

MEMORANDUM

May 15, 2008

To: Mark Sidran, Chairman
Patrick Oshie, Commissioner
Phil Jones, Commissioner

FROM: Sondra Walsh

SUBJECT: Docket PG-070975 – Gas Companies - Safety
PL-070974 – Hazardous Liquid, Gas, Oil and Petroleum Pipeline
Companies – Safety

RE: Adoption Hearing, May 15, 2008

Background

On July 16, 2007, the commission initiated this rulemaking to review the rules in WAC 480-93, Gas Companies-Safety and in WAC 480-75, Hazardous Liquid, Gas, Oil and Petroleum Pipeline Companies - Safety. These rulemakings are intended to address: 1) changes in RCW Title 80 and 81 resulting from the passage of Substitute Senate Bill 5225 during the 2007 legislative session; 2) to set a new regulatory fee schedule; and 3) to make changes consistent with changes to federal rules.

The commission received comments on the gas rulemaking from the Northwest Gas Association (NWGA) and the Northwest Industrial Gas Users (NWIGU). The comments were reviewed by staff and the rules were redrafted to reflect those proposed changes endorsed by Staff. No comments were received on the Hazardous Liquid rulemaking.

The commission did not hold a workshop for this rulemaking. Written comments were solicited on September 4, 2007, November 27, 2007 and again on April 25, 2008. Following receipt of the written comments, the draft rules were rewritten to include those comments agreed to by staff.

Discussion

The commission filed proposed rules, i.e., two CR-102's, with the Code Reviser on March 19, 2008, and circulated the proposal to stakeholders. The commission

received comments on the proposed gas rules from NWGA. No comments were received on the Hazardous Liquid proposed rules. The proposed gas rules have been revised to reflect the majority of the following suggested changes from NWGA.

1. **WAC 480-93-005 (13) Gas Pipeline Company** - NWGA suggests making this definition identical to the definition set forth in RCW 81.88.010 by placing the word “gas” before the words “pipeline company” in the last sentence of the definition. Staff agrees with this proposal the rules have been redrafted to reflect the change.
2. **WAC 480-93-100 (19) Master Meter** – NWGA suggested replacing the language in the definition with a reference to 49 CFR. The draft language is already drafted in that manner therefore no change is needed to the proposed rule.
3. **WAC 480-93-185 Gas Leak Investigation** – NWGA suggests replacing the term “gas pipeline company” with the term “operator” in this particular instance. Staff agrees with this change and the draft rules now reflect the change in terminology.
4. **WAC 480-93-240 Annual Pipeline Safety Fee Methodology** – NWGA suggests deleting the term “pipeline” and replacing it with “gas pipeline company.” This change would make the rule consistent with RCW 81.88.010. NWGA also suggests deleting the reference to “Hazardous liquid pipelines.” Staff agrees with both of these suggestions. NWGA also suggested adding the language “herein” to paragraph one. Staff disagrees with this part of NWGA’s suggestion. The sentence as written refers to RCW81.88.010 and the term “herein” is not needed.

The revised proposed rules and a matrix of comments filed are attached to this memorandum for your review.

Conclusion

The commission may consider adoption of the proposed rules in WAC 480-93 and WAC 480-75 with the changes proposed by stakeholders , changes in RCW Title 80 and 81 resulting from the passage of Substitute Senate Bill 5225 during the 2007 legislative session, set a new regulatory fee schedule and make changes consistent with changes to federal rules.

Attachments

