

STATE OF NEW YORK
PUBLIC SERVICE COMMISSION

At a session of the Public Service
Commission held in the City of
Albany on June 14, 2018

COMMISSIONERS PRESENT:

John B. Rhodes, Chair
Gregg C. Sayre
Diane X. Burman
James S. Alesi

CASE 17-G-0368 - In the Matter of the Rules and Regulations of the Public Service Commission, Contained in 16 NYCRR - Proposed Amendments to Chapter III, Gas Utilities, Subchapter C, Safety, to ensure conformance with pipeline safety regulations contained in Title 49, Code of Federal Regulations.

MEMORANDUM AND RESOLUTION INITIATING PROMULGATION PROCESS FOR
PROPOSED AMENDMENTS TO GAS SAFETY REGULATIONS

(Issued and Effective June 19, 2018)

BY THE COMMISSION:

INTRODUCTION

In this memorandum and resolution, the Commission initiates the process for promulgating amendments to the gas safety regulations. The Commission is a federally certified state pipeline safety program administrator and is required pursuant to 49 USC §60105(b)(2) to adopt federal pipeline safety standards. The Commission has two years from the date of adoption of any amendments to federal pipeline safety standards by the Pipeline and Hazardous Materials Administration (PHMSA) to adopt new rules incorporating any such amendments. By this action, the Commission proposes draft regulations for adoption

and adopts a notice of proposed rulemaking seeking public comments on the proposed draft regulations.

The federally-mandated sections being adopted require gas companies to offer more customers Excess Flow Valves, which are safety devices that reduce or stop the flow of gas, or to install manual shut-off valves. The proposed rules require companies to notify the Department of Public Service of company intent to convert from a non-jurisdictional fuel to gas or petroleum service 60 days before the conversion occurs. Gas pipe welders would be required to complete a weld to obtain welding certification. The new rules clarify who in a gas company Control Room must be trained in abnormal or emergency conditions and adds the requirement that pressure-regulating devices be inspected every three years and set operating standards for such devices. The final technical change is an exemption for certain gas piping systems from the requirement to have a Distribution Integrity Management Plan. Two grammatical changes clarify what gas companies need to inspect when performing their required "gas service line" inspections and to correct an error in subdivision numbering in 16 NYCRR §255.726 that one gas company brought to light in Case 13-G-0136.

DISCUSSION AND ANALYSIS OF
STAKEHOLDER RECOMMENDATIONS

Valuable contributions were made to the proposed regulations because of a stakeholder outreach process. A draft was provided to the Northeast Gas Association's New York Advisory Committee (NYAC), which agreed to serve as representative of the stakeholders. The stakeholders were then contacted to get their input on the draft regulatory language. The individuals and organizations represented will be affected directly by the gas safety regulations.

The major issues raised by stakeholders during the outreach process included correcting one typographical error and adding the federal definition of master meter. The two remaining concerns, first with respect to §255.511, stakeholders had concerns regarding the line of demarcation and jurisdiction as well as the cost and operational impact of testing/inspecting gas service lines. This concern cannot result in a change to the proposal because the language simply reflects what is already required by federal and state regulations. Stakeholders' second concern, with respect to §255.726 is that this expands the requirements for inspecting inactive services; the Commission, however, has already corrected the meaning of this section of the rules. Therefore, this change simply reflects a Commission order. Finally, Stakeholders wanted further clarification as to what constitutes a "definite plan" for future use, which will be explained in the Commission's Adopting Memorandum.

The views of all the stakeholders have been considered in developing the attached proposed draft regulations that will appropriately revise the gas safety regulations to conform to revised federal requirements.

STATE ENVIRONMENTAL QUALITY REVIEW

The proposed amendment of the gas safety regulations is an unlisted action within the meaning of 6 NYCRR §617.2(ak). An Environmental Assessment Form has been prepared and a Notice of Determination of Significance, Negative Declaration was made by the Commission.

