

# THE PUBLIC UTILITIES COMMISSION OF OHIO

IN THE MATTER OF THE COMMISSION'S  
REVIEW OF THE GAS PIPELINE SAFETY  
RULES IN CHAPTER 4901:1-16 OF THE  
OHIO ADMINISTRATIVE CODE.

CASE NO. 19-47-GA-ORD

## ENTRY ON REHEARING

Entered in the Journal on January 13, 2021

### I. SUMMARY

{¶ 1} The Commission grants in part and denies in part the application for rehearing filed by the Ohio Gas Association on December 18, 2020, and amends Ohio Adm.Code 4901:1-16-04(J)(4) to achieve consistency among phrases used within the rule and clarify timing obligations.

### II. DISCUSSION

#### A. *Applicable Law*

{¶ 2} R.C. 111.15(B) and R.C. 106.03(A) require all state agencies to conduct a review, every five years, of their rules and to determine whether to continue their rules without change, amend their rules, or rescind their rules. The Commission has opened this docket in order to review the gas pipeline safety rules in Ohio Adm.Code Chapter 4901:1-16.

{¶ 3} R.C. 106.03(A) requires that the Commission determine whether the rules:

- (a) Should be continued without amendment, be amended, or be rescinded, taking into consideration the purpose, scope, and intent of the statute under which the rules were adopted;
- (b) Need amendment or rescission to give more flexibility at the local level;

- (c) Need amendment or rescission to eliminate unnecessary paperwork;
- (d) Incorporate a text or other material by reference and, if so, whether the citation accompanying the incorporation by reference would reasonably enable the Joint Committee on Agency Rule Review (JCARR) or a reasonable person to whom the rules apply to find and inspect the incorporated text or material readily and without charge and, if the rule has been exempted in whole or in part from R.C. 121.71 to 121.74 because the incorporated text or material has one or more characteristics described in R.C. 121.75(B), whether the incorporated text or material actually has any of those characteristics;
- (e) Duplicate, overlap with, or conflict with other rules;
- (f) Have an adverse impact on businesses, as determined under R.C. 107.52;
- (g) Contain words or phrases having meanings that in contemporary usage are understood as being derogatory or offensive; and
- (h) Require liability insurance, a bond, or any other financial responsibility instrument as a condition of licensure.

{¶ 4} In addition, in accordance with R.C. 121.82, in the course of developing draft rules, the Commission must evaluate the rules against a business impact analysis (BIA). If there will be an adverse impact on businesses, as defined in R.C. 107.52, the agency is to incorporate features into the draft rules to eliminate or adequately reduce any adverse impact. Furthermore, the Commission is required, pursuant to R.C. 121.82, to provide the Common Sense Initiative office the draft rules and the BIA.

{¶ 5} In accordance with R.C. 121.95(F), a state agency may not adopt a new regulatory restriction unless it simultaneously removes two or more other existing regulatory restrictions.

***B. Procedural History***

{¶ 6} The Commission held a workshop in this proceeding on February 14, 2019, pursuant to Entry issued on January 9, 2019, in order to elicit feedback on Ohio Adm.Code Chapter 4901:1-16. The purpose of the workshop was to allow stakeholders to propose their own revisions to the rules for consideration. Approximately 20 interested stakeholders attended the workshop.

{¶ 7} Staff evaluated the rules contained in Ohio Adm.Code Chapter 4901:1-16 and, following its review, proposed amendments to Ohio Adm.Code 4901:1-16-02, 4901:1-16-04, 4901:1-16-05, 4901:1-16-06, 4901:1-16-08, and 4901:1-16-11. The remaining rules in the chapter were, under Staff's proposal, to remain unchanged.

{¶ 8} By Entries issued on August 14, 2019, and August 30, 2019, the Commission ordered all interested parties to file comments and reply comments concerning Staff's proposed revisions to Ohio Adm.Code Chapter 4901:1-16. Initial and reply comments were due by September 27, 2019, and October 18, 2019, respectively.

{¶ 9} Consistent with the August 30, 2019 Entry, written comments were timely filed by the Village of Evendale, Energy Transfer LP, Northeast Ohio Natural Gas Corp., and the Ohio Gas Association (OGA) in response to Staff's proposed revisions. Reply comments were then filed on October 18, 2019, by OGA. Additionally, several public comments were filed in this docket by Ohio constituents.

