

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

UNDOCKETED

IN RE: INITIATION OF RULEMAKING TO AMEND RULES IN CHAPTER 25-12,  
F.A.C., PERTAINING TO SAFETY OF GAS TRANSPORTATION BY PIPELINE

NOTICE OF PROPOSED RULE DEVELOPMENT

TO

ALL INTERESTED PERSONS

ISSUED: June 4, 2009

NOTICE is hereby given pursuant to Section 120.54, Florida Statutes, that the Florida Public Service Commission staff has initiated the amendment of Rules 25-12.004, 25-12.005, 25-12.008, 25-12.022, 25-12.027, 25-12.040, 25-12.041, 25-12.080, 25-12.084, and 25-12.085, Florida Administrative Code, relating to safety of gas transportation by pipeline.

The attached Notice of Proposed Rule Development will appear in the June 5, 2009, edition of the Florida Administrative Weekly. If timely requested, in writing, and not deemed unnecessary a rule development workshop will be held at a time and place that will be announced. A copy of the draft rules is attached to this notice.

The request for the rule development workshop must be submitted in writing to Kathryn G. W. Cowdery, Office of General Counsel, 2540 Shumard Oak Blvd., Tallahassee, FL 32399-0850, (850)413-6216 or [kcowdery@psc.state.fl.us.com](mailto:kcowdery@psc.state.fl.us.com), and should be submitted for receipt by the Commission no later than June 26, 2009.

By DIRECTION of the Florida Public Service Commission, this 4th day of June, 2009.



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ANN COLE  
Commission Clerk

(SEAL)

KC

DOCUMENT NUMBER-DATE

05569 JUN-4 09

FPSC-COMMISSION CLERK

Notice of Development of Rulemaking

**PUBLIC SERVICE COMMISSION**

**RULE NO: RULE TITLE**

25-12.004: Definitions

25-12.005: Codes and Standards Adopted

25-12.008: New, Reconstructed or Converted Facilities

25-12.022: Requirements for Distribution System Valves

25-12.027: Welder Qualification

25-12.040: Leak Surveys, Procedures and Classification

25-12.041: Receiving of Gas Reports

25-12.080: General

25-12.084: Notice of Accidents and Outages

25-12.085: Written Annual Reports Required

**PURPOSE AND EFFECT:** The amendment to 25-12.004 corrects zip code address for the Commission and updates the Pipeline Inspection, Protection, Enforcement, and Safety Act legal cite; 25-12.005 adopts the most current three parts of the Code of Federal Regulations 191, 192 and 199 that cover natural gas pipeline safety and corrects agency name reference; 25-12.008 deletes references to filed plans required by repealed rule 25-12.039; 25-12.022 clarifies the requirements for sectionalizing valves only, not all valves, and gives a distance exception for location of valves if they are physically impractical to install in areas like river crossing and closed interstate highways; 25-12.027 updates the references to the current standard and code for welding on pipelines; 25-12.040 clarifies intent of rule that cleared gas leaks are repaired; 25-12.041 adds clarifying language to title and rule language, and deletes references to filed plans required by a repealed rule 25-12.039; 25-12.080 corrects agency name reference; 25-12.084 increases the dollar amount threshold requiring the notification of the Commission of natural gas related accidents; 25-12.085 eliminates the requirement to file forms in triplicate, updates the agency and identification reference to the required form, changes the submittal date to match federal requirements and eliminates an unnecessary report. Undocketed

**SUBJECT AREA TO BE ADDRESSED:** Safety of Gas Transportation by Pipeline.

**SPECIFIC AUTHORITY:** 350.127(2), 368.05(2) FS

**LAW IMPLEMENTED:** 368.03, 368.05(2) FS

**IF REQUESTED IN WRITING AND NOT DEEMED UNNECESSARY BY THE AGENCY HEAD, A RULE DEVELOPMENT WORKSHOP WILL BE NOTICED IN THE NEXT**

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AVAILABLE FLORIDA ADMINISTRATIVE WEEKLY.

THE PERSON TO BE CONTACTED REGARDING THE PROPOSED RULE  
DEVELOPMENT AND A COPY OF THE PRELIMINARY DRAFT, IF AVAILABLE, IS:

Kathryn G.W. Cowdery, Florida Public Service Commission, Office of General Counsel, 2540  
Shumard Oaks Blvd., Tallahassee, FL 32399-0850, (850) 413-6216.

