maintained.

(d) Review the operating and maintenance history of the system to be converted. Any areas showing abnormal maintenance requirements shall be replaced, reconditioned or otherwise made safe prior to conversion.

(e) Establish the maximum allowable operating pressure no greater than the highest sustained operating pressure during the 5 years prior to conversion unless it was tested or uprated after July 1, 1970 in accordance with the Subparts J or K of 49 C.F.R. 192 (2008) ~~Part 192, Title 49, CFR after July 1, 1970.~~

(f) Make a leak survey over the entire converted system concurrent with the conversion.

(g) Determine areas of active corrosion as required by 49 C.F.R. 192 (2008) Part 192, ~~Title 49, CFR~~ and these rules. Required cathodic protection must be accomplished within 1 year after the date of conversion except that buried steel tubing must be protected prior to placing the system into operation.

Rulemaking Specific Authority 368.05(2) FS. Law Implemented 368.05(2) FS. History--New 11-14-70, Revised 9-21-74, Amended 10-7-75, 10-2-84, Formerly 25-12.08.
25-12.022 Requirements for Distribution System Valves.

(1) Valves ahead of regulator stations – A valve shall be installed upstream of each regulator station for use in an emergency to stop the flow of gas. These valves are to be installed at a safe distance from the station, but no more than 500 feet from the regulator station. The distance for the valve location can be greater than 500 feet if physically impractical to install closer.

(2) Sectionalizing valves – Valves shall be spaced within each distribution system to reduce the time to shut-down a segment of the system in an emergency. In determining the spacing of these valves, the following factors shall be evaluated:

(a) Volume and pressure of gas between valves.

(b) Size of area and population density between valves required to isolate the area as well as the accessibility of the required valves.

(c) The minimum number of personnel required to shutdown and restore the area.

(d) Other means and availability of required equipment to control the flow of gas in the event of an emergency.

(e) The number and type of customers, such as hospitals, schools, commercial and

industrial loads, etc., that will be affected.

(3) Identification – Sectionalizing and other critical valves shall be designated on appropriate records, drawings or maps used by the operator and shall be referenced to “permanent” aboveground structures or other field ties so the valves can be readily located. The valve installation and all records showing these valves must be marked for prompt identification using any logical designating system. The valve marking must be accomplished using a durable tag or other equivalent means located as follows:

(a) For aboveground valves or valves located in vaults which have to be operated from within the vault, the marking shall appear on the valve body or hand wheel.

(b) For buried valves or valves operated by a key wrench, the marking shall appear in a visible location on the inside of the curb box or standpipe where the cover will not abrade the marking.

(4) Blowdown valve requirements – Where blowdown valves are used to aid the evacuation of gas from segments of mains between isolation valves, these valves must:

(a) Be protected against tampering and mechanical damage from outside forces.

(b) Be designed for safe venting giving consideration to the direction of flow, electric facility locations, proximity of people, etc.

(c) Be readily accessible in the event of an emergency.

(5) All the sectionalizing valves which may be necessary for the safe operation of the system must be inspected and maintenance performed to assure location, access and operating ability at intervals not exceeding 15 months but at least each calendar year.

Rulemaking Specific Authority 368.05(2) FS. Law Implemented 368.05(2) FS. History—New 9-21-74, Amended 10-7-75, 10-2-84, Formerly 25-12.22.

25-12.027 Welder Qualification.

(1) No welder shall make any pipeline weld unless the welder has qualified in accordance with Section 3 of American Petroleum Institute Standard 1104, Welding of Pipelines and Related Facilities ~~17th edition, 1988, 20th edition, October 2005 including Errata/Addendum July 2007 and Errata 2 (2008), Section IX of the American Society of Mechanical Engineers Boiler and Pressure Vessel Code 1977, or Sections 1, 2 & 3 of Appendix C of 49 C.F.R. the Code of Federal Regulations Part 192 (2008), as amended through December 27, 1989,~~ within the preceding 15 months, but at least once each calendar year.

(2) No welder shall weld with a particular welding process unless the welder has engaged in welding with that process within the preceding six calendar months. A welder who has not engaged in welding with that process within the preceding six calendar months must requalify for that process as set forth in subsection (1) herein.

Rulemaking Specific Authority 350.127(2), 368.05(2) FS. Law Implemented 368.03 FS.

History—New 1-7-92.

25-12.040 Leak Surveys, Procedures and Classification.

(1) Each operator shall perform periodic leakage surveys in accordance with the following schedule as a minimum:

(a) A gas detector instrument survey shall be conducted at intervals not exceeding 15 months but at least once each calendar year in those portions of an operator's service area, including:

1. Principal business districts, master meter systems, and places where the public is known to congregate frequently.

2. Where pipeline facilities, including service lines, are located under surfaces of such

construction that little opportunity is afforded for a leak to vent safely.

(b) A gas detector instrument survey to locate leaks throughout areas not included in subsection (a) above shall be conducted at intervals not exceeding three (3) years on bare metallic, galvanized steel, coated tubing pipelines, and five (5) years on the remaining pipeline system, or more frequently if experience indicates.

(2) The following leak classification system shall be used on all leak records and reports:

(a) "Grade 1 Leak" – a leak of gas that represents an existing or probable hazard to persons or buildings. Prompt action to protect life and property and continuous action until conditions are no longer hazardous is required.