{¶ 10} On November 18, 2020, the Commission issued a Finding and Order in this case adopting several proposed amendments to Ohio Adm.Code Chapter 4901:1-16 regarding the Commission's rules for gas pipeline safety.

{¶ 11} R.C. 4903.10 states that any party who has entered an appearance in a Commission proceeding may apply for rehearing with respect to any matters determined in that proceeding, by filing an application within 30 days after the entry of the order upon the journal of the Commission.

{¶ 12} On December 18, 2020, OGA filed an application for rehearing of the November 18, 2020 Finding and Order.

*C. Consideration of the Application for Rehearing*

{¶ 13} In its application for rehearing, OGA states that it does not contest any of the substantive changes adopted by the Commission's Order. However, OGA asserts that new Ohio Adm.Code 4901:1-16-04(J)(4), which pertains to the abandonment of unrecorded inactive service lines, could be considered unreasonable and unlawful for purposes of R.C. 4903.10 because it may result in uncertain and unclear obligations. OGA proposes that the rule be simplified and clarified by incorporating the following edits:

Unrecorded inactive service lines discovered in the course of leakage surveillance, construction, maintenance or inspection of facilities will be abandoned ~~as soon as practicable but~~ no later than twelve months after discovery. Unrecorded inactive service lines that are not abandoned ~~immediately upon~~ within ten days of discovery will also be fully located and leak surveyed within ten days of discovery and incorporated into maps of the operator's service area until they are properly abandoned.

{¶ 14} Upon consideration of the uncontested application for rehearing, the Commission believes that sufficient reason has been set forth by OGA to amend Ohio Adm.Code 4901:1-16-04(J)(4), in order to achieve consistency among phrases used within the rule and clarify timing obligations. Accordingly, the application for rehearing filed by OGA should be granted in part and denied in part. As such, the Commission amends Ohio

Adm.Code 4901:1-16-04(J)(4) to adopt the addition of “inactive” and remove the word “immediately” as demonstrated in the attachment to this Entry on Rehearing. The remaining modifications proposed by OGA are denied as unnecessary.

### III. ORDER

{¶ 15} It is, therefore,

{¶ 16} ORDERED, That the application for rehearing filed by OGA on December 18, 2020, be granted in part and denied in part. It is, further,

{¶ 17} ORDERED, That attached revised Ohio Adm.Code 4901:1-16-04 be adopted. It is, further,

{¶ 18} ORDERED, That the rules set forth in the appendix to the Finding and Order, as amended by this Entry on Rehearing and attached hereto, be filed with JCARR, the Secretary of State, and the Legislative Service Commission, in accordance with R.C. 111.15. It is, further,

{¶ 19} ORDERED, That the final rules be effective on the earliest date permitted by law. Unless otherwise ordered by the Commission, the five-year review date for Ohio Adm.Code Chapter 4901:1-16 shall be in compliance with R.C. 106.03. It is, further,

{¶ 20} ORDERED, That a copy of this Entry on Rehearing be sent to the gas-pipeline list-serve. It is, further,

{¶ 21} ORDERED, That a copy of this Entry on Rehearing be served upon the Common Sense Initiative at [CSIPublicComments@governor.ohio.gov](mailto:CSIPublicComments@governor.ohio.gov). It is, further,

{¶ 22} ORDERED, That a copy of this Entry on Rehearing be served upon all regulated gas, natural gas, and pipeline companies, the Ohio Consumers’ Counsel, the Ohio Gas Association, the Ohio Oil and Gas Association, the Ohio Petroleum Council, the

American Petroleum Institute – Ohio, and all commenters and other interested persons of record.

