

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Request for approval)	DOCKET NO. 900730-GU
of gas safety compliance)	ORDER NO. 23606
stipulation for Lake Apopka)	ISSUED: 10-12-90
Natural Gas District.)	
)	

The following Commissioners participated in the disposition of this matter:

MICHAEL McK. WILSON, Chairman
 THOMAS M. BEARD
 BETTY EASLEY
 FRANK S. MESSERSMITH

NOTICE OF PROPOSED AGENCY ACTION
ORDER APPROVING STIPULATION

BY THE COMMISSION:

NOTICE is hereby given by the Florida Public Service Commission that the action discussed herein is preliminary in nature and will become final unless a person whose interests are adversely affected files a petition for a formal proceeding, pursuant to Rule 25-22.029, Florida Administrative Code.

Notification of Commission Rule Violation GL-412-LANGD was issued by Staff January 30, 1989 to Lake Apopka Natural Gas District (LANGD or UTILITY). Thereafter, the utility retained a professional engineer registered in Florida, with extensive experience in corrosion control on gas distribution systems. The new consultant developed a technically comprehensive plan for the complexities of the system with an estimated budget and completion time schedules. The Commission Staff requested that LANGD enter into a stipulation incorporating the new plan and including additional safety enhancements during implementation. The governing board of LANGD approved the stipulation and increased its gas rates an estimated \$3,000,000 for their 7,500 customers over the next five years to pay for the program. Staff now requests that we approve the stipulation.

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One of LANGD's problems has been its failure to electrically survey its metallic pipeline distribution system for active corrosion and to protect the areas active corrosion would have been detected. LANGD has now however decided to cathodically protect or replace with plastic all steel pipe. This will eliminate the requirement for electrical corrosion survey and exceeds the Commission's rule requirements for corrosion control. The following is a brief summary of the technical provisions of the stipulations:

1. The high pressure distribution mains will be cathodically protected by December 31, 1990.
2. The low pressure distribution main will be cathodically protected by December 31, 1996. This will be done by segmenting the system into five definable areas with priority protection being set by leak survey. Each area will have a compliance deadline for interim monitoring by Commission Staff.
3. All steel service lines will either be protected or replaced with plastic by December 31, 1996. This will be done using the same priorities established in item two.
4. All copper service lines will be electrically surveyed within three years. All copper service lines where active corrosion is found will be replaced by December 31, 1996. The remaining copper service lines will be resurveyed every three years until replaced. Commission Staff is of the opinion that most copper service lines will be replaced because of dissimilar metal problems and operational difficulties.
5. LANGD will develop a detailed Cathodic Protection Manual to be completed by October 15, 1990.
6. LANGD will submit to Staff detailed quarterly reports covering all compliance work completed.
7. LANGD will institute a detailed record-keeping system so that status of compliance can be readily determined.

Safety enhancements exceeding existing Commission rules are included in the stipulation. The following is a summary of the additional safety requirements that are a part of the agreement:

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1. LANGD must conduct a gas leak survey of the entire gas distribution pipeline system using sensitive flame ionization equipment. This survey must be made each year of the stipulation. The first survey is to be performed by a qualified outside contractor. All leak reports are to be submitted to the Commission Staff.

The current Commission leak survey rule requires that a survey be conducted every five years in residential and rural, areas. The leak survey rule does not mandate the type of survey to be made. Flame ionization equipment can detect natural gas in an air mixture in concentrations levels low as fifty parts in a million.

2. LANGD must have the gas odorant levels in the system quantitatively analyzed. If the odorant levels are unsatisfactory, LANGD will purchase equipment and inject additional odorant into the system. Odorant levels will be tested monthly using the standard sniff test and equipment manufactured for such test.

The current Commission rules do not require a quantitative test of the odorant level. The odorant regulations require odorant to be tested only periodically.

3. LANGD will employer contact for additional resources to complete the corrosion program. This is being done so that this work will not interfere with LANGD's other gas safety compliance activities.

We believe that LANGD's compliance with the stipulation will improve the safety of LANGD's system. It would also appear that the stipulation is in the best interest of LANGD's customers and the general public.

Accordingly, it is

ORDERED by the Florida Public Service Commission that the stipulation made and entered into on the 29th day of August, 1990, by and between the Lake Apopka Natural Gas District, and the Florida Public Service Commission, is hereby approved. It is further

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ORDERED that this docket be closed should no protest, motion for reconsideration, or notice of appeal be timely filed.

By ORDER of the Florida Public Service Commission, this 12th day of OCTOBER, 1990.



STEVE TRIBBLE, Director
Division of Records and Reporting

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NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.59(4), Florida Statutes, to notify parties of any administrative hearing or judicial review of Commission orders that is available under Sections 120.57 or 120.68, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for an administrative hearing or judicial review will be granted or result in the relief sought.

The action proposed herein is preliminary in nature and will not become effective or final, except as provided by Rule 25-22.029, Florida Administrative Code. Any person whose substantial interests are affected by the action proposed by this order may file a petition for a formal proceeding, as provided by Rule 25-22.029(4), Florida Administrative Code, in the form provided by Rule 25-22.036(7)(a) and (f), Florida Administrative Code. This petition must be received by the Director, Division of Records and Reporting at his office at 101 East Gaines Street, Tallahassee, Florida 32399-0870, by the close of business on November 5, 1990.

In the absence of such a petition, this order shall become effective on the day subsequent to the above date as provided by Rule 25-22.029(6), Florida Administrative Code, and as reflected in a subsequent order.

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Any objection or protest filed in this docket before the issuance date of this order is considered abandoned unless it satisfies the foregoing conditions and is renewed within the specified protest period.

If this order becomes final and effective on the date described above, any party adversely affected may request judicial review by the Florida Supreme Court in the case of an electric, gas or telephone utility or by the First District Court of Appeal in the case of a water or sewer utility by filing a notice of appeal with the Director, Division of Records and Reporting and filing a copy of the notice of appeal and the filing fee with the appropriate court. This filing must be completed within thirty (30) days of the effective date of this order, pursuant to Rule 9.110, Florida Rules of Appellate Procedure. The notice of appeal must be in the form specified in Rule 9.900(a), Florida Rules of Appellate Procedure.