CONCLUSION

The regulations, as set forth in the accompanying proposed resolution, are proposed for adoption.

RESOLVED:

1. The process for promulgating amendments to the gas safety regulations is hereby initiated and the draft regulations are hereby proposed for adoption in accordance with the attached draft resolution.

2. The Secretary is directed to issue the attached Notice of Proposed Rulemaking, substantially in the form provided.

3. The Secretary is directed to transmit to the Department of State a Notice of Proposed Rulemaking for publication in the State Register, in substantial conformance with this resolution.

4. This proceeding is continued.

(SIGNED)

KATHLEEN H. BURGESS
Secretary

PROPOSED NOTICE OF PROPOSED RULEMAKING

STATE OF NEW YORK
PUBLIC SERVICE COMMISSION

CASE 17-G-0368 - In the Matter of the Rules and Regulations of the Public Service Commission, Contained in 16 NYCRR - Proposed Amendments to Chapter III, Gas Utilities, Subchapter C, Safety, to ensure conformance with pipeline safety regulations contained in Title 49, Code of Federal Regulations.

NOTICE OF PROPOSED RULEMAKING

(Issued _____ 2018)

NOTICE is hereby given that the Commission is proposing to amend the rules relating to pipeline facilities contained in Title 16 NYCRR Part 10, Referenced Material (Part 10), 16 NYCRR Part 255 Transmission and Distribution of Gas (Part 255). The proposed changes are intended to bring Part 255 into conformance with the Federal Regulations contained in Title 49, Code of Federal Regulations, Part 192, Transportation of Natural Gas (49 CFR Part 192) by adopting changes made by Amendments 192-121 and 192-123 to 49 CFR Part 192.

Minor clarification and technical edits are also being made. Technical clarification of section 255.511 is being made to correct grammar and to be consistent with the current service line definition as changed in Case 14-G-0357. An error in subdivision enumeration of section 255.726 brought to light Case 13-G-0136 is also being addressed in this rulemaking.

Any person wishing to comment should submit such comments electronically by e-filing through the Department's

Document and Matter Management System (DMM)¹ or by e-mail to the Secretary at secretary@dps.ny.gov.

Anyone who cannot submit comments electronically may mail or deliver them to Hon. Kathleen H. Burgess, Secretary, Public Service Commission, Three Empire State Plaza, Albany, New York, 12223-1350, not later than _____, 2018.

(SIGNED)

KATHLEEN H. BURGESS
Secretary

¹ Why Register with DMM,
[http://www.dps.ny.gov/DMM Registration.html](http://www.dps.ny.gov/DMM%20Registration.html); How to Register
with DMM, <http://www.dps.ny.gov/e-file/registration.html>

PROPOSED RESOLUTION BY THE COMMISSION

STATE OF NEW YORK
PUBLIC SERVICE COMMISSION

At a session of the Public Service
Commission held in the City of

by a _____ vote of its four
members present

COMMISSIONERS PRESENT:

CASE 17-G-0368 - In the Matter of the Rules and Regulations of
the Public Service Commission, Contained in
16 NYCRR - Proposed Amendments to Chapter III,
Gas Utilities, Subchapter C, Safety, to ensure
conformance with pipeline safety regulations
contained in Title 49, Code of Federal
Regulations.

PROPOSED RESOLUTION

(Issued and Effective _____)

Statutory Authority Public
Service Law, Section 66

BY THE COMMISSION:

RESOLVED:

1. That the provisions of Section 202(1) of the State
Administrative Procedure Act and Section 101-a (2) of
the Executive Law having been complied with, Title 16
of the Official Compilation of Codes, Rules and

Regulations of the State of New York is amended, effective upon publication of a Notice of Adoption in the State Register, by revising Chapter III, Gas Utilities, Subchapter C, Safety, Part 255, Transmission and Distribution of Gas, by amending Sections 255.3, 255.14, 255.225, 255.227, 255.381, 255.383, 255.385, 255.511, 255.616, 255.631, 255.726, 255.740, 255.1003, and 255.1015 to read as follows (underlined writing indicates new material, brackets indicate deletions):