COMMISSIONERS:

*Approving:*

M. Beth Trombold  
Lawrence K. Friedeman  
Daniel R. Conway  
Dennis P. Deters

LLA/kck

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**NO CHANGE**

**4901:1-16-01 Definitions.**

As used in this chapter:

- (A) "Chief" means the chief of the gas pipeline safety section of the commission or his/her designee.
- (B) "Commission" means the public utilities commission of Ohio.
- (C) "Contiguous property" includes, but is not limited to, a manufactured home park as defined in section 3733.01 of the Revised Code; a public or publicly subsidized housing project; an apartment complex; a condominium complex; a college or university; an office complex; a shopping center; a hotel; an industrial park; and a race track.
- (D) "Gas" means natural gas, flammable gas, or gas which is toxic or corrosive.
- (E) "Gas gathering pipeline" means a gathering line that is not regulated under the Natural Gas Pipeline Safety Act, but includes a pipeline used to collect and transport raw natural gas or transmission quality gas to the inlet of a gas processing plant, the inlet of a distribution system, or to a transmission line.
- (F) "Gas gathering/processing plant pipeline operator" means any person that owns, operates, manages, controls, or leases, a gas gathering pipeline or a processing plant gas stub pipeline. A gas gathering/processing plant pipeline operator is not an operator as defined in paragraph (P) of this rule, but a person may be both an operator and a gas gathering/processing plant pipeline operator.
- (G) "Gas pipeline safety (GPS) proceeding" means a commission-ordered investigation of any incident, violation, or possible noncompliance with the pipeline safety code.
- (H) "Gas processing plant" means a plant that processes raw natural gas into merchantable products, including transmission quality gas or natural gas liquids, and also may include a plant that treats raw natural gas to remove impurities such as carbon dioxide, helium, nitrogen, or water.
- (I) "Gathering line" and "gathering of gas" have the same meaning as in the Natural Gas Pipeline Safety Act.
- (J) "Horizontal well" means a well that is drilled for the production of oil or gas in which the wellbore reaches a horizontal or near horizontal position in the Point Pleasant,

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Utica, or Marcellus formation and the well is stimulated.

- (K) "Incident" means an event that involves a release of gas from an intrastate gas pipeline facility and results in any of the following:
  - (1) A death.
  - (2) Personal injury requiring inpatient hospitalization.
  - (3) Unintentional estimated gas loss of three million cubic feet or more.
  - (4) Estimated property damage of fifty thousand dollars or more, excluding the cost of gas lost, which is the sum of:
    - (a) The estimated cost of repairing and/or replacing the physical damage to the pipeline facility.
    - (b) The cost of material, labor, and equipment to repair the leak, including meter turn-off, meter turn-on, and light up.
    - (c) The estimated cost of repairing and/or replacing other damaged property of the operator or others, or both.
- (L) "Intrastate gas pipeline facility" includes any new and existing pipelines, rights-of-way, and any equipment, facility, or building used in the transportation of gas either wholly or partly within this state or from an interstate gas pipeline in Ohio to a direct sales customer in Ohio buying gas for its own consumption.
- (M) "MAOP" means the maximum pressure at which a pipeline or segment of a pipeline may be operated under the Natural Gas Pipeline Safety Act or under sections 4905.90 to 4905.96 of the Revised Code.
- (N) "Master meter system" means a pipeline system that distributes gas within a contiguous property for which the system operator purchases gas for resale to consumers, including tenants. Such pipeline system supplies consumers who purchase the gas directly through a meter, or by paying rent, or by other means. The term includes a master meter system as defined in 49 C.F.R. 191.3, as effective on the date referenced in paragraph (D) of rule 4901:1-16-02 of the Administrative Code. The term excludes a pipeline within a manufactured home, mobile home, or a building.
- (O) "Natural Gas Pipeline Safety Act" means the Natural Gas Pipeline Safety Act of 1968, 82 Stat. 720, 49 U.S.C.A. App. 1671 et. seq., as amended, and the rules adopted by the



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United States department of transportation pursuant to the Natural Gas Pipeline Safety Act of 1968, including 49 C.F.R. 40, 191, 192, and 199 as effective on the date referenced in paragraph (D) of rule 4901:1-16-02 of the Administrative Code.

(P) "Operator" means:

- (1) A gas company as defined by division (A)(4) of section 4905.03 of the Revised Code.
- (2) A natural gas company, including a producer of gas which does business as a natural gas company pursuant to division (A)(5) of section 4905.03 of the Revised Code.
- (3) A pipeline company, when engaged in the business of transporting gas by pipeline as defined by division (A)(6) of section 4905.03 of the Revised Code.
- (4) A public utility that is excepted from the definition of "public utility" under division (B) or (C) of section 4905.02 of the Revised Code, when engaged in supplying or transporting gas by pipeline within this state.
- (5) Any person who owns, operates, manages, controls, leases, or maintains an intrastate gas pipeline facility or who engages in the transportation of gas. This includes, but is not limited to, a person who owns, operates, manages, controls, leases, or maintains a master meter system within this state.