1 **25-12.004 Definitions.**

2 Definitions contained in codes or standards adopted by these rules are applicable to the rules and  
3 the adopted codes or standards with the following exceptions:

4 (1) "Commission". Unless a different intent clearly appears from the context, the word  
5 "Commission" shall mean the Florida Public Service Commission, 2540 Shumard Oak  
6 Boulevard, Tallahassee, Florida 32399-~~0850~~~~868~~, area code (850) 413-6770.

7 (2) "Utility" or "Operator". Except where a different meaning clearly appears from the  
8 context, the word "Utility" or "Operator" shall be every person, corporation, partnership,  
9 association, public agency, municipality, cooperative gas district or other legal entity and their  
10 lessees, trustees, or receivers, now or hereafter owning, operating, managing or controlling any  
11 gas transmission or distribution facility transporting gas as defined herein and not specifically  
12 exempt from state jurisdiction by the Pipeline Inspection, Protection, Enforcement, and Safety  
13 Act of 2006 (PIPES Act), Pub. L. 109-468 (codified as amended at 49 U.S.C. §60101 (2006)).  
14 ~~Natural Gas Pipeline Safety Act of 1968, Public Law 90-481.~~

15 (3) "Gas". Gas as used herein shall mean natural, manufactured, liquefied petroleum gas  
16 with air admixture, or any similar gaseous substances, but shall not include liquefied petroleum  
17 gas in either the liquid or gaseous form except when stored or used for peak shaving or standby  
18 fuels in conjunction with an operator's system.

19 (4) "Inspector". The term "Inspector" shall apply to a person designated by the utility  
20 vested with the authority to initiate action to assure compliance with the adopted codes.

21 (5) "Distribution System". As used in these rules shall mean any group of interconnected  
22 pipe and facilities operating at a hoop stress of less than 20 percent% specified minimum yield  
23 strength which transports gas from a common source of supply or storage facility to a customer.

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

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1 (6) "Low Pressure Distribution System" is a gas distribution piping system or portion  
2 thereof which supplies gas to more than 10 customers through a common pressure reducing  
3 device(s) at a pressure substantially the same as the pressure provided to the customer.

4 (7) "Fusion" means the union of two plastic surfaces that have been heated, or have had  
5 solvents applied, sufficiently to melt and fuse them together.

6 (8) "Gas Meter" means an instrument manufactured primarily for use in measuring, and  
7 indicating or recording the measurement of, the volume of gas that has moved through the  
8 instrument.

9 (9) "Master Meter System" means a pipe system that receives gas through a gas meter  
10 and transports that gas to or for the public, with the gas being delivered through another gas  
11 meter prior to consumption.

12 (10) "Pipeline" means all parts of those physical facilities through which gas moves in  
13 transportation, including pipe, valves, and other appurtenances attached to pipe, compressor  
14 units, metering stations, regulator stations, delivery stations, holders, and fabricated assemblies.  
15 "Pipeline," for the purposes of these rules, unless stated otherwise, includes mains and service  
16 lines.

17 (11) "Main" means a distribution pipeline that serves as a common source of supply for  
18 more than one service line.

19 (12) "Service line" means a distribution pipeline that transports gas from a common  
20 source of supply to a gas meter prior to consumption.

21 (13) "Weld" means the union of metals which have been heated sufficiently to melt and  
22 fuse them together.

23 Specific Authority 368.05(2) FS. Law Implemented 368.03 FS. History—New 6-24-67, Amended

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25 law.

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1 3-7-70, 11-14-70, 9-21-74, Repromulgated 10-7-75, Amended 10-2-84, Formerly 25-12.04,  
2 Amended 1-7-92.

3  
4 **25-12.005 Codes and Standards Adopted.**

5 The Minimum Federal Safety Standards and reporting requirements for pipeline facilities and  
6 transportation of gas prescribed by the Pipeline and Hazardous Materials Safety

7 Administration~~United States Department of Transportation~~ in 49 C.F.R. 191 and 192 (2008) as  
8 amended in 74 Fed. Reg. 2889-01 (January 16, 2009)~~Parts 191 and 192 of Title 49, Code of~~

9 Federal Regulations (CFR) as amended through January 1, 2001, are adopted as part of these  
10 rules. 49 C.F.R. Part 199 (2008), “Drug and Alcohol Testing,” as amended in 74 Red. Reg.

11 2889-01 (January 16, 2009)~~through January 1, 2001~~, is adopted to control drug use, by setting  
12 standards and requirements to apply to the testing and use of all emergency response personnel

13 under the direct authority or control of a gas utility or pipeline operator, as well as all employees  
14 directly or indirectly employed by gas pipeline operators for the purpose of operation and

15 maintenance and all employees directly or indirectly employed by intrastate gas distribution  
16 utilities for on-site construction of natural gas transporting pipeline facilities. Part 199 also is

17 adopted to prescribe standards for use of employees who do not meet the requirements of the  
18 regulations.