STATE OF NEW YORK

CHAPTER III
SUBCHAPTER C, Safety

PART 255
TRANSMISSION AND DISTRIBUTION OF GAS

§255.3 - Conversion to service subject to this Part

(a) As used in this Part:

(54) Master Meter System means a pipeline system for distributing gas within, but not limited to, a definable area, such as a mobile home park, housing project, or apartment complex, where the operator purchases metered gas from an outside source for resale through a gas distribution pipeline system. The gas distribution pipeline system supplies the ultimate consumer who either purchases the gas directly through a meter or by other means, such as by rents.

§255.14 - Conversion to service subject to this Part

(c) An operator converting a pipeline from service not previously covered by this part must notify the Department of intent to conversion of service 60 days prior to when conversion occurs and to PHMSA as required by 49 CFR §191.22.

§255.225 - Qualification of welding procedures

(a) Welding must be performed by a qualified welder or welding operator in accordance with welding procedures qualified [according to] under section 5, section 12, [or] Appendix A or Appendix B of API Standard 1104 (as described in Section 10.3 of this Title), or section IX of the ASME Boiler and Pressure Vessel Code (ASME BPVC) (as described in Section 10.3 of this Title) to produce welds meeting the requirements of this subpart. The quality of the test welds used to qualify welding procedures shall be determined by destructive testing in accordance with the applicable welding standard(s).

§255.227 - Qualification of welders

(a) Except as provided in subdivision (b) of this section, each welder or welding operator must be qualified in accordance with section 6, section 12, [or] Appendix A or Appendix B of API Standard 1104 (as described in Section 10.3 of this Title), or section IX of the ASME Boiler and Pressure Vessel Code (ASME BPVC) (as described in Section 10.3 of this Title). However, a welder or welding operator qualified under an earlier edition than listed in section 10.3 of this Title may weld but may not requalify under that earlier edition.

(b) A welder may qualify to perform welding on pipe to be operated at a pressure of less than 125 psig (862 kPa) by performing an acceptable test weld, for the welding process to be used, under the test set forth in section I of Appendix 14-F of this Title. [A] Each welder who [makes] is to make a welded service line connection[s] to a main must first perform an acceptable test weld under section II of Appendix 14-F of this Title [as a part] as a requirement of [his] the qualifying test.

§255.381 - Service lines: excess flow valve performance standards

(a) Excess flow valves (EFVs) to be used on [single residence] service lines that operate continuously throughout the year at a pressure not less than 10 psig (69 kPa) must be manufactured and tested by the manufacturer according to an industry specification, or the manufacturer's written specification, to ensure that each valve will:

§255.383 - Excess flow valve customer installation

(a) Definitions. As used in this section:

(1) Branched service line means a gas service line that begins at the existing service line or is installed concurrently with the primary service line but serves a separate residence.

([1]2) Replaced service line means a gas service line where the fitting that connects the service line to the main is replaced or the piping connected to this fitting is replaced.

([2]3) Service line serving single-family residence means a

gas service line that begins at the fitting that connects the service line to the main and serves only one single-family residence (SFR).

(b) Installation required. An excess flow valve (([EFB]EFV)) installation must comply with the performance standards in section 255.381 of this Part. After April 14, 2017, each operator must install an EFV on any new or replaced service line serving the following types of services before the line is activated:

- (1) A single service line to one SFR;
- (2) A branched service line to a SFR installed concurrently with the primary SFR service line (i.e., a single EFV may be installed to protect both service lines);
- (3) A branched service line to a SFR installed off a previously installed SFR service line that does not contain an EFV;
- (4) Multifamily residences with known customer loads not exceeding 1,000 SCFH per service, at time of service installation based on installed meter capacity, and
- (5) A single, small commercial customer served by a single service line with a known customer load not exceeding 1,000 SCFH, at the time of meter installation, based on installed meter capacity.