"Operator" does not include an ultimate consumer who owns a service line on the real property of that ultimate consumer and does not include a gas gathering/processing plant pipeline operator as defined in paragraph (F) of this rule or any person that owns, operates, manages, controls, or leases a gas gathering pipeline as defined in paragraph (E) of this rule.

- (Q) "Person" means any individual, corporation, business trust, estate, trust, partnership, association, firm, joint venture, or municipal corporation and includes any trustee, receiver, assignee, or personal representative thereof.
- (R) "Pipeline" means all parts of those physical facilities through which gas moves in transportation, including pipe, valves, and other appurtenance attached to pipe, compressor units, metering stations, regulator stations, delivery stations, holders, and fabricated assemblies.
- (S) "Pipeline safety code" means 49 C.F.R 40, 191, 192, and 199 as effective on the date referenced in paragraph (D) of rule 4901:1-16-02 of the Administrative Code; sections 4905.90 to 4905.96 of the Revised Code; this chapter; and commission orders issued thereunder.

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- (T) "Processing plant gas stub pipeline" means a gas pipeline that transports transmission quality gas from the tailgate of a gas processing plant to the inlet of an interstate or intrastate transmission line and that is considered an extension of the gas processing plant, is not for public use, and is not regulated under the Natural Gas Pipeline Safety Act.
- (U) "Raw natural gas" means hydrocarbons that are produced in a gaseous state from gas wells and that generally include methane, ethane, propane, butanes, pentanes, hexanes, heptanes, octanes, nonanes, and decanes, as well as other naturally occurring impurities like water, carbon dioxide, hydrogen sulfide, nitrogen, oxygen, and helium.
- (V) "Raw natural gas liquids" means naturally occurring hydrocarbons contained in raw natural gas that are extracted in a gas processing plant and liquefied and generally include mixtures of ethane, propane, butanes, and natural gasoline.
- (W) "Safety audit" is defined as set forth in section 4905.90 of the Revised Code.
- (X) "Safety inspection" includes the following inspections, surveys, and testing of a master meter system which are authorized by the pipeline safety code, and includes mapping, if accurate maps are not available from the operator, and pipe locating, if the operator could not locate pipelines in its system.
  - (1) Testing of cathodic protection of metallic pipelines.
  - (2) Sampling of combustible gas to determine the proper concentration of odorant in distribution pipelines, unless records of the natural gas company performing the safety inspection show that the concentration of odorant in the gas transported to or near the master meter system conforms with the pipeline safety code.
  - (3) Gas leak surveys.
  - (4) Inspection and servicing of pressure regulating devices.
  - (5) Testing or calculation of required capacity of pressure relief devices.
  - (6) Inspection and servicing of critical valves.
  - (7) Inspection of underground vaults housing pressure regulating/limiting equipment and ventilating equipment.
- (Y) "Staff" means the commission employees to whom responsibility has been delegated for enforcing and administering the gas pipeline safety requirements contained in this

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chapter and the Revised Code.

- (Z) "Synthetic Natural Gas" means gas formed from feedstocks other than natural gas, including coal, oil, or naphtha.
- (AA) "Transportation of gas" means the gathering, transmission, or distribution of gas by pipeline, or the storage of gas within this state.

**AMENDED**

**4901:1-16-02 Purpose and scope.**

- (A) The rules contained in this chapter prescribe:
  - (1) Gas pipeline safety and drug and alcohol testing requirements to protect the public safety.
  - (2) Procedures for the staff to administer and enforce the pipeline safety code.
- (B) This chapter also governs gas pipeline safety proceedings to:
  - (1) Investigate and determine an operator's or a gas gathering/processing plant pipeline operator's compliance with applicable sections of the pipeline safety code.
  - (2) Investigate and determine whether intrastate gas pipeline facilities are hazardous to human life or property, as provided in 49 U.S.C. 60112, as effective on the date referenced in paragraph (D) of this rule.
  - (3) Review settlement agreements and stipulations by the staff and operators or by staff and gas gathering/processing plant pipeline operators.
  - (4) Issue and enforce compliance orders.
  - (5) Issue emergency orders without notice or prior hearing when immediate action is needed to protect the public safety.
  - (6) Assess forfeitures.
  - (7) Direct the attorney general to seek enforcement of commission orders, including orders assessing forfeitures, and to seek appropriate remedies in court to protect the public safety.
- (C) All operators and gas gathering/processing plant pipeline operators shall comply with

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the applicable rules of this chapter.

