

State of Florida



Public Service Commission

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FLORIDA 32399-0850

-M-E-M-O-R-A-N-D-U-M-

RECEIVED-FPSC
12 SEP 21 PM 3:00
COMMISSION
CLERK

DATE: September 21, 2012
TO: Ann Cole, Commission Clerk, Office of Commission Clerk
FROM: Kathryn G.W. Cowdery, Senior Attorney, Office of the General Counsel
RE: Docket No. 110313-PU; Rules 25-12.005, 25-12.008, 25-12.027, 25-12.052, and 25-12.082, Florida Administrative Code.

Please file the attached rule certification packet for Rules 25-12.005, 25-12.008, 25-12.027, 25-12.052, and 25-12.082, Florida Administrative Code, in the docket file listed above.

Thank you.

Attachment

DOCUMENT NUMBER-DATE

06364 SEP 21 12

FPSC-COMMISSION CLERK

COMMISSIONERS:
RONALD A. BRISÉ, CHAIRMAN
LISA POLAK EDGAR
ART GRAHAM
EDUARDO E. BALBIS
JULIE I. BROWN

STATE OF FLORIDA



GENERAL COUNSEL
S. CURTIS KISER
(850) 413-6199

Public Service Commission

September 21, 2012

Ms. Liz Cloud
Florida Department of State
Administrative Code and Weekly Section
R. A. Gray Bldg., Suite 101
Tallahassee, FL 32399-0250

Via Hand-Delivery

DEPARTMENT OF STATE
TALLAHASSEE, FLORIDA

2012 SEP 21 AM 11:41

FILED

Re: Rule Certification Packet for Rules 25-12.005, 25-12.008, 25-12.027, 25-12.052, and 25-12.082, Florida Administrative Code.

PSC Docket 110313-PU

Dear Ms. Cloud:

Enclosed for filing is a complete rule certification packet for Rules 25-12.005, 25-12.008, 25-12.027, 25-12.052, and 25-12.082, Florida Administrative Code, consisting of:

- (1) One compact disc containing the coded text of the rules;
- (2) The e-mail approval confirmation with the Certification of Materials Incorporated by Reference form required by Rule 1B-30.005, F.A.C., for the materials incorporated by reference that were filed electronically;
- (3) One original and two copies of the signed rule certification form;
- (4) One original and two copies of the signed Certification of Materials Incorporated by Reference form for materials filed with the Department of State electronically;
- (5) One original and two copies of the signed Certification of materials Incorporated by Reference form for copyrighted materials filed with the Department of State by paper copy;
- (6) One original paper copy of American Gas Association Measurement Manual, meter proving Part No. Twelve, 1978 edition (copyrighted material);
- (7) One original and two copies of the coded text of the rules, including the legal citations and history notes;

2012 SEP 21 AM 11:41

06364 SEP 21 2

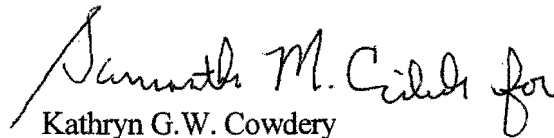
FPSC-COMMISSION CLERK

Liz Cloud
September 13, 2012
Page 2

- (8) One original and two copies of the summary of the rules;
- (9) One original and two copies of the detailed written statement of the facts and circumstances justifying the rules; and
- (10) One original and two copies of the summary of the hearings held on the rules.

Please let me know if you have any questions. The contact name and information for these rules are Kathryn G.W. Cowdery, Florida Public Service Commission, Office of General Counsel, 2540 Shumard Oak Blvd., Tallahassee, FL 32399-0850, 413-6216, kcowdery@psc.fl.state.us.

Sincerely,


Kathryn G.W. Cowdery
Senior Attorney

Enclosures

Julie Phillips

From: FL-Rules@dos.state.fl.us
Sent: Thursday, August 09, 2012 8:16 AM
To: Julie Phillips
Cc: flrules@dos.state.fl.us
Subject: 25-12.005 Reference Material for Rule Adoption Approved

Dear JPhillips:

The reference material for rule adoption you submitted has been approved by the Administrative Code and Weekly Staff.

The approved material is available in the Review/Modify Agency Reference Material list (Agency Main Menu page).

Rule Number: 25-12.005

Reference Number: Ref-01534; Reference Name: 49 C.F.R. 191 (2011)

Reference Number: Ref-01535; Reference Name: 49 C.F.R. 192 (2011)

Reference Number: Ref-01537; Reference Name: 49 C.F.R. 199 (2011)

Click here to log in.

Administrative Code and Weekly Staff
Division of Library and Information Services
Florida Department of State

Florida is headed in the right direction!