(c) Exceptions to excess flow valve installation requirement. An operator need not install an excess flow valve if [The operator must install an EFV on any new or replaced service line serving a single-family residence unless] one or more of the following conditions is present:

- (1) the service line does not operate at a pressure of 10 psig (69 kPa) or greater throughout the year;
- (2) the operator has prior experience with contaminants in the gas stream that could interfere with the EFV operation or cause loss of service to a residence;
- (3) an EFV could interfere with necessary operation or maintenance activities, such as blowing liquids from the line; or

- (4) an EFV meeting performance standards in section 255.381 of this Part is not commercially available to the operator.

(d) Customer's right to request an EFV. Existing service line customers who desire an EFV on service lines not exceeding 1,000 SCFH and who do not qualify for one of the exceptions in subdivision (c) of this section may request an EFV to be installed on their service lines. If an eligible service line customer requests an EFV installation, an operator must install the EFV at a mutually agreeable date.

(e) Operator notification of customers concerning EFV installation. Operators must notify customers of their right to request an EFV in the following manner:

- (1) Except as specified in subdivision (c) and paragraph (e)(5) of this section, each operator must provide written or electronic notification to customers of their right to request the installation of an EFV. Electronic notification can include emails, Web site postings, and e-billing notices.
- (2) The notification must include an explanation for the service line customer of the potential safety benefits that may be derived from installing an EFV. The explanation must include information that an EFV is designed to shut off the flow of natural gas automatically if the service line breaks.
- (3) The notification must include a description of EFV installation and replacement costs. The notice must alert the customer that costs for maintaining and replacing an EFV may later be incurred, and what those costs will be to the extent known.
- (4) The notification must indicate that if a service line customer requests installation of an EFV and the load does not exceed 1,000 SCFH and the conditions of subdivision (c) are not present, the operator must install an EFV at a mutually agreeable date.
- (5) Operators of master-meter systems and liquefied petroleum gas (LPG) operators with fewer than 100 customers may continuously post a general notification in a prominent location frequented by customers.

(f) Operator evidence of customer notification. An operator must make available to the Department a copy of the notice or notices currently in use.

([c]g) Reporting. Each operator must report the EFV measures detailed in the annual report required by 49 CFR 191.11.

§255.385 - Manual service line shut-off valve installation.

(a) Definitions. As used in this section, manual service line shut-off valve means a curb valve or other manually operated valve located near the service line that is safely accessible to operator personnel or other personnel authorized by the operator to manually shut off gas flow to the service line, if needed.

(b) Installation requirement. The operator must install either a manual service line shut-off valve or, if possible, based on sound engineering analysis and availability, an EFV for any new or replaced service line with installed meter capacity exceeding 1,000 SCFH.

(c) Accessibility and maintenance. Manual service line shut-off valves for any new or replaced service line must be installed in such a way as to allow accessibility during emergencies. Manual service shut-off valves installed under this section are subject to regularly scheduled maintenance, as documented by the operator and consistent with the valve manufacturer's specification.

§255.511 - Test requirements for service lines

(g) The limits of the test shall be from the main to one of the following points: [;]

- (1) In the case of an inside meter or meter-regulator setting, the first fitting [inside the wall of the customer's structure through which the service enters] upstream of the meter.
- (2) In the case of an outside meter or meter-regulator setting, to the meter riser valve, if any, or the first fitting on the riser upstream of the regulator where one is installed.

- (3) In the case of an inside meter with an outside regulator; to the first fitting on the riser upstream of the regulator.

§255.616 Customer education and information program.

(j) Unless the operator transports gas as a primary activity, the operator of a master meter or a petroleum gas system is not required to develop a public awareness program as prescribed in subdivisions (a) through (g) of this section. Instead the operator must develop and implement a written procedure to provide its customers public awareness messages twice annually. If the petroleum gas system is located on property the operator does not control, the operator must provide similar messages twice annually to persons controlling the property. The public awareness message must include:

§255.631 Control room management

(b) ...