- (D) Each citation contained with this chapter that is made to a section of the United States code or a regulation in the code of federal regulations is intended, and shall serve, to incorporate by reference the particular version of the cited matter that was effective on [August 1, 2016](#)~~November 1, 2020~~.
- (E) The commission may, upon an application or a motion filed by a party, waive any requirement of this chapter, other than a requirement mandated by statute, for good cause shown.

**NO CHANGE**

**4901:1-16-03 Adoption of United States department of transportation gas pipeline safety regulations.**

- (A) The commission hereby adopts the gas pipeline safety regulations of the United States department of transportation contained in 49 C.F.R. 40, 191, 192 and 199 as effective on the date referenced in paragraph (D) of rule 4901:1-16-02 of the Administrative Code.
- (B) Telephone notice and report requirements applicable to gathering lines, pursuant to division (C) of section 4905.91 of the Revised Code are set forth in rule 4901:1-16-05 of the Administrative Code.

**AMENDED**

**4901:1-16-04 Records, maps, inspections, ~~and~~ leak classifications, and service line abandonment.**

- (A) Each operator and gas gathering/processing plant pipeline operator shall establish and maintain all plans, records, reports, information, and maps necessary to ensure compliance with applicable sections of the pipeline safety code, and keep such plans, records, reports, information, and maps in Ohio at the operator's headquarters or appropriate company office(s) readily available for inspection, examination, and copying by the commission, its staff, or its authorized representative(s).
- (B) Each operator and gas gathering/processing plant pipeline operator shall provide and make available its plans, records, reports, information, and maps, as the commission, its staff, or its authorized representative(s) may require to administer and enforce the

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pipeline safety code.

- (C) Each operator and gas gathering/processing plant pipeline operator shall permit the commission, its staff, and authorized representative(s) to: enter and inspect its premises, operations, and intrastate gas pipeline facilities; and inspect, examine, and copy its plans, records, reports, information, and maps, which the commission, its staff, or its authorized representative(s) may require to administer and enforce the pipeline safety code.
- (D) Each operator and gas gathering/processing plant pipeline operator shall make its premises, operations, and intrastate gas pipeline facilities readily accessible to the commission, its staff, and its authorized representative(s).
- (E) Except for an operator of a master meter system, each operator shall establish and maintain maps of the operator's service area which identify the operator's intrastate gas pipeline facilities, excluding service lines as defined in 49 C.F.R. 192.3 as effective on the date referenced in paragraph (D) of rule 4901:1-16-02 of the Administrative Code.
- (F) Unless otherwise provided by this chapter, each operator and gas gathering/processing plant pipeline operator shall establish and retain records for three years to show compliance with the requirements of 49 C.F.R. 192 as effective on the date referenced in paragraph (D) of rule 4901:1-16-02 of the Administrative Code.
- (G) Each operator shall retain records of each leak survey, as required by 49 C.F.R. 192.723 as effective on the date referenced in paragraph (D) of rule 4901:1-16-02 of the Administrative Code, for five years.
- (H) Each operator shall classify all leaks utilizing leak detection equipment. As used in this rule, leak detection equipment means any device capable of detecting and measuring the concentration of natural gas in the atmosphere. The operator shall classify all hazardous leaks immediately and classify all other leaks within two business days of discovery. The operator shall classify leaks utilizing the following:
  - (1) A grade-one classification represents an indication of leakage presenting an existing or probable hazard to persons or property, and requires immediate repair or continuous action until the conditions are no longer hazardous.
  - (2) A grade-two classification represents an indication of leakage recognized as being nonhazardous at the time of detection, but requires scheduled repair based upon the severity and/or location of the leak.

