R746. Public Service Commission, Administration R746-409. Pipeline Safety.

R746-409-1. General Provisions.

A. Scope and Applicability - Pursuant to Title 54, Chapter 13, the following rules shall apply to persons engaged in the transportation of gas as defined in CFR Title 49 Parts 191 and 192.

B. Adoption of parts of CFR Title 49 -- The Commission adopts and incorporates by this reference the following parts of CFR Title 49, effective September 1, 2015:

1. Part 190 with the exclusion of Part 190.223 which is superseded by Title 54, Chapter 13, Part 8, Violation of chapter -- Penalty;

2. Part 191;

3. Part 192;

4. Part 198; and

5. Part 199.

C. Persons engaged in the transportation of gas, including distribution of gas through a master-metered system, shall comply with the requirements of CFR Title 49, identified in Section R746-409-1.B, including all minimum safety standards.

R746-409-2. Definitions.

For purposes of these rules, the following terms shall bear the following meanings:

A. "Authorized Inspector" means a person employed or authorized by the Commission or the director of the Division.

B. "CFR" means the Code of Federal Regulations;

C. "Commission" means the Public Service Commission of Utah;

D. "Division" means the Division of Public Utilities, Utah Department of Commerce;

E. "Federally Reportable Incident" has the same meaning set forth in Part 191.3. Definitions, Incident.

F. "Operator" has the same meaning set forth in CFR Title 49, Part 191.3, Definitions, Operator.

G. "Part 190" means CFR Title 49, Part 190, Pipeline Safety Programs and Rulemaking Procedures.

H. "Part 191" means CFR Title 49, Part 191, Transportation of Natural and Other Gas by Pipeline; Annual Reports, Incident Reports, and Safety-Related Condition Reports.

I. "Part 192" means CFR Title 49, Part 192, Transportation of Natural and Other Gas by Pipeline: Minimum Federal Safety Standards.

J. "Part 198" means CFR Title 49, Part 198, Regulations for Grants to Aid State Pipeline Safety Programs.

K. "Part 199" means CFR Title 49, Part 199, Drug and Alcohol Testing.

L. "Pipeline Facility" has the same meaning set forth in Part 191.3 Definitions, Pipeline facility.

M. "State Reportable Incident" means an event that falls within the definition of a federally reportable incident or a safety-related condition as identified in CRF Title 49, Part 191.23, Reporting safety-related conditions, or meets one or more of the following:

1. Results in damage to any segment of:

a. steel main, twelve inches or greater in diameter, or

b. transmission pipeline;

2. Requires removal from service or repair of any segment of:

a. steel main, twelve inches or greater in diameter, or

b. transmission pipeline;

3. Results in property damage of \$15,000 or more, including the loss to the operator and others, or both, but excluding the cost of gas that is lost;

4. Results in the loss of gas service to ten or more customers; or

5. Results in the known evacuation of any highly populated areas including commercial businesses, office buildings, eateries, schools, churches or public meeting places.[; or

6. Receives news media coverage of which the utility becomes aware.

N. "Transportation of Gas" has the same meaning set forth in CFR Title 49, Part 191.3, Definitions, Transportation of gas.

R746-409-3. Inspections.

A. Access for inspection

1. During Normal Business Hours -- During normal business hours, an authorized inspector, upon presentation of appropriate credentials, may enter an operator's offices and pipeline facilities to inspect and examine the records and pipeline facilities, if the records and pipeline facilities are relevant to determining compliance with applicable state and federal pipeline safety statutes, rules and regulations.

2. Outside of Normal Business Hours - For incidents occurring outside of normal business hours, an authorized inspector, upon presentation of appropriate credentials, may enter an operator's pipeline facilities involved in or associated with an incident to inspect and examine the pipeline facilities, if inspection of the pipeline facility is relevant to determining compliance with applicable state and federal pipeline safety statutes, rules and regulations.

B. Reasons for Inspection -- Inspections are ordinarily conducted pursuant to one of the following:

1. Routine inspection, including but not limited to a compliance inspection;

- 2. A complaint received from a member of the public;
- 3. Information obtained from a previous inspection;
- 4. A pipeline incident; or

5. When deemed appropriate by the Commission.

C. Testing -- To the extent necessary to carry out its responsibilities, the Commission may require testing of portions of intrastate pipeline facilities which have been involved in or affected by incident.

D. Further Action -- When information obtained from an authorized inspector or from other appropriate sources indicates that further action is warranted, the Division shall issue a warning letter to an operator and, if necessary, initiate proceedings, including but not limited to seeking the issuance of Commission subpoenas to compel the production of records and the taking of testimony, hearings and related procedures, before the Commission.

R746-409-4. Reporting and Notification Requirements.

A. An operator must comply with the notification and reporting requirements contained in Part 191 and Section R746-409-4.

