Agenda Date: March 31, 2005 Item Number: C2

Docket No.: UG-011073

Rulemaking – Gas Companies - Safety

Staff: Sondra Walsh - Team Lead

David Lyyken - Senior Pipeline Engineer Scott Rukke – Pipeline Safety Engineer Don Trotter – Assistant Attorney General Ann Rendahl – Administrative Law Judge

Recommendation:

Consider proposal to repeal, amend and adopt rules in Chapter 480-93 WAC for adoption.

Discussion:

The Commission initiated this rulemaking on August 9, 2001 to comply with Governor Locke's Executive Order 97-02. The Commission filed a Preproposal Statement of Inquiry (CR-101) with the Office of the Code Reviser to initiate a review of the Gas Companies - Safety rules in Chapter 480-93 of the Washington Administrative Code (WAC).

On July 21, 2004, the Commission directed the Commission Secretary to file a Notice of Proposed Rulemaking (CR-102) with the Code Reviser. A notice dated July 23, 2004, informed stakeholders of the proposed rule changes and scheduled adoption hearing on October 27, 2004. Further, the notice asked for written comments not later than August 27, 2004. On October 18, 2004, a Notice of Continuation of Adoption Hearing was mailed to mailed informing stakeholders that the adoption hearing date was changed to February 9, 2005. On January 5, 2005, a Supplemental Notice of Proposed Rulemaking was filed with the Code Reviser with a notice informing stakeholders of the proposed rule changes and change in the adoption hearing date to March 16, 2005. Further, the notice asked for written comments not later than January 28, 2005. On March 3, 2005, a Notice of Continuation of Adoption Hearing was mailed to stakeholders informing them that the adoption date had been rescheduled to March 31, 2005.

Chapter 80.28 RCW directs the Washington Utilities and Transportation Commission (WUTC) to adopt rules for pipeline safety standards for natural gas pipeline companies. In addition, Staff reviewed the rules in Chapter 480-93 pursuant to Executive Order 97-02 for readability and content, with special attention given to need, effectiveness and efficiency, clarity, intent and statutory authority, coordination, cost and fairness.

In drafting new rules and reviewing the current rules, Staff endeavored to draft rules that:

1. Are clearly written, in plain English, so that they are understandable to everyone.

- 2. Are presented in a comprehensive, well-organized, and informative document.
- State clearly Commission policies, processes, and procedures. 3.
- 4. Facilitate voluntary compliance.

The proposed rules establish pipeline safety standards for the transportation of gas that is natural gas, flammable gas, or gas that is toxic or corrosive. The intent of Chapter 80.28 RCW is to protect the health and safety of the citizens of the State of Washington. The standards proposed in the rules are equal to, or more stringent than those adopted by the federal government. The proposed rules require intrastate natural gas companies to design, construct, operate and maintain their pipeline facilities safely and efficiently. All affected companies have been directly notified of this rulemaking.

The Commission solicited written comments from all interested persons and held three stakeholder workshops that focused on design and construction, operation and maintenance and on reporting requirements. The Commission sent notice of draft rules to all affected stakeholders on September 12, 2001, February 8, 2002, April 5, 2002, February 14, 2003, November 7, 2003, August 27, 2004, and January 5, 2005.

The proposed draft of Chapter 480-93 WAC are in Attachment A. The following rules are proposed to be:

Repealed

WAC 480-93-002 Application of rules WAC 480-93-010 Compliance with federal standards WAC 480-93-030 Proscribed areas WAC 480-93-082 Qualification of employees WAC 480-93-111 Noncathodically protected gas facilities WAC 480-93-112 Corrosive control WAC 480-93-120 Exposed pipelines WAC 480-93-150 Station maintenance WAC 480-93-183 Pipeline and system pressure reporting WAC 480-93-184 Gas leak responsibility WAC 480-93-190 Being aware of construction work near gas company facilities WAC 480-93-210 Interruptions to service WAC 480-93-220 Rule of Precedence

Amended

WAC 480-93-005 Definitions WAC 480-93-015 Odorization of gas WAC 480-93-017 Filing requirements for design, specification, and construction procedures WAC 480-930-18 Maps, drawings, and records of gas facilities WAC 480-93-020 Proximity considerations WAC 480-93-040 Location of gas compressor stations on gas pipelines WAC 480-93-080 Welder and plastic joiner identification and qualification WAC 480-93-100 Valves

Docket No. UG-011073 March 31, 2005 Page 3

WAC 480-93-110 Corrosion control

WAC 480-93-115 Casing of pipelines

WAC 480-93-124 Pipeline markers

WAC 480-93-130 Multistage pressure regulation

WAC 480-93-140 Service regulators

WAC 480-93-155 Increasing maximum allowable operating pressure

WAC 480-93-169 Reporting requirements of proposed construction

WAC 480-93-170 Tests and reports for pipelines

WAC 480-93-175 Moving and lowering metallic gas pipelines

WAC 480-93-180 Plan of operations and maintenance procedures; emergency policy; reporting requirements

WAC 480-93-185 Gas leak investigation

WAC 480-93-186 Leak evaluation

WAC 480-93-18601 Leak classification and action criteria – Grade-Definition-Priority of leak repair

WAC 480-93-187 Gas leak records

WAC 480-93-188 Gas leak surveys

WAC 480-93-200 Reporting requirements for operators of gas facilities

WAC 480-93-223 Civil penalty for violation of RCW 80.28.210

WAC 480-93-230 Exemptions from rules in chapter 480-93 WAC

WAC 480-93-999 Adoption by reference

Adopted

WAC 480-93-007 Application of rules

WAC 480-93-008 Additional requirements

WAC 480-93-009 Severability

WAC 480-93-012 Computation of time

WAC 480-93-178 Protection of plastic pipe

Conclusion

In conclusion, Staff recommends that the Commission consider the proposal for adoption.

Attachments