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- (3) A grade-three classification represents an indication of leakage recognized as being nonhazardous at the time of detection and can be reasonably expected to remain nonhazardous.
- (I) Upon discovery of the corresponding leak(s) from above, each ~~operator~~operator shall take the following actions:
- (1) Take immediate and continuous action on leaks classified as grade one to protect life and property until the condition is no longer hazardous. Continuous action is defined as having personnel at the scene of the leak with leak detection equipment attempting to locate the source of the leak and taking action to prevent migration into structures, sewers, etc. If the hazardous condition associated with the leaks classified as grade one is eliminated, such as by venting, temporary repair, etc., but the possibility of the hazardous condition returning exists, the condition must be monitored as frequently as necessary, but at least once every eight hours, to protect life and property until the possibility of the hazardous condition returning no longer exists.

Leaks classified as grade one may be reclassified by performing a physical action to the pipeline (clamp, replacement, tape wrap, etc.) or pipeline facility. Reclassification must be in accordance with the criteria in paragraph (H) of this rule and by an individual who is qualified to classify leaks under the company's operator qualification plan. Venting, holes, aerators, or soil purging of a leak are not considered physical actions to the pipeline. If a leak is reclassified after performing a physical action, the timeframe for any required repair(s) and/or reevaluation(s) at the resulting classification will be calculated from the date the leak was reclassified. All below grade ~~one~~non-hazardous leaks repaired or reclassified, other than by the replacement of the affected section of pipe, must be reevaluated after allowing the soil to vent and stabilize but not more than thirty calendar days after such physical action.

- (2) Repair or clear leaks classified as grade two no later than fifteen months from the date the leak is discovered, unless the pipeline containing the leak is replaced within twenty-four months from the date the leak is discovered. If a replacement project that will clear a leak classified as grade two is cancelled after the fifteenth month after classification of the leak(s), the associated leak(s) must be cleared within forty-five days of the cancellation of the project, not to exceed twenty-four months from the date of the leak classification. Leaks classified as grade two shall be reevaluated at least once every six months until cleared.
- (3) Reevaluate leaks classified as grade three during the next scheduled survey or within fifteen months from the date of the last inspection, whichever is sooner, and continue to

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reevaluate such leaks on that same frequency until there is no longer any indication of leakage, the leak is reclassified, or the pipeline is replaced.

- (J) Beginning twenty-four months after the effective date of this rule, each operator will have a plan for tracking and abandoning inactive service lines in accordance with 49 C.F.R. 192.727 and will have a copy of its plan available for inspection. The plan will include the following:
- (1) A service line is considered inactive and ready for abandonment when gas has not been billed to any customers served by the line for a period of thirty-six months.
- (2) Beginning forty-eight months after the effective date of this rule, inactive service lines will be abandoned within twelve months of becoming inactive as defined in paragraph (J)(1) of this rule unless the operator determines there is a reasonable prospect for future use.
- (3) Until a service line is abandoned under paragraph (J)(2) of this rule, the service line will be treated as active for the purpose of applying the requirements of the pipeline safety code.
- (4) Unrecorded inactive service lines discovered in the course of leakage surveillance, construction, maintenance or inspection of facilities will be abandoned- as soon as practicable but no later than twelve months after discovery. Unrecorded inactive service lines that are not abandoned immediately upon discovery will also be fully located and leak surveyed within ten days of discovery and incorporated into maps of the operator's service area until they are properly abandoned.

**AMENDED**

**4901:1-16-05 Notice and reports of service failures and incidents; twenty-four hour contacts; one-call participation; post-incident testing; and cast iron pipeline program.**

- (A) Telephone notice of incidents and service failures.
- (1) Operators shall notify the state of Ohio on all incidents, as defined in rule 4901:1-16-01 of the Administrative Code, by calling 1-844-OHCALL1 (1-844-642-2551) within thirty minutes of discovery unless notification within that time is impracticable under the circumstances. This includes any telephone notice which is required to be made to the United States department of transportation pursuant to 49 C.F.R. 40, 191, 192, and

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199 as effective on the date referenced in paragraph (D) of rule 4901:1-16-02 of the Administrative Code.

