BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

Notice of DEVELOPMENT OF RULEMAKING

TO

ALL GAS UTILITES,

OFFICE OF PUBLIC COUNSEL,

AND

ALL OTHER INTERESTED PERSONS

UNDOCKETED

IN RE: AMENDMENT OF RULES

25-12.005, F.A.C., Codes and Standards Adopted;

25-12.008, F.A.C., New, Reconstructed or Converted Facilities;

25-12.027, F.A.C., Welder Qualification;

25-12.045, F.A.C., Inactive Gas Service Lines; AND

25-12.052, F.A.C., Corrosion Control Criteria for Cathodic Protection of Buried or Submerged Metallic Pipeline; AND

ADOPTION OF RULE 25-12.100, F.A.C., PENALTIES

ISSUED: November 1, 2024

NOTICE is hereby given pursuant to Section 120.54, Florida Statutes (F.S.), that the Florida Public Service Commission staff has initiated rulemaking to adopt new rule, Rule 25-12.100, F.A.C., pertaining to civil penalties, and to amend the following rules:

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;

Rule 25-12.052, F.A.C., Corrosion Control Criteria for Cathodic Protection of Buried or Submerged Metallic Pipeline.

The purpose of this rulemaking is to update and clarify the existing rules, and to adopt new Rule 25-12.100, F.A.C., pertaining to 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.

 The attached Notice of Development of Rulemaking appeared in the October 24, 2024 edition of the Florida Administrative Register (Volume 50, Number 209). If requested in writing and not deemed unnecessary by the agency head, a rule development workshop will be scheduled and noticed in the next available Florida Administrative Register. Written requests for a rule development workshop must be submitted to Jon Rubottom, Florida Public Service Commission, Office of the General Counsel, 2540 Shumard Oak Boulevard, Tallahassee, FL 32399-0850, 850-413-6191, jrubotto@psc.state.fl.us by November 15, 2024. Copies of the preliminary draft rules are attached.

 By DIRECTION of the Florida Public Service Commission this 1st day of November, 2024.

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| --- | --- |
|  | /s/ Adam J. Teitzman |
|  | ADAM J. TEITZMANCommission Clerk |

Florida Public Service Commission

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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

Notice of Development of Rulemaking

[PUBLIC SERVICE COMMISSION](https://flrules.org/gateway/department.asp?id=25)

RULE NOS.: RULE TITLES:

[25-12.005](https://flrules.org/gateway/ruleNo.asp?id=25-12.005) Codes and Standards Adopted

[25-12.008](https://flrules.org/gateway/ruleNo.asp?id=25-12.008) New, Reconstructed or Converted Facilities

[25-12.027](https://flrules.org/gateway/ruleNo.asp?id=25-12.027) Welder Qualification

[25-12.045](https://flrules.org/gateway/ruleNo.asp?id=25-12.045) Inactive Gas Service Lines

[25-12.052](https://flrules.org/gateway/ruleNo.asp?id=25-12.052) Corrosion Control Criteria for Cathodic Protection of Buried or Submerged Metallic Pipeline

[25-12.100](https://flrules.org/gateway/ruleNo.asp?id=25-12.100) Penalties

PURPOSE AND EFFECT: To update and clarify the existing rules, and 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.

Undocketed

SUBJECT AREA TO BE ADDRESSED: Gas transportation utilities, gas transmission and distribution safety, and civil penalties for violation of the Gas Safety Law of 1967.

RULEMAKING AUTHORITY: [350.127(2)](https://flrules.org/gateway/statute.asp?id=350.127(2)), [368.03](https://flrules.org/gateway/statute.asp?id=%20368.03), [368.05(2)](https://flrules.org/gateway/statute.asp?id=%20368.05(2)), [368.061(4)](https://flrules.org/gateway/statute.asp?id=%20368.061(4)), FS.

LAW IMPLEMENTED: [368.03](https://flrules.org/gateway/statute.asp?id=368.03), [368.05](https://flrules.org/gateway/statute.asp?id=%20368.05), [368.061](https://flrules.org/gateway/statute.asp?id=%20368.061), FS.