19 Specific Authority 368.05(2), 350.127(2) FS. Law Implemented 368.03 FS. History—New 11-14-  
20 70, Amended 9-24-71, Revised 9-21-74, Amended 10-7-75, 11-30-82, 10-2-84, Formerly 25-  
21 12.05, Amended 8-8-89, 1-7-92, 5-13-99, 4-26-01.

22  
23 **25-12.008 New, Reconstructed or Converted Facilities.**

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

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1 (1) No new or reconstructed system or portion thereof may be:

2 (a) Constructed, until written construction specifications complying with these rules are  
3 developed.

4 (b) Placed in service until:

5 ~~1- The pipeline facilities have been inspected and found to comply with the construction~~  
6 specifications; and

7 ~~2- Operating and Maintenance Plans have been filed with the Commission.~~

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

9 (a) Have on file with the Commission a general conversion procedure as a part of its  
10 operation and maintenance plan.

11 (b) File a conversion plan with the Commission for the specific system at least 15 days  
12 prior to start of conversion. This plan need not be filed for minor conversions which are  
13 scheduled to be completed in one day and where sectionalizing of the system to be converted is  
14 not planned.

15 (c) Have sufficient inspections performed of the pipeline to assure that it was constructed  
16 in accordance with standards applicable at the time of installation. Visual inspection of the  
17 underground facilities may not be required if adequate construction and testing records have  
18 been maintained.

19 (d) Review the operating and maintenance history of the system to be converted. Any  
20 areas showing abnormal maintenance requirements shall be replaced, reconditioned or otherwise  
21 made safe prior to conversion.

22 (e) Establish the maximum allowable operating pressure no greater than the highest  
23 sustained operating pressure during the 5 years prior to conversion unless it was tested or uprated

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25 law.

1 after July 1, 1970 in accordance with the Subparts J or K of 49 C.F.R. 192 (2008)~~Part 192~~, Title  
2 ~~49, CFR after July 1, 1970.~~

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

4 (g) Determine areas of active corrosion as required by 49 C.F.R. 199 (2008) Part 192,  
5 Title 49, CFR and these rules. Required cathodic protection must be accomplished within 1 year  
6 after the date of conversion except that buried steel tubing must be protected prior to placing the  
7 system into operation.

8 Specific Authority 368.05(2) FS. Law Implemented 368.05(2) FS. History—New 11-14-70,  
9 Revised 9-21-74, Amended 10-7-75, 10-2-84, Formerly 25-12.08.

10  
11 **25-12.022 Requirements for Distribution System Valves.**

12 (1) Valves ahead of regulator stations – A valve shall be installed upstream of each  
13 regulator station for us in an emergency to stop the flow of gas. These valves are to be installed  
14 at a safe distance from the station, but no more than 500 feet from the regulator station. The  
15 distance for the valve location can be greater than 500 feet if physically impractical to install  
16 closer.

17 (2) Sectionalizing valves – Valves shall be spaced within each distribution system to  
18 reduce the time to shut-down a segment of the system in an emergency. In determining the  
19 spacing of these valves, the following factors shall be evaluated:

20 (a) Volume and pressure of gas between valves.

21 (b) Size of area and population density between valves required to isolate the area as well  
22 as the accessibility of the required valves.

23 (c) The minimum number of personnel required to shutdown and restore the area.

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1 (d) Other means and availability of required equipment to control the flow of gas in the  
2 event of an emergency.

3 (e) The number and type of customers, such as hospitals, schools, commercial and  
4 industrial loads, etc., that will be affected.

5 (3) Identification – Sectionalizing and other critical valves shall be designated on  
6 appropriate records, drawings or maps used by the operator and shall be referenced to  
7 “permanent” aboveground structures or other field ties so the valves can be readily located. The  
8 valve installation and all records showing these valves must be marked for prompt identification  
9 using any logical designating system. The valve marking must be accomplished using a durable  
10 tag or other equivalent means located as follows:

11 (a) For aboveground valves or valves located in vaults which have to be operated from  
12 within the vault, the marking shall appear on the valve body or hand wheel.

13 (b) For buried valves or valves operated by a key wrench, the marking shall appear in a  
14 visible location on the inside of the curb box or standpipe where the cover will not abrade the  
15 marking.

16 (4) Blowdown valve requirements – Where blowdown valves are used to aid the  
17 evacuation of gas from segments of mains between isolation valves, these valves must:

18 (a) Be protected against tampering and mechanical damage from outside forces.