Click to Enlarge



The Department of State is leading the commemoration of Florida's 500th anniversary in 2013. For more information, please go to www.floridastate.com.

The Department of State is committed to excellence. Please take our Customer Satisfaction Survey.

2012 SEP 21 AM 11:41
DEPARTMENT OF STATE
TALLAHASSEE, FLORIDA

FILED

CERTIFICATION OF FLORIDA PUBLIC SERVICE COMMISSION
ADMINISTRATIVE RULES FILED WITH THE DEPARTMENT OF STATE

I hereby certify:

(1) That all statutory rulemaking requirements of Chapter 120, F.S., and all rulemaking requirements of the Department of State have been complied with; and

(2) That there is no administrative determination under Section 120.56(2), F.S., pending on any rule covered by this certification; and

(3) All rules covered by this certification are filed within the prescribed time limitations of Section 120.54(3)(e), F.S. They are filed not less than 28 days after the notice required by Section 120.54(3)(a), F.S.; and

(a) Are filed not more than 90 days after the notice; or

(b) Are filed more than 90 days after the notice, but not more than 60 days after the administrative law judge files the final order with the clerk or until 60 days after subsequent judicial review is complete; or

(c) Are filed more than 90 days after the notice, but not less than 21 days nor more than 45 days from the date of publication of the notice of change; or

(d) Are filed more than 90 days after the notice, but not less than 14 nor more than 45 days after the adjournment of the final public hearing on the rule; or

(e) Are filed more than 90 days after the notice, but within 21 days after the date of receipt of all material authorized to be submitted at the hearing; or

(f) Are filed more than 90 days after the notice, but within 21 days after the date the transcript was received by this agency; or

(g) Are filed not more than 90 days after the notice, not including days the adoption of the rule was postponed following notification from the Joint Administrative Procedures Committee that an objection to the rule was being considered; or

(h) Are filed more than 90 days after the notice, but within 21 days after a good faith written proposal for a lower cost regulatory alternative to a proposed rule is submitted which substantially accomplishes the objectives of the law being implemented; or

(i) Are filed more than 90 days after the notice, but within 21 days after a regulatory alternative is offered by the Small Business Regulatory Advisory Committee.

2012 SEP 21 AM 11:41
DEPARTMENT OF STATE
ALLAIN R. ROSS, FLORIDA
FILED

Attached are the original and two copies of each rule covered by this certification. The rules are hereby adopted by the undersigned agency by and upon their filing with the Department of State.

Rule Nos.

25-12.005

25-12.008

25-12.027

25-12.052

25-12.082

Under the provision of Section 120.54(3)(e)6., F.S., the rules take effect 20 days from the date filed with the Department of State or a later date as set out below:

Effective: _____
(month) (day) (year)



ANN COLE

Commission Clerk
Title _____
Number of Pages Certified 5

CERTIFICATION OF MATERIALS INCORPORATED

BY REFERENCE IN RULES FILED WITH THE DEPARTMENT OF STATE

I hereby certify pursuant to Rule 1B-30.005, Florida Administrative Code:

(1) That materials incorporated by reference in Rule 25-12.005, F.A.C., have been electronically filed with the Department of State.

(2) That because there would be a violation of federal copyright laws if the submitting agency filed the incorporated materials described below electronically, a true and complete paper copy of the incorporated materials are attached to this certification for filing. Paper copies of the incorporated materials below may be obtained at the agency by [include address(es)/location(s)].

List form number(s) and form title(s), or title of document(s) below:

49 C.F.R. 191 (2011), Transportation of Natural and Other Gas by Pipeline; Annual Reports, Incident Reports, and Safety-Related Condition Reports

49 C.F.R. 192 (2011), Transportation of Natural and Other Gas by Pipeline: Minimum Federal Safety Standards

49 C.F.R. 199 (2011), Drug and Alcohol Testing

Under the provisions of Section 120.54(3)(e)6., F. S., the attached materials take effect 20 days from the date filed with the Department of State, or a later date as specified in the rule.



Ann Cole

Commission Clerk

Title

2012 SEP 21 AM 11:41
DEPARTMENT OF STATE
TALLAHASSEE, FLORIDA

FILED

CERTIFICATION OF MATERIALS INCORPORATED

BY REFERENCE IN RULES FILED WITH THE DEPARTMENT OF STATE

I hereby certify pursuant to Rule 1B-30.005, Florida Administrative Code:

(1) That materials incorporated by reference in Rule 25-12.005, F.A.C., have been electronically filed with the Department of State.

(2) That because there would be a violation of federal copyright laws if the submitting agency filed the incorporated materials described below electronically, a true and complete paper copy of the incorporated materials are attached to this certification for filing. Paper copies of the incorporated materials below may be obtained at the agency by [include address(es)/location(s)].

