BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Amendment of Rule 25-12.005, F.A.C., Codes and Standards Adopted; Rule 25-12.008, F.A.C., New Reconstructed or Converted Facilities, Rule 25-12.027, F.A.C., Welder Qualification, Rule 25-12.045, F.A.C., Inactive Gas Service Lines, and Rule 25-12.052, F.A.C., Corrosion Control Criteria for Cathodic Protection of Buried or Submerged Metallic Pipeline; and adoption of new Rule 25-12.100, F.A.C., Penalty.

DOCKET NO. 20250018-GU ORDER NO. PSC-2025-0073-NOR-GU ISSUED: March 12, 2025

The following Commissioners participated in the disposition of this matter:

MIKE LA ROSA, Chairman ART GRAHAM GARY F. CLARK ANDREW GILES FAY GABRIELLA PASSIDOMO SMITH

NOTICE OF PROPOSED RULES

BY THE COMMISSION:

NOTICE is hereby given that the Florida Public Service Commission, pursuant to Section 120.54, Florida Statutes (F.S.), has proposed the adoption of new Rule 25-12.100, Florida Administrative Code (F.A.C.), relating to civil penalties for violation of the Gas Safety Law of 1967,¹ or any Commission rule issued thereunder, and has also proposed the amendment of existing Rules 25-12.005, 25-12.008, 25-12.027, 25-12.045, and 25-12.052, F.A.C., pertaining to safety standards and reporting requirements for natural gas pipeline operators.

The attached Notices of Proposed Rules appeared in the March 12, 2025, edition (Vol. 51, Number 49) of the Florida Administrative Register.

If timely requested, a hearing will be held at a time and place to be announced in a future notice.

Requests for hearing on the proposed rules, information regarding the statements of estimated regulatory costs, or proposals for a lower cost regulatory alternative must be provided

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¹ Sections 368.01-368.061, F.S.

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in writing and received by the Office of Commission Clerk, Florida Public Service Commission, 2540 Shumard Oak Boulevard., Tallahassee, FL 32399-0850, no later than April 2, 2025.

By ORDER of the Florida Public Service Commission this 12th day of March, 2025.

ADAM J. TELLEMAN

Commission Cterk

Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, Florida 32399

(850) 413-6770

www.floridapsc.com

Copies furnished: A copy of this document is provided to the parties of record at the time of issuance and, if applicable, interested persons.

JHR

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Notice of Proposed Rule

PUBLIC SERVICE COMMISSION RULE NO.: RULE TITLE:

25-12.100 Penalties

PURPOSE AND EFFECT: To adopt new Rule 25-12.100, F.A.C., establishing civil penalties for violation of the Gas Safety Law of 1967, and Rules issued thereunder, as required by Section 368.061, F.S., as amended in the 2024 Legislative Session by Ch. 2024-167, Laws of Florida. Docket No. 20250018-GU

SUMMARY: The rule establishes civil penalties for violation of the Gas Safety Law of 1967, and Rules issued thereunder, pursuant to Section 368.061, F.S. This rule will become effective on July 1, 2025.

SUMMARY OF STATEMENT OF ESTIMATED REGULATORY COSTS AND LEGISLATIVE RATIFICATION:

The Agency has determined that this will not have an adverse impact on small business or likely increase directly or indirectly regulatory costs in excess of \$200,000 in the aggregate within one year after the implementation of the rule. A SERC has been prepared by the Agency.

A SERC has been prepared by the agency. The SERC examined the factors required by Section 120.541(2), FS, and concluded that the rule will not have an adverse impact on economic growth, business competitiveness, or small business and that the rule is not likely to result in transactional costs to the individuals and entities, including government entities, required to comply with the rule.

The Agency has determined that the proposed rule is not expected to require legislative ratification based on the statement of estimated regulatory costs or if no SERC is required, the information expressly relied upon and described herein: based upon the information contained in the SERC.

Any person who wishes to provide information regarding a statement of estimated regulatory costs, or provide a proposal for a lower cost regulatory alternative must do so in writing within 21 days of this notice.

RULEMAKING AUTHORITY: 368.03, 368.05(2), 368.061(4), 350.127(2), F.S.

LAW IMPLEMENTED: 368.061, F.S.

IF REQUESTED WITHIN 21 DAYS OF THE DATE OF THIS NOTICE, A HEARING WILL BE SCHEDULED AND ANNOUNCED IN THE FAR.

THE PERSON TO BE CONTACTED REGARDING THE PROPOSED RULE IS: Jon Rubottom, jrubotto@psc.state.fl.us, Office of General Counsel, 2540 Shumard Oak Blvd., Tallahassee, FL 32399-0850, (850)413-6199.

THE FULL TEXT OF THE PROPOSED RULE IS:

25-12.100 Penalties.

