

Secretary of State
NOTICE OF PROPOSED RULEMAKING*
A Statement of Need and Fiscal Impact accompanies this form.

Public Utility Commission 860
Agency and Division Administrative Rules Chapter Number
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Rules Coordinator Address Telephone

RULE CAPTION

In the Matter of a Rulemaking to Adopt Federal Pipeline Safety Regulation Amendments.
Not more than 15 words that reasonably identifies the subject matter of the agency's intended action.

RULEMAKING ACTION

Secure approval of new rule numbers (adopted or renumbered) with the Administrative Rules Unit prior to filing.

ADOPT:

AMEND: 860-024-0020 and 860-024-0021

REPEAL:

RENUMBER:

AMEND and RENUMBER:

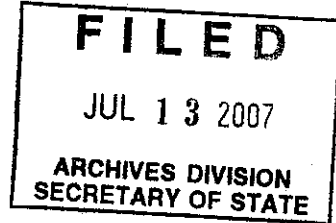
ORS Ch. 183, 756 & 757

Stat. Auth:

Other Authority

ORS 757.039

Stats. Implemented:



RULE SUMMARY

The proposed rules adopt published US Department of Transportation (USDOT) amendments associated with the construction, operation and maintenance of intrastate gas pipelines and liquefied natural gas facilities. The amendments being adopted are from the Code of Federal Regulations, CFR Title 49, Part 192 (5 amendments), Part 193 (1 amendment), and Part 199 (4 amendments).

Pursuant to ORS 757.039(3), the Commission has agreements with USDOT that the Oregon PUC will adopt federal pipeline safety regulations applicable to intrastate gas pipelines and liquefied natural gas facilities. This rulemaking is necessary to update Oregon PUC's gas safety rules to be current with federal gas pipeline safety regulations.

The agency requests public comment on whether other options should be considered for achieving the rule's substantive goals while reducing negative economic impact of the rule on business.

August 23, 2007, 5:00 p.m.

Last day for Public Comment
Last day to submit written comments to the Commission

Diane Davis
Signature

Diane Davis
Printed Name

7-13-07
Date

*Rulemaking Notices published in the Oregon Bulletin must be submitted by 5:00 p.m. on the 15th day of the preceding month unless this deadline falls on a weekend or legal holiday, upon which the deadline is 5:00 pm the preceding workday. A public rulemaking hearing may be requested in writing by 10 or more people, by an association with 10 or more members, within 21 days following publication of the Notice of Proposed Rulemaking in the Oregon Bulletin or 28 days from the date Notice was sent to people on the agency mailing list, whichever is later. If sufficient hearing requests are received, the notice of the date and time of the rulemaking hearing must be published in the Oregon Bulletin at least 14 days before the hearing.

STATEMENT OF NEED AND FISCAL IMPACT

A Notice of Proposed Rulemaking Hearing or a Notice of Proposed Rulemaking accompanies this form.

Agency and Division

Administrative Rules Chapter Number

Public Utility Commission

860

In the Matter of a Rulemaking to Adopt Federal Pipeline Safety Regulation Amendments.

Rule Caption: In the Matter of a Rulemaking to Adopt Federal Pipeline Safety Regulation Amendments.

Statutory Authority: ORS Ch. 183, 756 & 757

Other Authority:

Stats. Implemented: ORS 757.039

Need for the Rule(s): Under ORS 757.039, the Commission is empowered to adopt safety rules pertaining to the transmission, distribution, storage, or treatment of fuel gas transported by pipeline. The statute also authorizes the Commission to enter into agreements with the US Department of Transportation (USDOT) to enforce federal pipeline safety regulations pertaining to pipeline facilities in Oregon. The Commission has entered into agreements with USDOT for enforcement over intrastate gas pipeline facilities. As part of its annual agreement, the Commission certifies to USDOT that it has or is in the process of adopting all current federal pipeline safety regulations applicable to intrastate gas pipelines and liquefied natural gas facilities. Adoption of the federal amendments complies with the certification requirements.

Documents Relied Upon, and where they are available:

Code of Federal Regulations, CFR Title 49, Part 192 (5 amendments), Part 193 (1 amendment), and Part 199 (4 amendments): Information is available online at the Pipeline and Hazardous Materials Safety Administration website at <http://ops.dot.gov>. ORS Chapter 757 is available online at <http://www.leg.state.or.us/ors/757.html>.

Fiscal and Economic Impact, including Statement of Cost of Compliance:

The Public Utility Commission has experienced an additional cost of compliance resulting from the adoption of the amendments at the federal level. PUC Staff has additional recordkeeping, reporting and administrative activities. Additional attorney costs may arise as a result of the increased monitoring. The additional duties have been absorbed by the current PUC staff. The Public Utility Commission's adoption by reference (of the amendments) will not further impact the agency. Units of local government are not impacted. The gas pipeline operators experienced fiscal and economic impact when they complied with the regulations upon adoption at the federal level. The Public Utility Commission's adoption by reference (of the amendments) will not further impact the gas pipeline operators.

How were small businesses involved in the development of this rule?