- (2) Operators shall notify the state of Ohio on all service failures, which involve an interruption of service to one hundred or more customers for a period of two hours or more, by calling 1-844-OHCALL1 (1-844-642-2551) within thirty minutes after discovery unless notification within that time is impracticable under the circumstances.
- (B) Written reports regarding incidents and service failures.
  - (1) All written reports required to be made to the United States department of transportation pursuant to the regulations in 49 C.F.R. 40, 191, 192, and 199 as effective on the date referenced in paragraph (D) of rule 4901:1-16-02 of the Administrative Code, shall be submitted concurrently to the chief.
  - (2) Within thirty days after the service failure is discovered, each operator shall submit a written report to the chief on the service failure report form provided by the commission.
  - (3) For each incident report and each service failure report required by the pipeline safety code, each operator shall also submit a final written report of the cause(s) of the incident or service failure, where ascertainable, and actions taken to minimize the possibility of a recurrence of such an incident or service failure, where appropriate. The final report shall be submitted to the chief within sixty days after discovery of the incident or service failure, unless the operator:
    - (a) For good cause, shows more time is needed.
    - (b) Submits interim reports at intervals of not more than sixty days until a final report is submitted.
- (C) Each natural gas company and pipeline company shall register the location of all of its underground utility facilities with a protection service that serves the area where the facilities are located, as provided in division (A) of section 3781.26 of the Revised Code. "Underground utility facilities" and "protection service" shall have the same meaning as in section 3781.25 of the Revised Code.
- (D) Twenty-four hour contact report.
  - (1) Each operator and gas gathering/processing plant pipeline operator shall submit a twenty-four hour contact report to the chief not later than March fifteenth of each year. This written report shall contain:



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- (a) The name(s), business address(es), business telephone and fax number(s), and e-mail addresses of its emergency contact personnel.
- (b) Any available emergency hotline number.
- (c) For gas gathering/processing plant pipeline operators, the total mileage of gas gathering pipeline operated in Ohio and counties of operation.
- (2) Each operator and gas gathering/processing plant pipeline operator shall, within a reasonable time, notify the chief in writing of any change in emergency contact personnel name(s), business address, business telephone, fax number, emergency hotline number, and/or e-mail address of its emergency contact personnel.
- (E) To the extent necessary to carry out its responsibilities under the pipeline safety code, the commission or its staff may require testing of any intrastate gas pipeline facility which is involved in an incident. After making a good faith effort to negotiate a mutually acceptable plan with the owner of the pipeline facility, the commission or its staff may require the operator or choose an independent laboratory to test such pipeline facility.
- (F) Each operator shall establish a program to identify, repair and replace, as necessary, its cast iron distribution pipeline system which is detrimental to the public safety. This program shall include, but not be limited to, disturbing cast iron pipe, maintenance history, leak history, major street or highway reconstruction or repaving, construction activity, depth of cover, soil type, traffic loading, operating conditions, year of manufacture, type of pipe, amount of graphitization, vibrations, impact forces, earth movement, backfilling after undermining, and water leaks or sewer failures in the area.
- (G) The forms required by this rule shall be available at the commission's docketing division and electronically on the commission's website at <http://www.puco.ohio.gov>.

**AMENDED**

**4901:1-16-06 Construction reports.**

- (A) Each operator shall submit reports for each important addition of its intrastate gas pipeline facilities. As used in this rule, an "important addition" means construction or alteration of an operator's intrastate gas pipeline facility in a single project which involves an expenditure of either:
  - (1) More than five hundred thousand dollars.

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- (2) An amount which is more than ten per cent of the value of the operator's intrastate gas pipeline facility, provided such amount exceeds one hundred thousand dollars.

As used in this rule, a "single project" means the installation, construction, or alteration of a contiguous section of gas pipeline facility within a defined time-frame.

- (B) Each operator shall submit ~~three~~two reports for each important addition on the form provided by the commission. Each report shall be submitted to the chief as follows:

- (1) The first report not later than ~~twenty-one~~fourteen days and not sooner than sixty days before construction work will start.

~~(2) The second report not later than seven days after construction work has started.~~

- ~~(3)~~(2) The ~~third~~second report not later than seven days after construction work has been completed.

