BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Initiation of rulemaking to adopt Rule 25-6.0346, and to amend Rules 25-6.019, 25-6.0345, 25-6.060, 25-7.059, 25-7.060, 25-7.061, 25-7.062, 25-7.064, 25-7.065, 25-7.066, 25-7.070, 25-7.071, 25-7.084, 25-12.005, 25-12.008, 25-12.027, 25-12.052, and 25-12.082, F.A.C.

DOCKET NO. 110313-PU ORDER NO. PSC-12-0492-FOF-PU ISSUED: September 26, 2012

The following Commissioners participated in the disposition of this matter:

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

NOTICE OF ADOPTION OF RULE

NOTICE is hereby given that the Florida Public Service Commission, pursuant to Section 120.54, Florida Statutes, has adopted without changes the amendments to Rules 25-7.062, 25-7.064, 25-7.065, 25-7.066, 25-7.070, and 25-7.084, Florida Administrative Code, concerning gas meter testing, sealing and readings, and to Rules 25-12.005, 25-12.008, 25-12.027, 25-12.052, and 25-12.082, Florida Administrative Code, concerning gas pipeline safety standards

The rules were filed with the Department of State on September 21, 2012 and will be effective on October 11, 2012. A copy of the rules as filed with the Department is attached to this Notice.

This docket should remain open to address the remaining rules included in the docket.

DOCUMENT NUMBER-DATE 06460 SEP 26 ≌ FPSC-COMMISSION CLERK

By ORDER of the Florida Public Service Commission this 26th day of September, 2012.

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Chief Deputy Commission Clerk 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.

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25-7.062 Meter Testing Methods Test Records.

(1) All meter tests shall be performed by competent, trained personnel using approved methods and equipment.

(2)(1) Diaphragm meters with a test dial of five (5) cubic feet or less. The accuracy of customer meters of this type shall be determined by passing air from <u>an accurate</u> a standard bell type meter prover or a calibrated test meter at a rate of flow designated herein when the liquid in the prover tank, the test equipment, the atmosphere of the room and the meter to be tested are at practically the same temperature. The meter shall be tested at two rates of flow, viz: a check rate test which shall be at a rate of flow of approximately twenty percent (20%) of rated capacity, and also a one hundred percent (100%) of rated capacity or open run test. The average of the tests at the two rates of flow shall agree within one percent (1%) and the average error of the meter shall be considered to be the algebraic sum of twenty-five percent (25%) of the error indicated by open run test and seventy-five percent (75%) of the error indicated by the check rate test.

(3)(2) Other meters. Any utility furnishing large volume gas service through diaphragm type meters with a test dial of over five (5) cubic feet or other type meters such as turbine, rotary displacement, or orifice meters shall make provision for factory or other tests in accordance with manufacturer's recommendations and American Gas Association's Gas Measurement Manual: Meter Proving Part No. Twelve, 1978 edition.

<u>Rulemaking Specific</u> Authority <u>350.127(2)</u>, 366.05(1), <u>368.03</u>, <u>368.05(2)</u> FS. Law Implemented 366.05(1) and (3), <u>368.03</u>, <u>368.05</u> FS. History–Repromulgated 1-8-75, Amended 5-4-75, 2-13-84, 8-4-85, Formerly 25-7.62, <u>Amended</u> <u>x-x-12</u>.

25-7.064 Periodie Meter Testing for Accuracy Tests.

(1)(a) Each gas utility may formulate a statistical sampling plan for the purpose of periodically testing for accuracy installed diaphragm type positive displacement gas service meters having a capacity rating of 250 cfh or

less measured at the manufacturer's specification for one-half (1/2) inch pressure differential. Such sampling plan shall be subject to approval by the Commission's <u>Bureau Division</u> of Auditing and Safety prior to implementation.

(b) All meters installed of the above type and size not included in an approved Random Sampling Plan shall be periodically removed, inspected and tested <u>for accuracy</u> at least once every one hundred twenty (120) months.