Small businesses were not involved at the state level. This rulemaking adopts the federal amendments as required by ORS 757.039. These amendments already underwent federal rule making processes where gas pipeline operators and interested parties had opportunity to comment and to take appropriate compliance actions.

Administrative Rule Advisory Committee consulted? No**If not, why?**

These amendments already underwent federal rule making processes where gas pipeline operators and interested parties had opportunity to comment and to take appropriate compliance actions.

Diane Davis
Authorized Signer

Diane Davis
Printed Name

7-13-07
Date

Gas

860-024-0020

Gas Pipeline Safety

Every gas operator shall construct, operate, and maintain natural gas and other gas facilities in compliance with the standards prescribed by:

(1) 49 CFR, Part 191, and amendments through No. 14 -- Transportation of Natural and Other Gas by Pipeline; Annual Reports and Incident Reports in effect on July 13, 1998.

(2) 49 CFR, Part 192, and amendments through No. ~~98103~~ -- Transportation of Natural and Other Gas by Pipeline; Minimum Safety Standards in effect on ~~September 9, 2004~~ July 10, 2006.

(3) 49 CFR, Part 199, and amendments through No. ~~1923~~ -- Control of Drug and Alcohol Use in Natural Gas, Liquefied Natural Gas, and Hazardous Liquid Pipeline Operations in effect on ~~September 11, 2001~~ March 8, 2005.

[Publications: The publication(s) referred to or incorporated by reference in this rule are available for review from ~~the office of~~ the Public Utility Commission.]

Stat. Auth.: ORS Ch. 183, 756 & 757

Stat. Implemented: ORS 757.039

Hist.: PUC 164, f. 4-18-74, ef. 5-11-74 (Order No. 74-307); PUC 172, f. & ef. 1-14-76 (Order No. 76-036); PUC 180, f. 4-8-77, ef. 5-1-77 (Order No. 77-232); PUC 2-1978, f. & ef. 3-16-78 (Order No. 78-158); PUC 6-1980, f. & ef. 10-22-80 (Order No. 80-777); PUC 3-1981, f. & ef. 6-4-81 (Order No. 81-361); PUC 12-1984, f. & ef. 6-5-84 (Order No. 84-424); PUC 18-1984, f. & ef. 9-4-84 (Order No. 84-685); PUC 4-1986, f. & ef. 5-5-86 (Order No. 86-456); PUC 11-1987, f. & ef. 10-8-87 (Order No. 87-861); PUC 16-1989, f. & cert. ef. 11-22-89 (Order No. 89-1529); PUC 8-1992, f. & ef. 5-13-92 (Order Nos. 92-618 & 92-677); PUC 14-1994, f. & ef. 10-20-94 (Order No. 94-1533); PUC 9-1998, f. & ef. 4-28-98 (Order No. 98-169); PUC 19-1998, f. & ef. 11-18-98 (Order No. 98-468); PUC 22-2003, f. & ef. 11-28-03 (Order No. 03-666); PUC 3-2005, f & ef. 06-03-05 (Order No. 05-722)

860-024-0021

Liquefied Natural Gas Safety

Every gas operator shall construct, operate, and maintain liquefied natural gas facilities in compliance with the standards prescribed by:

(1) 49 CFR, Part 191, and amendments through No. 14 -- Transportation of Natural and Other Gas by Pipeline; Annual Reports and Incident Reports in effect on July 13, 1998.

(2) 49 CFR, Part 193, and amendments through No. ~~1819~~ -- Liquefied Natural Gas Facilities; Minimum Safety Standards in effect on ~~April 9, 2004~~ July 10, 2006.

(3) 49 CFR, Part 199, and amendments through No. ~~1923~~ -- Control of Drug and Alcohol Use in Natural Gas, Liquefied Natural Gas, and Hazardous Liquid Pipeline Operations in effect on ~~September 11, 2001~~ March 8, 2005.

[Publications: The publication(s) referred to or incorporated by reference in this rule are available for review from ~~the office of~~ the Public Utility Commission.]

Stat. Auth.: ORS Ch. 183, 756 & 757

Stat. Implemented: ORS 757.039

Hist.: PUC 3-1981, f. & ef. 6-4-81 (Order No. 81-361); PUC 12-1984, f. & ef. 6-5-84 (Order No. 84-424); PUC 4-1986, f. & ef. 5-5-86 (Order No. 86-456); PUC 11-1987, f. & ef. 10-8-87 (Order No. 87-861); PUC 16-1989, f. & cert. ef. 11-22-89 (Order No. 89-1529); PUC 8-1992, f. & ef. 5-13-92 (Order Nos. 92-618 & 92-677); PUC 14-1994, f. & ef. 10-20-94 (Order No. 94-1533); PUC 9-1998, f. & ef. 4-28-98 (Order No. 98-169); PUC 19-1998, f. & ef. 11-18-98 (Order No. 98-468); PUC 22-2003, f. & ef. 11-28-03 (Order No. 03-666); PUC 3-2005, f & ef. 06-03-05 (Order No. 05-722)