B. Telephonic notification to the Division.

1. For incidents requiring immediate notice under Part 191.5, an operator must also provide contemporaneous telephonic notification of the same information required under Part 191.5 to the Division at (844)-GAS-2525 or (844)-427-2525.

2. State Reportable Incidents. An operator must provide telephonic notice to the Division at (844)-GAS-2525 or (844)-427-2525 of all state reportable incidents, including the location and known details at the time of reporting, at the earliest practicable moment when safely possible following discovery.

C. Written Reports required by Part 191. For all reports required under Part 191, including updates and supplemental reports, an operator shall contemporaneously furnish these reports to the Commission and the Division in accordance with Section R746-409-4.F.

D. Excavation Damage Quarterly Report. Each operator with more than 10,000 customers shall file a quarterly excavation damage report within 60 days after the end of the each quarter with the Commission and the Division in accordance with Section R746-409-4.F on a form approved by the Division.

E. [Special]Reports Relating to Safety Issues. An operator shall prepare and file [special]reports relating to safety issues as requested and described by the Commission or the Division in accordance with Section R746-409-4-F.

F. Filing of Written Reports:

1. All required written reports shall be filed with the Commission in accordance with Commission's filing requirements posted on the Commission's website at www.psc.utah.gov at the "Filing Req" tab under the Document column labeled "Pipeline Safety."

2. All required written reports shall be filed electronically with the Division at the following e-mail address: pipelinesafety@utah.gov

R746-409-5. Written plans.

A. An operator must develop and implement all plans required in Parts 192 and 199, including operations and maintenance plans, emergency response plans, public awareness plans, operator qualifications plans, anti-drug and alcohol misuse plans, and integrity management plans (both transmission and distribution). These plans must be made available to the Commission or the Division upon request.

R746-409-6. Remedies.

A. Rules of Practice and Procedure -- The Commission's Rules of Practice and Procedure, R746-100, shall govern and control proceedings before the Commission regarding pipeline safety, with the exception of the additional remedies and procedures specified herein.

B. Hazardous Facility Order -- If the Commission finds, after notice and a hearing, that a particular intrastate pipeline facility is hazardous to life or property, it may issue a Hazardous Facility Order requiring the owner or operator of the intrastate pipeline

facility to take corrective action. Civil penalties set forth in Section 54-13-8 may also be imposed. Corrective action may include suspended or restricted use of the facility, physical inspection, testing, repair, replacement, or other action as may be appropriate.

Waiver of Notice and Hearing -- The Commission may waive C. the requirement for notice and hearing in Subsection (B) above before issuing an order pursuant to this section when it or the Division determines that the failure to do so would result in the likelihood of serious harm to life or property. However, the Commission shall include in the order an opportunity for hearing as soon as practicable after issuance of the order.

Hazardous Conditions -- The Commission may find an intrastate D. pipeline facility to be hazardous under paragraph 2 of this section if:

Under the facts and circumstances the Commission determines 1. the particular facility is hazardous to life or property; or

The intrastate pipeline facility, or a component thereof, 2. has been constructed or operated with equipment, material, or technique which the Commission determines is hazardous to life or unless the operator involved demonstrates to the property, satisfaction of the Commission that, under the particular facts and circumstances involved, such equipment, material, or technique is not hazardous to life or property.

Considerations -- In making a determination under paragraph Е. (D)(2) of this section, the Commission may consider, if relevant:

The characteristics of the pipe and other equipment used 1. in the intrastate pipeline facility involved, including its age, manufacturer, physical properties, including its resistance to corrosion and deterioration, and the method of its manufacture, construction, or assembly;

The nature of the materials transported by the facility, 2. including their corrosive and deteriorative qualities, the sequence in which the materials are transported, and the pressure required for the transportation;

The aspects of the areas in which the intrastate pipeline 3. facility is located, in particular the climatic and geologic conditions, including soil characteristics, associated with the areas, and the population density and population and growth patterns of such areas;

4. A recommendation of the National Transportation Safety Board issued in connection with an investigation conducted by the board;

5. Other factors as the Commission may consider appropriate.

Contents of Hazardous Facility Order -- A Hazardous Facility F. Order issued by the Commission shall contain the following information:

A finding that the pipeline facility is hazardous to life 1. or property;

The relevant facts which form the basis for the finding; 2.

3. The legal basis for the order;

The nature and description of particular corrective action 4. required of the respondent;

5. The date by which the required action must be taken or completed and, where appropriate, the duration of the order. G. No Longer Hazardous -- The Commission shall rescind or

suspend a Hazardous Facility Order whenever it determines that the facility is no longer hazardous to life or property.

KEY: rules and procedures, safety, pipelines

Date of Enactment or Last Substantive Amendment: November 7, 2011 Notice of Continuation: October 6, 2011 Authorizing, and Implemented or Interpreted Law: 54-13-3; 54-13-5; 54-13-6