(2) Meters having a capacity rating of 250 cfh through 2500 cfh measured at the manufacturer's specifications for one half (1/2) inch pressure differential shall be field tested or shop tested <u>for accuracy</u> in accordance with American Gas Association's Gas Measurement Manual: Meter Proving Part No. Twelve, 1978 edition at least once every one hundred twenty (120) months.

(3) Meters above 2500 cfh capacity rating measured at the manufacturer's specifications for one half (1/2) inch differential shall be field tested or shop tested <u>for accuracy</u> in accordance with manufacturer's recommendations and American Gas Association's Gas Measurement Manual: Meter Proving Part No. Twelve, 1978 edition, at least every sixty (60) months.

(4) An instrument or auxiliary device used in conjunction with any gas meter to correct the metered volume for pressure or temperature shall be adjusted to an accuracy level to assure that the combined accuracy of the instrument or auxiliary device, or both, and the associated meter does not exceed one percent (1%) error fast or <u>one</u> two percent (1%) (2%) error slow. Each instrument and auxiliary device shall be checked at least the same test interval as prescribed for the associated meter to insure and verify the performance.

<u>Rulemaking Specific</u> Authority <u>350.127(2)</u>, 366.05(1), <u>368.03</u>, <u>368.05(2)</u> FS. Law Implemented 366.05(<u>1) and (3)</u>, <u>368.03</u>, <u>368.05</u> FS. History–Repromulgated 1-8-75, Amended 5-4-75, 5-27-76, 2-13-84, Formerly 25-7.64, Amended <u>x-x-12</u>.

25-7.065 Meter Test by Request.

(1) Upon written request of a customer, the utility shall, without charge, make a test of the accuracy of the

meter in use at his premises; provided, first, that the meter has not been tested by the utility or by the Commission within twelve months previous to such request.

(2) Should any customer request a meter test more frequently than provided for in subsection (1) of this rule, the utility may require a deposit to defray the cost of testing, such deposit shall not exceed the following for each test:

(a) Meters with a capacity rating of 250 cfh or less – \$34.00 dollars;

(b) Meters with a capacity rate of over 250 cfh through 2500 cfh - \$85.00 dollars;

(c) Meters with a capacity rating over 2500 cfh - \$129.00 dollars. If the meter is found to be more than two percent (2%) fast, the deposit shall be refunded, but if found to be less than or equal to two percent (2%) fast below this accuracy limit, the deposit may be retained by the utility as a service charge for conducting the test.

(3) If the customer so desires, he or his authorized representative shall have the privilege of witnessing the test and a written report, giving the results of the test, shall be furnished the customer upon request.

(4) At the request of the customer, the utility shall make arrangements for a meter test to be conducted by an independent meter testing facility of the customer's choosing. The customer shall be responsible for negotiating and paying to the independent meter testing facility any fee charged for such a test. Such independent meter testing facilities shall, at a minimum, conform to the requirements of the American Gas Association Gas Measurement Manual, <u>Meter Proving Part No. Twelve</u>, 1978 edition. Where appropriate, the meter may be field tested. The customer shall be responsible for all the costs to the utility associated with a meter test by an independent meter testing facility. The utility shall provide a detailed estimate of such costs and may require payment of such costs prior to the actual meter test. If the meter is found to be running fast in excess of the limits established by these rules, such costs shall be refunded, but if within the allowable limits, the utility may retain the costs.

(5) The utility may, at its discretion, conduct its own test of the meter in conformance with the testing standards established by these rules. In the event that separate tests of the same meter conflict as to whether the

meter meets the accuracy standards established by these rules, at the request of the utility or the customer, the Commission will resolve the matter.

<u>Rulemaking Specific</u> Authority <u>350.127(2)</u>, 366.05(1), <u>368.03</u>, <u>368.05(2)</u> FS. Law Implemented <u>366.05(1)</u>, <u>(3)</u>, <u>and</u> (4), <u>368.03</u>, <u>368.05</u> FS. History–Amended 10-20-73, Repromulgated 1-8-75, Amended 5-4-75, 10-11-83, 2-13-84, Formerly 25-7.65, Amended

25-7.066 Meter Test - <u>Refereed Disputes</u> Referee.