List form number(s) and form title(s), or title of document(s) below:

American Gas Association Gas Measurement Manual, Meter Proving Part No. Twelve, 1978 edition.

A copy of this document may be obtained from the American Gas Association, 400 North Capitol Street NW, Washington, DC 2001

Under the provisions of Section 120.54(3)(e)6., F. S., the attached materials take effect 20 days from the date filed with the Department of State, or a later date as specified in the rule.



Ann Cole

Commission Clerk

Title

FILED
2012 SEP 21 AM 11:41
DEPARTMENT OF STATE
TALLAHASSEE, FLORIDA

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 in 49 C.F.R. 191 and 192 (2011) ~~(2008) as amended in 74 Fed. Reg. 2889-01 (January 16, 2009)~~, are adopted and incorporated by reference as part of these rules. 49 C.F.R. 191 (2011) may be accessed at <http://www.frules.org/Gateway/reference.asp?No=Ref-01534>. 49 C.F.R. 192 (2011) may be accessed at <http://www.frules.org/Gateway/reference.asp?No=Ref-01535>. 49 C.F.R. 199 (2011) ~~(2008)~~, "Drug and Alcohol Testing," ~~as amended in 74 Fed. Reg. 2889-01 (January 16, 2009)~~, is adopted and incorporated by reference 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. 49 C.F.R. 199 (2011) may be accessed at <http://www.frules.org/Gateway/reference.asp?No=Ref-01537>. Part 199 also is adopted to prescribe standards for use of employees who do not meet the requirements of the regulations.

Rulemaking Specific Authority 368.03, 368.05(2), 350.127(2) FS. Law Implemented 368.03, 368.05 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, 12-15-09,_____.

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 the pipeline facilities have been inspected and found to comply with the construction specifications and Operating and Maintenance Plans.

2012 SEP 21 AM 11:41
DEPARTMENT OF STATE
TALLAHASSEE, FLORIDA
FILED

(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 updated after July 1, 1970 in accordance with the Subparts J or K of 49 C.F.R. 192 (2011) ~~(2008)~~.

(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 (2011) ~~(2008)~~ 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, Revised 9-21-74, Amended 10-7-75, 10-2-84, Formerly 25-12.08, Amended 12-15-09, xx-
xx-12.*

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, 20th edition, October 2005 including Errata/Addendum July 2007 and Errata 2 (2008), incorporated by reference herein, or Appendix C of 49 C.F.R. 192 (2011)(2008), within the preceding 15 months, but at least once each calendar year. A copy of API 1104 may be obtained from <http://www.api.org/Standards/>.

(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 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, x-x-12.

25-12.052 Corrosion Control Criteria for Cathodic Protection of Buried or Submerged Metallic Steel, Cast Iron, and Ductile Iron Pipeline.

(1) The only acceptable criteria for the determination of cathodic protection shall be I-A(1), I-A(2), I-A(3), and I-A(5) of Appendix D of 49 C.F.R. 192 (2011). ~~Part 192 of Title 49, CFR.~~

(2) I-A(1) shall be the only criterion acceptable for determination of the degree of cathodic protection of externally coated buried or coated submerged pipelines installed after June 1, 1975. When requirements cannot be met due to ineffective insulating capabilities of the external coating, that portion of the pipeline may be isolated and protected using other criteria listed in (1) above.

~~(3) Application of Criterion I-A(2) shall be dependent upon the establishment of initial or unprotected pipe/soil potentials.~~

~~(3)~~ (4) Application of Criterion I-A(5) is restricted to bare and essentially bare ineffectively coated metallic gas pipelines installed prior to July 31, 1971.

(a) Prior to utilization of Criterion I-A(5), a proposed, comprehensive, written procedure for application and monitoring shall be submitted to the Commission's Bureau of Safety and Reliability.

(b) The effectiveness of the procedure shall be supported by test data obtained in actual field application of the procedure. An acceptable procedure shall demonstrate that the procedure can attain a protective net current flow from the surrounding electrolyte into the pipeline surface at all current discharge (anodic) points.

~~(c) The procedure qualification shall include a surface potential survey conducted longitudinally directly above the pipeline with maximum spacing of ten (10) feet utilizing two saturated copper-copper sulfate half-cells.~~

~~(c)~~ (d) All procedure qualification records shall be retained as long as the qualified procedure is used.

~~(d)~~ (e) If application of the qualified procedure fails to provide the required protective net current flow from the surrounding electrolyte into the pipeline surface for a segment of the pipeline, the procedure shall be modified accordingly and requalified for use in similar conditions.

