

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

**FILED**  
12-8-16 1:02 PM  
ARCHIVES DIVISION  
SECRETARY OF STATE

Public Utility Commission of Oregon

860

Agency and Division

Administrative Rules Chapter Number

Diane Davis

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Rules Coordinator

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Address

**RULE CAPTION**

In the Matter of Adopting the 2017 Edition of the National Electrical Safety Code.

Not more than 15 words that reasonably identifies the subject matter of the agency's intended action.

**RULEMAKING ACTION**

Secure approval of rule numbers with the Administrative Rules Unit prior to filing

**ADOPT:**

**AMEND:**

860-024-0010

**REPEAL:**

**RENUMBER:** Secure approval of new rule numbers with the Administrative Rules Unit prior to filing.

**AMEND AND RENUMBER:** Secure approval of new rule numbers with the Administrative Rules Unit prior to filing.

**Statutory Authority:**

ORS 183, 756, 757, 759

**Other Authority:**

**Statutes Implemented:**

ORS 757.035

**RULE SUMMARY**

The proposed amendments to OAR 860-024-0010 adopt the latest edition of the National Electrical Safety Code (NESC). Every five years the NESC is revised by a volunteer group of industry experts, with the Institute of Electrical and Electronics Engineers (IEEE) acting as the secretariat, and then is approved by the American National Standards Institute. The 2017 NESC was published in August 2016 and has an effective date of February 1, 2017. The PUC's adoption by rule of the latest NESC edition requires subject operators to stay up to date with current national standards and practices used in the construction, operation, and maintenance of electric supply lines and communication lines.

The PUC encourages participants to file written comments before the last day of the comment period, January 23, 2017, so that other participants have the opportunity to consider and respond to the comments before the close of the comment period. Please reference Docket No. AR 606 on comments and file them by e-mail to the Commission's Filing Center at PUC.FilingCenter@state.or.us.

Interested persons may review all filings online at <http://apps.puc.state.or.us/edockets/docket.asp?DocketID=20419>. For guidelines on filing and participation, please see OAR 860-001-0140 through 860-001-0160 and 860-001-0200 through 860-001-0250, found online at [http://arcweb.sos.state.or.us/pages/rules/oars\\_800/oar\\_860/860\\_001.html](http://arcweb.sos.state.or.us/pages/rules/oars_800/oar_860/860_001.html).

A public rulemaking hearing may be requested in writing by 10 or more people, or by an association with 10 or more members, within 21 days following the 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.

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.

01-23-2017 5:00 p.m.

Diane Davis

diane.davis@state.or.us

Last Day (m/d/yyyy) and Time  
for public comment

Rules Coordinator Name

Email Address

\*The Oregon Bulletin is published on the 1st of each month and updates the rule text found in the Oregon Administrative Rules Compilation.

Secretary of State  
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In the Matter of Adopting the 2017 Edition of the National Electrical Safety Code.

Rule Caption (Not more than 15 words that reasonably identifies the subject matter of the agency's intended action.)

In the Matter of:

Adopting the 2017 Edition of the National Electrical Safety Code

**Statutory Authority:**

ORS 183, 756, 757, 759

**Other Authority:**

**Statutes Implemented:**

ORS 757.035

**Need for the Rule(s):**

It is important for the Oregon PUC to adopt the latest edition of the NESC to stay up to date with current national standards and practices used in the construction, operation, and maintenance of electrical supply lines and communications lines. This is especially critical for electric and communications utilities and operators as well as contractors and consultants who work in more than one state. If the 2017 NESC is not adopted, Oregon will be out-of-step with the rest of the nation with respect to utility standards and practices, potentially causing increased costs for Oregon operators and unsafe conditions and practices jeopardizing utility workers and the public.

**Documents Relied Upon, and where they are available:**

ORS 757.035 is available online at [https://www.oregonlegislature.gov/bills\\_laws/ors/ors757.html](https://www.oregonlegislature.gov/bills_laws/ors/ors757.html)

National Electrical Safety Code (NESC), 2017 edition is available from several sources, including, but not limited to the IEEE (see [www.ieee.org](http://www.ieee.org)); the Oregon Joint Use Association (see [www.ojua.org](http://www.ojua.org)); and is available for review at the PUC.

**Fiscal and Economic Impact:**

Adoption of the 2017 NESC will have a fiscal impact on businesses, small businesses, government entities, and other organizations such as electric utilities, telecommunications utilities and providers, cable television providers, and other entities that construct, operate, or maintain electric supply lines or communication lines and associated equipment. The potential magnitude of changes in costs (savings or increases) cannot be quantified at this time because the potential costs will be different for each entity depending upon its current system, scope of work, facilities, and practices.

Changes in the code include, but are not limited to, changes to definitions; grounding requirements; fire extinguishing equipment; guy insulators, vegetation management, service drop clearances, strength and loading rules for overhead lines; underground lines depth, grounding, bonding and separation; work rules to bring them in line with current Occupational Safety and Health Administration (OSHA) rules; and significant revisions to the substation fence requirements.