19 (b) Be designed for safe venting giving consideration to the direction of flow, electric  
20 facility locations, proximity of people, etc.

21 (c) Be readily accessible in the event of an emergency.

22 (5) All the sectionalizing valves which may be necessary for the safe operation of the  
23 system must be inspected and maintenance performed to assure location, access and operating

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1 ability at intervals not exceeding 15 months but at least each calendar year.

2 Specific Authority 368.05(2) FS. Law Implemented 368.05(2) FS. History—New 9-21-74,

3 Amended 10-7-75, 10-2-84, Formerly 25-12.22.

4  
5 **25-12.027 Welder Qualification.**

6 (1) No welder shall make any pipeline weld unless the welder has qualified in accordance  
7 with Section 3 of American Petroleum Institute Standard 1104, Welding of Pipelines and Related  
8 Facilities ~~17<sup>th</sup> edition, 1988, 20<sup>th</sup> edition, October 2005 including Errata/Addendum July~~  
9 ~~2007, Section IX of the American Society of Mechanical Engineers Boiler and Pressure Vessel~~  
10 ~~Code 1977, or Sections 1, 2 & 3 of Appendix C of 49 C.F.R. the Code of Federal Regulations~~  
11 ~~Part 192 (2008), as amended through December 27, 1989,~~ within the preceding 15 months, but at  
12 least once each calendar year.

13 (2) No welder shall weld with a particular welding process unless the welder has engaged  
14 in welding with that process within the preceding six calendar months. A welder who has not  
15 engaged in welding with that process within the preceding six calendar months must requalify  
16 for that process as set forth in subsection (1) herein.

17 Specific Authority 350.127(2), 368.05(2) FS. Law Implemented 368.03 FS. History—New 1-7-  
18 92.

19  
20 **25-12.040 Leak Surveys, Procedures and Classification.**

21 (1) Each operator shall perform periodic leakage surveys in accordance with the  
22 following schedule as a minimum:

23 (a) A gas detector instrument survey shall be conducted at intervals not exceeding 15

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1 months but at least once each calendar year in those portions of an operator's service area,  
2 including:

3 1. Principal business districts, master meter systems, and places where the public is  
4 known to congregate frequently.

5 2. Where pipeline facilities, including service lines, are located under surfaces of such  
6 construction that little opportunity is afforded for a leak to vent safely.

7 (b) A gas detector instrument survey to locate leaks throughout areas not included in  
8 subsection (a) above shall be conducted at intervals not exceeding three (3) years on bare  
9 metallic, galvanized steel, coated tubing pipelines, and five (5) years on the remaining pipeline  
10 system, or more frequently if experience indicates.

11 (2) The following leak classification system shall be used on all leak records and reports:

12 (a) "Grade 1 Leak" – a leak of gas that represents an existing or probable hazard to  
13 persons or buildings. Prompt action to protect life and property and continuous action until  
14 conditions are no longer hazardous is required.

15 (b) "Grade 2 Leak" – a leak that is not a threat to persons or property at the time of  
16 detection, but justifies scheduled repair based on potential future hazard. These leaks shall be  
17 repaired within 90 days from the date the leak was originally located, unless due to resurvey the  
18 leak was determined to be Grade 3 as defined in subsection (c) below. In determining the time  
19 period for repair, the following criteria should be taken into consideration:

- 20 1. Amount and migration of gas;  
21 2. Proximity of gas to buildings and subsurface structures;  
22 3. Extent of pavement;  
23 4. Soil type and conditions, such as moisture and natural venting.

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1 (c) "Grade 3 Leak" – a leak that is not a threat to persons and property and is not  
2 expected to become so. Above ground grade 3 leaks shall be repaired within 90 days from the  
3 date the leak was originally located unless the leak is upgraded or does not produce a positive  
4 leak indication when a soap and water solution, or its equivalent, is applied on suspected  
5 locations at operating pressure. Grade 3 leaks that are underground shall be reevaluated at least  
6 once every 6 months until repaired ~~cleared~~. The frequency of reevaluation shall be determined by  
7 the location and magnitude of the leak.

8 (3) The adequacy of all the repairs of leaks shall be checked by appropriate methods  
9 immediately after the repairs are completed. Where there is residual gas in the ground, a follow-  
10 up inspection using a gas detector instrument must be made as soon as the gas has had an  
11 opportunity to dissipate, but no later than one month for Grade 1 leaks and 6 months for Grade 2  
12 leaks. The date and status of recheck shall be recorded on the leak repair records.