~~(e)~~ (f) The placement of the electrodes for resurvey monitoring of the application of I-A(5) shall utilize the same electrode locations as the initial survey when practical.

~~(f)~~ (g) Each pipeline that is under cathodic protection utilizing Criterion I-A(5) shall be tested at least once each calendar year, but with intervals not exceeding 15 months, to determine whether the cathodic protection meets the requirements of these rules.

~~(4)~~ (5) If gas leakage results from active corrosion of a pipeline, remedial action shall include application of cathodic protection to meet one of the criteria of this rule, as described in subsection (1), unless the pipeline is replaced with non-metallic pipe. Cathodic protection for these remedial applications must be tested at least once every calendar year, but with intervals not exceeding 15 months, to determine whether the cathodic protection meets the requirements of this rule.

~~(5)~~ (6) Each operator must take remedial action within three (3) months to correct or make substantial progress toward correction of any deficiencies indicated by monitoring.

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

History—New 10-7-75, Amended 10-2-84, Formerly 25-12.52, Amended 1-7-92, _____.

25-12.082 Construction Notice.

Written Notice shall be given to the Commission at least 15 days prior to start of all major construction or alteration of pipeline facilities, stating the size, approximate location and contemplated time of construction. Notice is required when the pipeline involved is both at least 2 inches in diameter as well as 2,000 feet or more in length.

Rulemaking Specific 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, Repromulgated 10-7-75, Amended 10-2-84, Formerly 25-12.82,

Amended _____.

SUMMARY OF THE RULES

Rule 25-12.005, Codes and Standards Adopted, is amended to adopt the most current versions of 49 Code of Federal Regulations, 191, 192 and 199, that cover natural gas pipeline safety.

Rule 25-12.008, New, Reconstructed or Converted Facilities, is amended to eliminate the requirement that an operator file with the Commission a general conversion procedure for gas conversions as part of Operating and Maintenance Plans.

Rule 25-12.027, Welder Qualification, is amended to update the references to the current C.F.R. for welding on pipelines.

Rule 25-12.052, Criteria for Cathodic Protection of Buried or Submerged Steel, Cast Iron, and Ductile Iron Pipeline, is amended to change the title, to update the 49 C.F.R. 192 reference, and eliminate reference to I-A(2) of Appendix D of 49 C.F.R. 192 as a criterion for determination of cathodic protection, and to eliminate the qualification procedure related to the removed criterion.

Rule 25-12.082, Construction Notice, is amended to specify that the Commission be notified 15 days prior to beginning major pipeline construction or alteration.

WRITTEN STATEMENT OF THE FACTS AND CIRCUMSTANCES JUSTIFYING THE RULES

Rule 25-12.005, Codes and Standards Adopted, is amended to adopt the most current 49 C.F.R. 191, 192 and 199, that cover natural gas pipeline safety. This is a standard update of pipeline safety referenced standards.

Rule 25-12.008, New, Reconstructed or Converted Facilities, is amended to eliminate the obsolete requirement of filing plans for gas conversions as part of Operating and Maintenance Plans which was once required by now-repealed Rule 25-12.039, F.A.C. The rule is amended to reference the most current version of 49 C.F.R. 192.

Rule 25-12.027, Welder Qualification, is amended to update 49 C.F.R. 192 to the current code for welding on pipelines.

Rule 25-12.052, Criteria for Cathodic Protection of Buried or Submerged Steel, Cast Iron, and Ductile Iron Pipeline, is amended to change the title to reflect the purpose of the rule. The rule is amended to remove an obsolete and unscientific corrosion control criterion that does not prevent corrosion on pipelines and a related qualification procedure. The National Association of Corrosion Engineers has removed this corrosion control criterion from its standards, and the Federal Pipeline Safety and Hazardous Materials Administration has removed this criterion from its safety regulations. The rule also removes an outdated and obsolete qualification procedure for electrical surveys. There are now better methods and technologies which accomplish the same or better results as the deleted criterion and procedures.

Rule 25-12.082, Construction Notice, is amended to require notification to the Commission 15 days prior to beginning a major pipeline construction or alteration, consistent with the 15 day advance notice required by Rule 25-12.008, F.A.C., for gas system conversions, a similar activity. Without the 15 day prior notice language, operators sometimes provided only 1 day advance notice which was insufficient time for Commission staff to schedule safety evaluations. The 15 day advance notification provision allows for more effective safety evaluation scheduling.

SUMMARY OF ANY HEARINGS HELD ON THE RULES

No timely request for a hearing was received by the agency, and no hearing was held.

2012 SEP 24 AM 10:21
DEPARTMENT OF REVENUE
TALLAHASSEE, FLORIDA
FILED