Entities subject to NESC may incur costs or savings depending upon each entity's current system, scope of work, facilities and practices. For instance, entities subject to the new substation fence requirements may incur additional costs to construct the newly required fencing. However, due to grandfathering provisions within the NESC, an entity subject to this rule will not be required to bring all its facilities into compliance with the 2017 code; it would need only to construct new facilities or substantial renovations in compliance with the 2017 code. Other changes may require management or staff time or training to review the code changes, or modifications to the design or components of pending projects to conform to the revised code, which may increase costs for a project. The OSHA updates would not have a fiscal impact because the public is currently subject to Oregon OSHA's workplace safety regulations, which are just as effective as federal OSHA regulations.

**Statement of Cost of Compliance:**

**1. Impact on state agencies, units of local government and the public (ORS 183.335(2)(b)(E)):**

The adoption of the 2017 NESC by rule amendment will have minimal impact on the PUC.

No impact on the public is anticipated. Units of local government subject to the NESC may incur additional costs to comply with changes to code (for instance, if the local government is subject to the changes in code regarding substation fencing); however, the potential magnitude of

changes in costs cannot be quantified at this time because potential costs and savings will be different for each entity depending in its system, facilities, and practices.

**2. Cost of compliance effect on small business (ORS 183.336):**

**a. Estimate the number of small business and types of businesses and industries with small businesses subject to the rule:**

There are a little over 100 electric, telephone, and cable television utilities that own and operate utility-type facilities in Oregon, and it is estimated that approximately 70 of those entities have 50 or fewer employees. In addition, there are a number of contractors, consultants, and other small businesses that design, construct, operate, or maintain electric supply or communication facilities; however, it is impractical to identify the number of such entities operating in Oregon.

**b. Projected reporting, recordkeeping and other administrative activities required for compliance, including costs of professional services:**

The potential magnitude of the administrative cost or savings impact to small utilities and small business entities that design, construct, or operate electric supply or communication facilities is unknown at this time because the impact will vary with each entity according to the type of utility work performed and the current state of systems, facilities, and practices. Adoption of the 2017 NESC does not impose additional reporting requirements to the PUC. Subject entities may incur recordkeeping or administrative costs associated with training or other staff time to implement code changes, or to procure construction services if an entity is required to install new substation fencing under the code.

**c. Equipment, supplies, labor and increased administration required for compliance:**

The potential magnitude of the cost or savings impact to small utilities and small business entities that design, construct, or operate electric supply or communication facilities is unknown at this time because the impact will vary with each entity according to the type of utility work performed and the current state of systems, facilities, and practices. Adoption of the 2017 NESC does not impose additional reporting requirements to the PUC. Subject entities may incur recordkeeping or administrative costs associated with training or other staff time to implement code changes, or to procure construction services if an entity is required to install new substation fencing under the code.

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

Small businesses were not involved directly in the development of this amendments; however, representative of utilities, utility providers, operators, industry associations, and other were invited to comment on the development of the latest version of the NESC through industry organizations and work groups. PUC Staff held a stakeholder workshop on November 18, 2016.

**Administrative Rule Advisory Committee consulted?:No**

**If not, why?:**

The PUC does not have an appointed administrative rule advisory committee. As noted above, industry organizations were involved in the development of the national code. After the approval of the 2017 NESC, PUC staff has encouraged operators in Oregon to be prepared to comply with the new edition soon after the first of 2017. PUC Staff held a stakeholder workshop on November 18, 2016.

01-23-2017 5:00 p.m.	Diane Davis	diane.davis@state.or.us
Last Day (m/d/yyyy) and Time for public comment	Printed Name	Email Address

**860-024-0010**

**Construction, Operation, and Maintenance of Electrical Supply and Communication Lines**

Every operator shall construct, operate, and maintain electrical supply and communication lines in compliance with the standards prescribed by the ~~2012~~**2017** Edition of the National Electrical Safety Code approved ~~June 3, 2011~~**April 26, 2016**, by the American National Standards Institute.

[Publications: Publications referenced are available for review from the Commission.]

Stat. Auth.: ORS 183, 756, 757 & 759

Stats. Implemented: ORS 757.035

Hist.: PUC 164, f. 4-18-74, ef. 5-11-74 (Order No. 74-307); PUC 173, f. & ef. 1-14-76 (Order No. 76-037); PUC 1-1978, f. 1-13-78, ef. 2-13-78 (Order No. 78-076); 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 11-1987, f. & ef. 10-8-87 (Order No. 87-861); PUC 6-1990, f. & cert. ef. 5-25-90 (Order No. 90-833); PUC 11-1993, f. & cert. ef. 6-23-93 (Order No. 93-809); PUC 13-1994, f. & cert. ef. 8-31-94 (Order No. 94-1243); PUC 7-1997, f. & cert. ef. 2-6-97 (Order No. 97-032); PUC 9-2002, f. & cert. ef. 2-26-02 (Order No. 02-119); PUC 6-2007, f. & cert. ef. 5-14-07 (Order No. 07-179); PUC 5-2008, f. & cert. ef. 12-29-08 (Order No. 08-599); PUC 2-2012, f. & cert. ef. 3-9-12 (Order No. 12-081)