- (3) A controller's role during an emergency, even if the controller is not the first to detect the emergency, including the controller's responsibility to take specific actions and to communicate with others; [and]
- (4) A method of recording controller shift-changes and any hand- over of responsibility between controllers; and
- (5) The roles, responsibilities and qualifications of others with the authority to direct or supersede the specific technical actions of a controller.

(h) ...

- (4) Training that will provide a controller a working knowledge of the pipeline system, especially during the development of abnormal operating conditions; [and]
- (5) For pipeline operating setups that are periodically, but infrequently used, providing an opportunity for controllers to review relevant procedures in advance of their application; and
- (6) Control room team training and exercises that include both controllers and other individuals, defined by the

operator, who would reasonably be expected to operationally collaborate with controllers (control room personnel) during normal, abnormal or emergency situations. Operators must comply with the team training requirements under this subdivision by no later than January 23, 2018.

§255.726 Inactive service lines.

(a) All inactive service lines, including stubs, must be inspected, leakage surveyed and maintained according to the applicable provisions of this Part.

(b) Inactive steel service lines not under cathodic protection, including stubs, may remain under the conditions established by section 255.727(d) of this Part for a period of not more than six years subject to the following conditions:

- ([a]1) During the third year of inactivity, the operator must conduct a survey for potential future use and, if there is no definite plan for future use, disconnect the service at the main or in compliance with subdivision (d) of this section, purge the service and seal the open end.
- ([b]2) Inactive service lines for which there is a definite plan for future use may remain under the conditions established by section 255.727(d) of this Part for an additional three-year period provided the operator either reactivates the service or disconnects the service at the main or in compliance with subdivision (d) of this section, purges the service and seals the open ends by the end of the sixth year of inactivity.

...

§255.740 - Pressure regulating, limiting, and overpressure protection - Individual service lines directly connected to production, gathering, or transmission pipelines.

(a) This section applies, except as provided in subdivision (c) of this section, to any service line directly connected to a production, gathering, or transmission pipeline that is not operated as part of a distribution system.

(b) Each pressure regulating or limiting device, relief device (except rupture discs), automatic shutoff device, and associated equipment must be inspected and tested at least once

every 3 calendar years, not exceeding 39 months, to determine that it is:

(1) In good mechanical condition;

(2) Adequate from the standpoint of capacity and reliability of operation for the service in which it is employed;

(3) Set to control or relieve at the correct pressure consistent with the pressure limits of section 255.197 of this Part; and to limit the pressure on the inlet of the service regulator to 60 psi (414kPa) gauge or less in case the upstream regulator fails to function properly; and

(4) Properly installed and protected from dirt, liquids, or other conditions that might prevent proper operation.

(c) This section does not apply to equipment installed on service lines that only serve engines that power irrigation pumps.

§255.1003 General requirements of a GDPIM plan

(a) Unless exempted in subdivision (b) of this section, Sections 255.1003 through 255.1015 of this Part prescribe the minimum requirements for a GDPIM program for any gas distribution pipeline covered under this Part, including liquefied petroleum gas systems. A gas distribution operator, other than a master meter operator or small LPG operator, must follow the requirements in sections 255.1005 through 255.1013 of this Part. A master meter operator or small LPG operator of a gas distribution pipeline must follow the requirements in section 255.1015 of this Part.

(b) Exceptions. Sections 255.1003 through 255.1015 of this Part do not apply to an individual service line directly connected to a transmission, gathering, or production pipeline.

\$255.1015 [Requirements]GDPIM plan requirements for a master meter or a small liquefied petroleum gas (LPG) operator [must satisfy to implement a GDPIM plan].

(a) **General.** No later than August 2, 2011 the operator of a master meter or small LPG [operator]system must develop and implement a GDPIM program that includes a written GDPIM plan as specified in subdivision (b) of this section. The GDPIM program for these pipelines should reflect the relative simplicity of these types of pipelines.