(b) "Grade 2 Leak" – a leak that is not a threat to persons or property at the time of detection, but justifies scheduled repair based on potential future hazard. These leaks shall be repaired within 90 days from the date the leak was originally located, unless due to resurvey the leak was determined to be Grade 3 as defined in subsection (c) below. In determining the time period for repair, the following criteria should be taken into consideration:

1. Amount and migration of gas;
2. Proximity of gas to buildings and subsurface structures;
3. Extent of pavement;
4. Soil type and conditions, such as moisture and natural venting.

(c) "Grade 3 Leak" – a leak that is not a threat to persons and property and is not expected to become so. Above ground grade 3 leaks shall be repaired within 90 days from the date the leak was originally located unless the leak is upgraded or does not produce a positive leak indication when a soap and water solution, or its equivalent, is applied on suspected locations at operating pressure. Grade 3 leaks that are underground shall be reevaluated at least

once every 6 months until repaired ~~cleared~~. The frequency of reevaluation shall be determined by the location and magnitude of the leak.

(3) The adequacy of all the repairs of leaks shall be checked by appropriate methods immediately after the repairs are completed. Where there is residual gas in the ground, a follow-up inspection using a gas detector instrument must be made as soon as the gas has had an opportunity to dissipate, but no later than one month for Grade 1 leaks and 6 months for Grade 2 leaks. The date and status of recheck shall be recorded on the leak repair records.

Rulemaking Specific Authority 368.05(2) FS. Law Implemented 368.05(2) FS. History—New 9-21-74, Repromulgated 10-7-75, Amended 10-2-84, Formerly 25-12.40, Amended 1-7-92.

25-12.041 Receiving of Gas Leak and Emergency Reports.

Each operator must provide a means of receiving and promptly responding to reported gas leaks and emergencies ~~calls~~ on a 24-hour per day basis. The procedure for accomplishing this requirement must be included in the operating and maintenance plan ~~filed with the Commission~~.

Rulemaking Specific Authority 368.05(2) FS. Law Implemented 368.05(2) FS. History—New 9-21-74, Repromulgated 10-7-75, Amended 10-2-84, Formerly 25-12.41.

25-12.080 General.

(1) All reports or filings required by these rules shall be submitted to the Commission.

(2) Nothing in these rules shall be construed to relieve any operator from responsibility to file reports or give notifications as required by the Pipeline and Hazardous Materials Safety Administration ~~Federal Department of Transportation~~.

Rulemaking Specific Authority 368.05(2) FS. Law Implemented 368.05(2) FS. History—New 11-14-70, Amended 9-21-74, Repromulgated 10-7-75, Amended 10-2-84, Formerly 25-12.80.

25-12.084 Notice of Accidents and Outages.

(1) At the earliest practicable moment following discovery, each operator of facilities under Commission jurisdiction shall give telephonic notice to the Commission of any event involving the release of gas from a pipeline that:

(a) Caused a death or a personal injury requiring hospitalization;

(b) Required the taking of any segment of transmission pipeline out of service;

(c) Resulted in gas igniting;

(d) Caused estimated damage to the property of the operator, or others, or both, of a total of ~~\$10,000~~\$2,500 or more; or

(e) In the judgment of the operator, was significant even though it did not meet the criteria of subsections (a), (b), (c), or (d) of this ~~subsection~~paragraph.

(2) An operator need not give notice of an event that met only the criteria of ~~subparagraphs~~subsections (b) or (c) of ~~subsection (1)~~this paragraph, if it occurred solely as a result of, or in connection with, planned or routine maintenance or construction.

(3) Each operator shall immediately report to the Commission any distribution system-related accident or failure which interrupts service to either 10 ~~percent~~% or more of its meters or 500 or more meters.

Rulemaking Specific Authority 350.127(2), 368.05(2) FS. Law Implemented 368.03, 368.05(2)
FS. History—New 9-21-74, Repromulgated 10-7-75, Amended 10-2-84, Formerly 25-12.84.

25-12.085 Written Annual Reports Required.

(1) Each operator of a distribution system shall submit an annual report ~~in triplicate~~ on Pipeline and Hazardous Materials Safety Administration~~Department of Transportation~~ Form PHMSARSPA F 7100.1-1 (12-05), entitled "Annual Report for Calendar Year 20 ____ Gas

Distribution System,” for each distribution system. In the case of an operator who has more than one distribution system, a combined annual report must be submitted which includes all facilities operated within the State of Florida subject to the Commission’s jurisdiction.:

~~(a) Each distribution system.~~

~~(b) In the case of an operator who has more than one distribution system, a combined annual report must be submitted which includes all facilities operated within the State of Florida subject to the Commission’s jurisdiction.~~

(2) Each operator of a distribution system shall, for facilities that operate at 20 percent or more of the specified minimum yield strength, or that are used to convey gas into or out of storage, submit an annual reports for those facilities on Pipeline and Hazardous Materials Safety Administration in triplicate on Department of Transportation Form PHMSARSPA F 7100.2-1 (12-05), entitled “Annual Report for Calendar Year 20 _____ Gas Transmission & Gathering Systems.”

(3) Each operator of a transmission system ~~or a gathering system under Commission jurisdiction~~ shall submit an annual reports on Pipeline and Hazardous Safety Administration in triplicate on Department of Transportation Form PHMSARSPA F 7100.2-1 (12-05).

(4) All the above reports must be submitted for the preceding calendar year so as to be received by the Commission no later than March 15th February 10 of each year.

Rulemaking Specific Authority 350.127(2), 368.05(2) FS. Law Implemented 368.03, 368.05(2) FS. History–New 11-14-70, Amended 9-21-74, Repromulgated 10-7-75, Amended 10-2-84, Formerly 25-12.85.