

**COPY**

BEFORE THE  
FLORIDA PUBLIC SERVICE COMMISSION

IN RE: DOCKET NO. 991754-GP - Petition by Friends of  
the Aquifer, Inc. to adopt rules necessary to  
establish safety standards and a safety  
regulatory program for intrastate and  
interstate natural gas pipelines and pipeline  
facilities located in Florida.

---

BEFORE: CHAIRMAN JOE GARCIA  
COMMISSIONER J. TERRY DEASON  
COMMISSIONER SUSAN F. CLARK  
COMMISSIONER E. LEON JACOBS, JR.  
COMMISSIONER LILA A. JABER

PROCEEDINGS: AGENDA CONFERENCE

ITEM NUMBER: 4\*\*

DATE: Tuesday, May 16, 2000

PLACE: 4075 Esplanade Way, Room 148  
Tallahassee, Florida

REPORTED BY: MARY ALLEN NEEL  
Registered Professional Reporter

ACCURATE STENOGRAPHY REPORTERS  
100 SALEM COURT  
TALLAHASSEE, FLORIDA 32301  
(850)878-2221

BUREAU OF REPORTING

RECEIVED 5-30-00

DOCUMENT NUMBER-DATE

06618 MAY 30 8

FPSC-RECORDS/REPORTING

## PARTICIPANTS:

JOHN FOLSOM, on behalf of Friends of the Aquifer, Inc.

RICK MELSON, Hopping, Green, Sams & Smith, on behalf of Buccaneer Gas Pipeline.

ED MILLS, Commission Staff.

CHRIS MOORE, Commission Staff.

## STAFF RECOMMENDATION

Issue 1: Should the Commission grant the amended petition by Friends of the Aquifer, Inc. to initiate rulemaking to adopt rules stating that it will propose further rules governing safety and environmental standards for intrastate and interstate natural gas pipelines and pipeline facilities?

Recommendation: No. The Commission should deny the amended petition. To the extent that the Commission has jurisdiction and the authority to adopt rules regulating gas pipelines, it has done so.

Issue 2: Should this docket be closed?

Recommendation: Yes.

1 CHAIRMAN GARCIA: Item 4.

2 MS. MOORE: Commissioners, Item 4 is the  
3 petition to initiate rulemaking by the Friends  
4 of the Aquifer. They asked for rules on gas  
5 safety and environmental standards for  
6 intrastate and interstate natural gas pipelines  
7 and pipeline facilities, which includes  
8 hazardous liquid pipelines. The Staff has  
9 recommended denial.

10 Mr. Folsom is here I think to -- I believe  
11 to propose an alternative or a settlement  
12 agreement. Staff recommends against that.

13 CHAIRMAN GARCIA: All right. Very good.  
14 Sir?

15 MR. FOLSOM: Mr. Chairman --

16 CHAIRMAN GARCIA: Welcome back. You need  
17 to press the button so that the light turns  
18 green. There we go.

19 MR. FOLSOM: Thank you.

20 I have filed a petition and a brief in  
21 support of the petition, and anything I would  
22 say now in support of it would be repititious,  
23 so let me move on to another area, which is  
24 hazardous liquid pipelines.

25 when a natural gas line leaks, the gas goes

1 up. When the liquid petroleum pipeline leaks,  
2 it goes down. And I'm advised by the experts  
3 that one gallon of liquid petroleum is  
4 sufficient to contaminate a million gallons of  
5 water to the point that fish cannot live in it.  
6 And a leak with the liquid pipeline has the  
7 potential of going down and contaminating the  
8 aquifer, streams, rivers, lakes, and so on.

9 There is not a single agency, state or  
10 federal, that now regulates liquid petroleum  
11 pipelines. We have filed a petition with both  
12 the Department of Community Affairs and the  
13 Department of Environmental Protection  
14 requesting or seeking them to initiate  
15 rulemaking to regulate the hazardous liquid  
16 pipelines. Both agencies denied our petition on  
17 the grounds that there is no specific statute  
18 that would authorize them to initiate  
19 rulemaking.

20 We appealed both these decisions to the  
21 First District Court of Appeals, and the First  
22 District Court of Appeals consolidated the two  
23 appeals and referred it to their -- the court  
24 mediator. We met in mediation and agreed to  
25 employ the Florida Conflict Resolution

1 Consortium at the expense of Friends of the  
2 Aquifer to serve as a facilitator to coordinate  
3 a series of meetings to discuss the best  
4 management practices as relates to natural gas  
5 and hazardous liquid pipelines in Florida.