If a utility violates part I of Chapter 368, F.S., or any rule issued in Chapter 25-12, F.A.C., the utility is subject to a civil penalty of not more than \$272,926 for each violation for each day that the violation persists, except that the maximum civil penalty will not exceed \$2,729,245 for any related series of violations.

PROPOSED EFFECTIVE DATE: July 1, 2025

<u>Rulemaking Authority 368.03, 368.05(2), 368.061(4), 350.127(2) FS. Law Implemented 368.061 FS. History–New 7-01-25.</u>

NAME OF PERSON ORIGINATING PROPOSED RULE: Todd Brown

NAME OF AGENCY HEAD WHO APPROVED THE PROPOSED RULE: Florida Public Service Commission DATE PROPOSED RULE APPROVED BY AGENCY HEAD: March 04, 2025

DATE NOTICE OF PROPOSED RULE DEVELOPMENT PUBLISHED IN FAR: Volume 50, Number 209, October 24, 2024

Notice of Proposed Rule

PUBLIC SERVICE COMMISSION

RULE NOS.: RULE TITLES:

25-12.005 Codes and Standards Adopted

25-12.008 New, Reconstructed or Converted Facilities

25-12.027 Welder Qualification 25-12.045 Inactive Gas Service Lines

25-12.052 Corrosion Control Criteria for Cathodic Protection of Buried or Submerged Metallic Pipeline

PURPOSE AND EFFECT: To update and clarify the rules, and to incorporate by reference the 2023 edition of 49 C.F.R. Parts 191, 192, and 199.

Docket No. 20250018-GU

SUMMARY: The rules incorporate and implement the minimum federal safety standards and reporting requirements for pipeline facilities and transportation of natural gas, and establish safety standards for pipeline facilities.

SUMMARY OF STATEMENT OF ESTIMATED REGULATORY COSTS AND LEGISLATIVE RATIFICATION:

The Agency has determined that this will not have an adverse impact on small business or likely increase directly or indirectly regulatory costs in excess of \$200,000 in the aggregate within one year after the implementation of the rule. A SERC has been prepared by the Agency.

The SERCs examined the factors required by Section 120.541(2), FS, and concluded that the rules will not have an adverse impact on economic growth, business competitiveness, or small business and that the transactional costs to the individual and entities, including government entities, required to comply with the rules are anticipated to be minimal.

The Agency has determined that the proposed rule is not expected to require legislative ratification based on the statement of estimated regulatory costs or if no SERC is required, the information expressly relied upon and described herein: based upon the information contained in the SERCs.

Any person who wishes to provide information regarding a statement of estimated regulatory costs, or provide a proposal for a lower cost regulatory alternative must do so in writing within 21 days of this notice.

RULEMAKING AUTHORITY: 368.03, 368.05(2), 350.127(2), F.S.

LAW IMPLEMENTED: 368.03, 368.05, 368.05(2), F.S.

IF REQUESTED WITHIN 21 DAYS OF THE DATE OF THIS NOTICE, A HEARING WILL BE SCHEDULED AND ANNOUNCED IN THE FAR.

THE PERSON TO BE CONTACTED REGARDING THE PROPOSED RULE IS: Jon Rubottom, jrubotto@psc.state.fl.us, Office of General Counsel, 2540 Shumard Oak Blvd., Tallahassee, FL 32399-0850, (850)413-6199.

THE FULL TEXT OF THE PROPOSED RULE IS:

25-12.005 Codes and Standards Adopted.

The reporting requirements for operators of natural gas pipeline facilities prescribed by the Pipeline and Hazardous Materials Safety Administration in 49 C.F.R. Part 191 (October 1, 2023 2021), are adopted and incorporated by of these rules and may be accessed at [insert new hyperlink] https://www.flrules.org/Gateway/reference.asp?No=Ref-15209. The minimum federal safety standards for natural gas pipeline facilities and the transportation of natural gas prescribed by the Pipeline and Hazardous Materials Safety Administration in 49 C.F.R. Part 192 (October 1, 2023 2021), are adopted and incorporated by reference as these rules and may be accessed at [insert new hyperlink] https://www.flrules.org/Gateway/reference.asp?No=Ref_15210. The drug and alcohol testing requirements prescribed by the Pipeline and Hazardous Materials Safety Administration in 49 C.F.R. Part 199 (October 1, 2023) 2021), are adopted and incorporated by reference as part of these rules and may be accessed at [insert new hyperlink] https://www.flrules.org/Gateway/reference.asp?No=Ref 15211.

Rulemaking Authority 368.03, 368.05(2), 350.127(2) FS. Law Implemented 368.03, 368.05 FS. History—New 11-14-70, Amended 9-24-71, 9-21-74, 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, 12-15-09, 10-11-12, 3-2-17, 7-10-19, 3-20-23,

25-12.008 New, Reconstructed or Converted Facilities.