13 Specific Authority 368.05(2) FS. Law Implemented 368.05(2) FS. History–New 9-21-74,  
14 Repromulgated 10-7-75, Amended 10-2-84, Formerly 25-12.40, Amended 1-7-92.

15  
16 **25-12.041 Receiving of Gas Leak and Emergency Reports.**

17 Each operator must provide a means of receiving and promptly responding to reported gas leaks  
18 and emergencies ~~calls~~ on a 24-hour per day basis. The procedure for accomplishing this  
19 requirement must be included in the operating and maintenance plan ~~filed with the Commission~~.

20 Specific Authority 368.05(2) FS. Law Implemented 368.05(2) FS. History–New 9-21-74,  
21 Repromulgated 10-7-75, Amended 10-2-84, Formerly 25-12.41.

22  
23 **25-12.080 General.**

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

1 (1) All reports or filings required by these rules shall be submitted to the Commission.

2 (2) Nothing in these rules shall be construed to relieve any operator from responsibility to  
3 file reports or give notifications as required by the Pipeline and Hazardous Materials Safety  
4 Administration~~Federal Department of Transportation~~.

5 Specific Authority 368.05(2) FS. Law Implemented 368.05(2) FS. History--New 11-14-70,  
6 Amended 9-21-74, Repromulgated 10-7-75, Amended 10-2-84, Formerly 25-12.80.

7  
8 **25-12.084 Notice of Accidents and Outages.**

9 (1) At the earliest practicable moment following discovery, each operator of facilities  
10 under Commission jurisdiction shall give telephonic notice to the Commission of any event  
11 involving the release of gas from a pipeline that:

12 (a) Caused a death or a personal injury requiring hospitalization;

13 (b) Required the taking of any segment of transmission pipeline out of service;

14 (c) Resulted in gas igniting;

15 (d) Caused estimated damage to the property of the operator, or others, or both, of a total  
16 of ~~\$10,000~~\$2,500 or more; or

17 (e) In the judgment of the operator, was significant even though it did not meet the  
18 criteria of subsections (a), (b), (c), or (d) of this paragraph.

19 An operator need not give notice of an event that met only the criteria of subsections (b) or (c) of  
20 this paragraph, if it occurred solely as a result of, or in connection with, planned or routine  
21 maintenance or construction.

22 (2) Each operator shall immediately report to the Commission any distribution system-  
23 related accident or failure which interrupts service to either 10 percent~~%~~ or more of its meters or

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25 law.

1 500 or more meters.

2 Specific Authority 350.127(2), 368.05(2) FS. Law Implemented 368.03, 368.05(2) FS. History–  
3 New 9-21-74, Repromulgated 10-7-75, Amended 10-2-84, Formerly 25-12.84.

4  
5 **25-12.085 Written Annual Reports Required.**

6 (1) Each operator of a distribution system shall submit an annual report ~~in triplicate~~ on  
7 Pipeline and Hazardous Materials Safety Administration~~Department of Transportation~~ Form  
8 PHMSARSPA F 7100.1-1 (12-05) for each distribution system. In the case of an operator who  
9 has more than one distribution system, a combined annual report must be submitted which  
10 includes all facilities operated within the State of Florida subject to the Commission's  
11 jurisdiction.

12 (a) ~~Each distribution system.~~

13 (b) ~~In the case of an operator who has more than one distribution system, a combined~~  
14 ~~annual report must be submitted which includes all facilities operated within the State of Florida~~  
15 ~~subject to the Commission's jurisdiction.~~

16 (2) Each operator of a distribution system shall, for facilities that operate at 20 percent or  
17 more of the specified minimum yield strength, or that are used to convey gas into or out of  
18 storage, submit an annual reports for those facilities on Pipeline and Hazardous Materials Safety  
19 Administration ~~in triplicate on Department of Transportation Form PHMSARSPA F 7100.2-~~  
20 1(12-05).

21 (3) Each operator of a transmission system ~~or a gathering system under Commission~~  
22 ~~jurisdiction~~ shall submit an annual reports on Pipeline and Hazardous Safety Administration ~~in~~  
23 ~~triplicate on Department of Transportation Form PHMSARSPA F 7100.2-1(12-05).~~

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1           (4) All the above reports must be submitted for the preceding calendar year so as to be  
2 received by the Commission no later than March 15th ~~February 10~~ of each year.

3 Specific Authority 350.127(2), 368.05(2) FS. Law Implemented 368.03, 368.05(2) FS. History–  
4 New 11-14-70, Amended 9-21-74, Repromulgated 10-7-75, Amended 10-2-84, Formerly 25-  
5 12.85.

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