

State of Florida



Public Service Commission

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TALLAHASSEE, FLORIDA 32399-0850

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FEB 8 AM 9:43
RECORDS AND REPORTING

DATE: 2/8/01

TO: DIRECTOR, DIVISION OF RECORDS AND REPORTING (BAYO)

FROM: DIVISION OF APPEALS (MOORE) *CTM*
 DIVISION OF ECONOMIC REGULATION (HEWITT) *CTM*
 DIVISION OF LEGAL SERVICES (ELIAS) *RVE*
 DIVISION OF SAFETY AND ELECTRIC RELIABILITY (MILLS) *Top*

RE: DOCKET NO. 010104-GS - PROPOSED AMENDMENT TO RULE 25-12.005, F.A.C., CODES AND STANDARDS ADOPTED.

AGENDA: 2/20/01 - REGULAR AGENDA - RULE PROPOSAL - INTERESTED PERSONS MAY PARTICIPATE

RULE STATUS: PROPOSAL MAY BE DEFERRED

SPECIAL INSTRUCTIONS: NONE

FILE NAME AND LOCATION: S:\PSC\APP\WP\010104GS.RCM

DISCUSSION OF ISSUES

ISSUE 1: Should the Commission propose amendments to Rule 25-12.005, Florida Administrative Code, titled Codes and Standards Adopted, to update the version of federal standards that are incorporated by reference in the rule?

RECOMMENDATION: Yes, the Commission should propose amendments to Rule 25-12.0053, Florida Administrative Code.

STAFF ANALYSIS: Section 368.03, Florida Statutes, in pertinent part, authorizes the Commission to establish safety standards for installation, operation and maintenance of gas transmission and distribution systems, including gas pipelines. Rule 25-12.005, Florida Administrative Code, Codes and Standards Adopted, contains the safety standards and reporting requirements for natural gas pipeline facilities and transportation of gas. The rule incorporates by reference the United States Department of

DOCUMENT NUMBER-DATE

01801 FEB-85

FPSC-RECORDS/REPORTING

DOCKET NO. 010104-GS
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Transportation's (USDOT) Minimum Federal Safety Standards and the reporting requirements for pipeline facilities and transportation of gas, and the drug and alcohol testing standards and requirements that apply to the enumerated employees. The current rule incorporates those standards as amended through October 20, 1999.

The recommended amendment would update the rule to include the most current changes as adopted by the USDOT as of January 1, 2001. States must adopt these amendments in order to maintain federal certification for pipeline safety programs, which ensures standardized regulation for all natural gas companies. Among the additional requirements since the last revision are for pipeline operators to investigate further when they find harmful external corrosion on buried metallic pipelines that have been exposed, and for operators to develop and maintain a written qualification program for individuals performing certain tasks on pipeline facilities. In addition, operators will be allowed to use safety performance standards for the repair of steel pipe rather than being required to use specific methods of repair. This change is intended to encourage technological innovation and reduce repair costs without reducing safety.

Statement of Estimated Regulatory Cost:

The Florida Administrative Procedure Act encourages an agency to prepare a Statement of Estimated Regulatory Costs (SERC). A SERC was not prepared for this recommended rule change, however, because there should be no additional costs other than the costs to promulgate a rule and no significant negative impacts on utilities, small businesses, small cities, or small counties.

ISSUE 2: Should this docket be closed?

RECOMMENDATION: Yes, if no requests for hearing or comments are filed, the rule amendments as proposed should be filed for adoption with the Secretary of State and the docket be closed.

STAFF ANALYSIS: Unless comments or requests for hearing are filed, the rules as proposed may be filed with the Secretary of State without further Commission action. The docket may then be closed.

CTM/

Attachments:

Rule
SERC Memorandum

1 **25-12.005 Codes and Standards Adopted.**

2 The Minimum Federal Safety Standards and reporting
3 requirements for pipeline facilities and transportation of gas
4 prescribed by the United States Department of Transportation in
5 Parts 191 and 192 of Title 49, Code of Federal Regulations (CFR) as
6 amended through January 1, 2001 ~~October 20, 1998~~, are adopted as
7 part of these rules. Part 199, "Drug and Alcohol Testing" as
8 amended through January 1, 2001, ~~October 20, 1998~~ is adopted to
9 control drug use, by setting standards and requirements to apply to
10 the testing and use of all emergency response personnel under the
11 direct authority or control of a gas utility or pipeline operator,
12 as well as all employees directly or indirectly employed by gas
13 pipeline operators for the purpose of operation and maintenance and
14 all employees directly or indirectly employed by intrastate gas
15 distribution utilities for on-site construction of natural gas
16 transporting pipeline facilities. Part 199 also is adopted to
17 prescribe standards for use of employees who do not meet the
18 requirements of the regulations.

19 Specific Authority: 368.05(2), 350.127(2), F.S.

20 Law Implemented: 368.03, F.S.

21 History: New 11/14/70, Amended 09/24/71, Revised 09/21/74, Amended
22 10/07/75, 11/30/82, 10/02/84, 08/08/89, formerly 25-12.05, amended
23 01/07/92, 05/13/99,_____.

24
25
CODING: Words underlined are additions; words in ~~struck~~
~~through~~ type are deletions from existing law.

MEMORANDUM

January 22, 2001

TO: DIVISION OF APPEALS (MOORE)

FROM: DIVISION OF ECONOMIC REGULATION (HEWITT) *CA* *MS* *AK*

SUBJECT: STATEMENT OF ESTIMATED REGULATORY COSTS FOR PROPOSED
AMENDMENT TO RULE 25-12.005, F.A.C., CODES AND STANDARDS
ADOPTED

Rule 25-12.005, F.A.C., Codes and Standards Adopted, contains the safety standards and reporting requirements for natural gas pipeline facilities and transportation of gas. The federal code for uniform pipeline safety regulations was adopted as part of the rule.

The proposed amendments would update the rule to include amendments to the federal code as of January 1, 2001. States must adopt these amendments in order to maintain federal certification for states' pipeline safety programs, which ensures standardized regulation for all natural gas companies.

The Florida Administrative Procedures Act encourages an agency to prepare a Statement of Estimated Regulatory Costs (SERC). However, there should be no additional costs other than the costs to promulgate a rule amendment and no significant negative impacts on utilities, small businesses, small cities, or small counties. Therefore, a SERC will not be prepared for the proposed rule amendment.

cc: Mary Andrews Bane

gasafym.cbh

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01 JAN 24 AM 8:46
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DIVISION OF APPEALS