- (1) No change
- (2) Before a piping system can be converted to a regulated gas, the operator must:
- (a) No change
- (b) No change
- (c) No change
- (d) No change
- (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 (2017), as incorporated adopted in Rule 25-12.005, F.A.C.
 - (f) No change
- (g) Determine areas of active corrosion in accordance with as required by Subpart I of 49 C.F.R. 192, as incorporated in Rule 25-12.005, F.A.C., (2017) 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 Authority 350.127(2), 368.03, 368.05(2) FS. Law Implemented 368.03, 368.05(2) FS. History–New 11-14-70, Amended 9-21-74, 10-7-75, 10-2-84, Formerly 25-12.08, Amended 12-15-09, 10-11-12, 3-2-17,

25-12.027 Welder Qualification.

(1) No welder shall make any pipeline weld unless the welder has qualified in accordance with Section 6, or Section 12 for automatic welding, of American Petroleum Institute Standard 1104 (API 1104), Welding of Pipelines and Related Facilities, 21st edition, September 2013, incorporated by reference herein, or Appendix C of 49 C.F.R. 192, (2017) as incorporated adopted in Rule 25-12.005, F.A.C., within the preceding 15 months, but at least once each calendar year. API 1104 is copyrighted and A copy of API 1104 may be inspected and examined at no cost obtained at the Florida Public Service Commission Office of the Commission Clerk, 2540 Shumard Oak Blvd., Suite 152, Tallahassee, FL 32399-0850 or at the Department of State, 400 S. Monroe Street, Room 701, the Capitol, Tallahassee, FL 32399. A copy of the American Petroleum Institute Standard 1104 may also be obtained from the American Petroleum Institute (API), 200 Massachusetts Avenue NW, Suite 1100, Washington, DC 20001-5571 from http://www.api.org/Standards/.

(2) No change

Rulemaking Authority 350.127(2), 368.03, 368.05(2) FS. Law Implemented 368.03, 368.05 FS. History—New 1-7-92, Amended 12-15-09, 10-11-12, 3-2-17.

25-12.045 Inactive Gas Service Lines.

- (1) An operator shall take the following actions for inactive gas service lines that have been used, but have become inactive without reuse:
 - (a) No change
 - (b) No change
 - (c) Annual risk assessments shall be made for all service lines that have been inactive for more than one year.
- 1. The annual risk assessments shall identify potential threats and shall rank risks using the operator's Distribution Integrity Management Plan developed pursuant to <u>Subpart P of</u> 49 C.F.R. 192, <u>Subpart P (2011)</u> which is incorporated by reference in Rule 25-12.005, F.A.C. The annual risk assessments shall include the following required elements of the operator's Distribution Integrity Management Plan in identifying threats: Presence of excess flow valves, incident and leak history, corrosion control records, continuing surveillance records, patrolling records, maintenance history, excavation damage experience, and any other data deemed relevant by the operator.
 - 2. No change
 - 3. No change
 - (d) No change
- (e) After a service line has been inactive for a period of five years, if the inactive service line is constructed of bare steel or cast iron or does not comply with current materials standards in 49 C.F.R. 192 (2011), as incorporated by reference in Rule 25-12.005, F.A.C., the inactive service line shall be retired and physically abandoned within six months.
 - (f) No change

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- (2) No change
- (3) No change

Rulemaking Authority 350.127(2), 368.03, 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 25-12.45, Amended 1-7-92, 3-18-13.

25-12.052 Corrosion Control Criteria for Cathodic Protection of Buried or Submerged Metallic Pipeline.

- (1) The only acceptable criteria for the determination of cathodic protection shall be I-A(1), I-A(3) and I-A(5) of Appendix D, of 49 C.F.R. 192, incorporated by reference in Rule 25-12.005, F.A.C (2011).
 - (2) through (3) renumbered (a) through (b) No change.
 - (a) through (f) renumbered 1. through 6. No change.
 - (4) through (5) renumbered (2) through (3) No change.

Rulemaking Authority 350.127(2), 368.03, 368.05(2) FS. Law Implemented 368.03, 368.05 FS. History–New 10-7-75, Amended 10-2-84, Formerly 25-12.52, Amended 1-7-92, 10-11-12.

NAME OF PERSON ORIGINATING PROPOSED RULE: Todd Brown

NAME OF AGENCY HEAD WHO APPROVED THE PROPOSED RULE: Florida Public Service Commission DATE PROPOSED RULE APPROVED BY AGENCY HEAD: March 04, 2025

DATE NOTICE OF PROPOSED RULE DEVELOPMENT PUBLISHED IN FAR: Volume 50, Number 209, October 24, 2024