6 And the parties agreed that the Public  
7 Service Commission, local government, and  
8 pipeline owner-operators would be invited and  
9 requested to attend, and the parties had agreed  
10 to use their best efforts to encourage the  
11 participation of these nonparties. The agencies  
12 agreed to be present as advisors and  
13 consultants, with no agreement at this time as  
14 to any particular resolution to any issue. The  
15 Department of Environmental Protection agreed to  
16 provide pipeline facility spill records in  
17 advance of the meetings and agreed to contact  
18 the Coast Guard for its spill records to furnish  
19 all parties in advance of the meeting.

20 And we -- I have discussed this matter with  
21 Chris and have furnished her a copy of the  
22 agreement between the two agencies and the  
23 Friends. And we would like to encourage the  
24 Public Service Commission through its legal  
25 staff to participate in these meetings.

1 CHAIRMAN GARCIA: Okay. Very well.

2 Mr. Melson?

3 MR. MELSON: Commissioners, we support the  
4 staff recommendation to deny the rulemaking. I  
5 think the request Mr. Folsom has made this  
6 morning is really beyond the scope of this  
7 docket. Obviously, if this proceeding is going  
8 on, it's probably something you do want your  
9 staff to participate in, but I don't think  
10 that's something you need to decide here today.

11 CHAIRMAN GARCIA: I agree with that.

12 Staff, do you want to answer some of the  
13 questions that were put out there by  
14 Mr. Folsom? Who regulates --

15 MR. MILLS: The Department of Agriculture  
16 does OP gas pipelines. There is a small number  
17 of those, and they do them. And as far as the  
18 rest of the liquid lines, they're done by the  
19 USDOT out of Atlanta. They're done on an annual  
20 basis. They are jurisdictional to them.

21 CHAIRMAN GARCIA: Okay.

22 MR. MILLS: DEP also says that they do not  
23 have rules that say pipelines, but they do have  
24 rules, extensive rules covering pipelines.

25 CHAIRMAN GARCIA: Okay. We do not have

1 jurisdiction?

2 MR. MILLS: Not on the environmental side.

3 COMMISSIONER CLARK: I can move Staff, but

4 I --

5 CHAIRMAN GARCIA: On the safety side we do.

6 COMMISSIONER CLARK: Will we be --

7 MR. MILLS: Not on liquid. On natural  
8 only.

9 COMMISSIONER CLARK: It might be helpful to  
10 participate in --

11 CHAIRMAN GARCIA: If that happens, yes.

12 COMMISSIONER CLARK: I think that the  
13 expertise that we might bring --

14 MR. MILLS: We're just concerned that these  
15 be constructive meetings, not obstructive  
16 meetings.

17 COMMISSIONER CLARK: Yes.

18 CHAIRMAN GARCIA: Right. I think we're  
19 going to vote out Staff, but if this happens,  
20 Mr. Folsom, please -- Mr. Melson I'm sure will  
21 follow it also. We will -- we should  
22 participate, and I know we're a constructive  
23 force there.

24 COMMISSIONER CLARK: I move Staff.

25 COMMISSIONER DEASON: Second.

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

CHAIRMAN GARCIA: All those in favor  
signify by saying "aye."

COMMISSIONER CLARK: Aye.

COMMISSIONER DEASON: Aye.


COMMISSIONER JACOBS: Aye.

COMMISSIONER JABER: Aye.

CHAIRMAN GARCIA: Aye. Thank you very  
much.

(Conclusion of consideration of Item 4.)



1  
2 CERTIFICATE OF REPORTER3  
4 STATE OF FLORIDA)5 COUNTY OF LEON )  
67 I, MARY ALLEN NEEL, do hereby certify that the  
8 foregoing proceedings were taken before me at the time  
9 and place therein designated; that my shorthand notes  
10 were thereafter transcribed under my supervision; and  
11 that the foregoing pages numbered 1 through 8 are a  
12 true and correct transcription of my stenographic  
13 notes.14 I FURTHER CERTIFY that I am not a relative,  
15 employee, attorney or counsel of any of the parties,  
16 or relative or employee of such attorney or counsel,  
17 or financially interested in the action.18 DATED THIS 25th day of May, 2000.  
19  
2021   
22 MARY ALLEN NEEL, RPR  
23 100 Salem Court  
24 Tallahassee, Florida 32301  
25 (850) 878-2221