(1) In the event of a dispute, upon request written application to the Commission by any customer, a test of the customer's meter will be made by the utility as soon as practicable. Said test will be supervised and witnessed or supervised as soon as practicable by a representative of the Commission.

(2) A meter shall in no way be disturbed after the utility has received notice that application has been made for such referee test unless a representative of the Commission is present or unless authority to do so is first given in writing by the Commission or by the customer.

(3) A written report of the results of the test will be made by the Commission to the customer.

(4) For equipment tested under this rule, any previous accuracy test result on record at the time the meter test is requested must be retained by the utility.

<u>Rulemaking</u> Specific Authority <u>350.127(2)</u>, 366.05(1), <u>368.03</u>, <u>368.05(2)</u> FS. Law Implemented 366.05(<u>3)</u> and (5), <u>366.08</u>, <u>368.03</u>, <u>368.05</u> FS. History–Amended 10-20-73, Repromulgated 1-8-75, 5-4-75, Formerly 25-7.66 Amended ______.

25-7.070 Sealing Meters.

All meters tested for installation shall be sealed at the time of the test by the <u>meter personnel</u> meterman performing the test. The seal shall be of a type that will ensure detection of tampering. Those utilities using a compression type lead seal shall have as a sealing tool a device furnished with a die, which shall bear the initials of the utility. Utilities using a snap tin type seal shall have the seal stamped in a similar manner. <u>Rulemaking Specific</u> Authority 366.05(1), 350.127(2), 368.03, 368.05(2) FS. Law Implemented 366.05(3, 368.03, 368.05 FS. History-New 2-13-84, Formerly 25-7.70, Amended

25-7.084 Meter Readings.

(1) Each service meter shall be clearly marked to indicate the units registered. Unless special circumstances warrant, meters shall be read at monthly intervals on the approximate corresponding day of each meter-reading period. When there is good reason for doing so, estimated bills may be submitted.

(2) When an electronic meter reading is used to determine volumes consumed, the customer's bill may be rendered from data received electronically, however, the mechanical counter of the metering device shall be read monthly. When available, both corrected and uncorrected total volumetric readings shall be recorded. <u>Rulemaking Specific Authority 350.127(2)</u>, 366.05(1), 368.03, 368.05(2) FS. Law Implemented 366.05(1), 368.03, 368.05(2) FS. History–Repromulgated 1-8-75, Amended 5-4-75, Formerly 25-7.84, Amended 10-10-95, <u>xx-xx-xx</u>.

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.flrules.org/Gateway/reference.asp?No=Ref-01534. 49 C.F.R. 192 (2011) may be accessed at http://www.flrules.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. <u>49 C.F.R. 199 (2011) may be accessed at</u>

http://www.flrules.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.

(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 uprated 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 <u>350.127(2)</u>, <u>368.03</u>, <u>368.05(2)</u> FS. Law Implemented <u>368.03</u>, <u>368.05(2)</u> 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, <u>xx-xx-12</u>.

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. <u>A copy of AP1</u> 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), <u>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.*</u>

25-12.052 <u>Corrosion Control</u> Criteria for Cathodic Protection of Buried or Submerged <u>Metallic</u> 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 Λ (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 <u>and Reliability</u>.

(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.

 (\underline{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.

<u>Rulemaking</u> Specific Authority <u>350.127(2)</u>, <u>368.03</u>, <u>368.05(2)</u> FS. Law Implemented <u>368.03</u>, <u>368.05(2)</u> 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 <u>at least 15 days prior to start</u> 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.

<u>Rulemaking</u> Specific Authority <u>350.127(2)</u>, <u>368.03</u>, <u>368.05(2)</u> FS. Law Implemented <u>368.03</u>, <u>368.05(2)</u> FS. History–

New 11-14-70, Amended 9-21-74, Repromulgated 10-7-75, Amended 10-2-84, Formerly 25-12.82, Amended