IF REQUESTED IN WRITING AND NOT DEEMED UNNECESSARY BY THE AGENCY HEAD, A RULE DEVELOPMENT WORKSHOP WILL BE NOTICED IN THE NEXT AVAILABLE FLORIDA ADMINISTRATIVE REGISTER.

THE PERSON TO BE CONTACTED REGARDING THE PROPOSED RULE DEVELOPMENT AND A COPY OF THE PRELIMINARY DRAFT, IF AVAILABLE, IS: Jon Rubottom, Florida Public Service Commission, Office of the General Counsel, 2540 Shumard Oak Blvd., Tallahassee, FL 32399-0850, (850)413-6199, jrubotto@psc.state.fl.us.

THE PRELIMINARY TEXT OF THE PROPOSED RULE DEVELOPMENT IS AVAILABLE AT NO CHARGE FROM THE CONTACT PERSON LISTED ABOVE.

**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 reference as part 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 part of 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 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.

 (2) Before a piping system can be converted to a regulated gas, the operator must:

 (a) Have 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 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 will not be required if 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 uprated after July 1, 1970 in accordance with ~~the~~ Subparts J or K of 49 C.F.R. 192 ~~(2017)~~, as incorporated ~~adoped~~ in Rule 25-12.005, F.A.C.

 (f) Make a leak survey over the entire converted system concurrent with the conversion.

 (g) Determine areas of active corrosion in accordance with ~~as required by~~ Subpart I of 49 C.F.R. 192 ~~(2017)~~, as incorporated in Rule 25-12.005, F.A.C., 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 ~~obtained~~ at no cost at the Florida Public Service Commission ~~Office of the Commission Clerk~~, 2540 Shumard Oak Blvd., ~~Suite 152,~~ Tallahassee, FL 32399-0850. 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 ~~or 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) of this rule.

*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) An operator shall take immediate action to protect persons and property if it determines that an inactive service line is an existing or probable hazard to persons or property, and shall retire and physically abandon said line within three months of that determination.

(b) If the operator determines that there is no prospect for reuse, the service line shall be retired and physically abandoned within three months of that determination.

(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 Subpart P of 49 C.F.R. 192, ~~Subpart P (2011)~~ 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. The annual risk assessments records shall be maintained by the operator for at least 10 years.

3. Inactive service lines that are identified in the annual risk assessments as potential threats with a high-risk ranking shall be retired and physically abandoned within six months after completion of the annual risk assessment.

(d) After a service line has been inactive for a period of two years, if there is a prospect for reuse of the service line, the operator shall verify that the service line is permanently marked to identify the operator’s name and phone number and shall take one of the following actions within six months:

1. Disconnect the service line from all sources of gas and physically abandon or remove;

2. A valve on the service line shall be locked in the closed position and the service line plugged to prevent the flow of gas; or

3. Remove the meter and plug the end of the service line to prevent the flow of gas.

(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) After ten years of inactivity, service lines shall be retired and physically abandoned within six months.

(2) To physically abandon a service line, the operator must disconnect the service line from all sources of gas at the nearest point to the gas main. Where the appropriate governmental authority prohibits cutting pavement, the service line shall be disconnected at the nearest point not under a paved surface. The stub of the service line, the short section of the remaining service line to the main, shall be disconnected closer to the main or at the main, if at some later date it becomes accessible during normal operations.

(3) Records must be kept of the size, material, and location of all remaining service line stubs. These records must be readily available to personnel assigned to pipeline locating activities.

*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 ~~(2011)~~, incorporated by reference in Rule 25-12.005, F.A.C.

(a)~~(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 subsection (1) above.

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

1.~~(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.

2.~~(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.

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

4.~~(d)~~ 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.

5.~~(e)~~ 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.

6.~~(f)~~ 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.

(2)~~(4)~~ 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.

(3)~~(5)~~ 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 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, .*

**25-12.100** **Penalty.**

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 $266,015 for each violation for each day that the violation persists, except that the maximum civil penalty will not exceed $2,660,135 for any related series of violations.

*Rulemaking Authority 368.03, 368.05(2), 368.061(4), 350.127(2) FS. Law Implemented 368.061 FS. History–New .*