~~(C) Except for an operator of a master meter system, each operator shall submit a list of important additions completed during the preceding calendar year or state it did not complete important additions during the preceding calendar year on the annual report form provided by the commission. This annual report shall be submitted to the chief not later than March fifteenth of each year.~~

- ~~(D)~~(C) In accordance with the training program requirements pursuant to the pipeline safety regulations, subpart N 49 C.F.R. 192.801 to 192.809, as effective on the date referenced in paragraph (D) of rule 4901:1-16-02 of the Administrative Code, distribution operators shall incorporate new construction, including riser installation, as a part of their operator qualification requirements.

- ~~(E)~~(D) The forms required by this rule shall be available at the commission's docketing division and electronically on the commission's website at <http://www.puco.ohio.gov>.

**NO CHANGE**

**4901:1-16-07 Master meter systems and safety inspections.**

- (A) Each operator of a master meter system shall establish and maintain maps which identify its distribution pipeline system.
- (B) Each operator of a master meter system shall file an annual report on its system on the form provided by the commission. This annual report shall be submitted to the chief not

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later than March fifteenth of each year. The form required by this rule shall be available at the commission's docketing division and electronically on the commission's website at <http://www.puco.ohio.gov>.

(C) Safety inspections.

- (1) Unless otherwise provided in this paragraph, each operator of a master meter system shall conduct safety inspections as required by the pipeline safety code.
- (2) The commission may direct or order a natural gas company which distributes gas to a master meter system to perform a safety inspection on that system when the public interest so requires, or when an operator of a master meter system:
  - (a) Has violated paragraph (B) or (C)(1) of this rule; or
  - (b) Requests an inspection.

The staff shall notify such natural gas company by letter and mail a copy of the notice to the operator of the master meter system. The letter shall specify the inspections, surveys, and testing required for the safety inspection of the master meter system.

- (3) Each operator of a master meter system shall permit employees and agents of the natural gas company performing the safety inspection to review the operator's maps and records.
- (4) Each natural gas company shall submit a report of its findings of the safety inspection to the chief within thirty days after the inspection.
- (D) A natural gas company may terminate service to a master meter system or a gas pipeline facility within a master meter system, in compliance with divisions (G) and (H)(1) of section 4905.94 of the Revised Code, for the following unsafe conditions, gas leaks, and other safety hazards on that system or gas pipeline facility within that system:
  - (1) Grade one leaks according to rule 4901:1-16-04 of the Administrative Code.
  - (2) A fire or explosion near or at a gas pipeline facility.
  - (3) A gas pipeline facility damaged by a natural disaster, such as flooding, or by excavation activities near or at the gas pipeline facility.
- (E) The natural gas company may recover all reasonable, actual expenses incurred for

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performing a safety inspection by direct billing the operator of the master meter system.

- (F) Tariffs.
- (1) Each natural gas company may file an application with the commission for approval of a schedule of rates and charges for its customers to recover the reasonable and actual expenses of:
  - (a) Performing safety inspections.
  - (b) Disconnecting and reconnecting service to a master meter system under this rule.
- (2) A natural gas company may recover expenses under its tariff if:
  - (a) The company direct billed the operator of the master meter system.
  - (b) The company made a good faith effort and followed regular procedures in collecting the debt.
  - (c) The operator failed to pay the bill within ninety days.
- (G) Nothing in this rule relieves an operator of a master meter system from complying with this chapter.

**AMENDED**

**4901:1-16-08 Service of notices and investigative reports.**

- (A) This rule governs service of:
  - (1) Notices of probable noncompliance, proposed compliance orders, proposed forfeitures and amendments thereto under rule 4901:1-16-09 of the Administrative Code.
  - (2) Notices of hazardous facility and amendments thereto under rule 4901:1-16-10 of the Administrative Code.
  - (3) Gas pipeline safety investigative reports under rule 4901:1-16-12 of the Administrative Code.
- (B) The staff shall make service upon an operator or gas gathering/processing plant pipeline operator by certified United States mail, courier service, [electronic mail](#), or personal service. Service is effective upon receipt by any employee, agent of, or person

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designated by the operator. Unless otherwise provided in this paragraph, service upon an operator or gas gathering/processing plant pipeline operator shall be made at the address designated as the service address in the operator's most recent annual report to the chief.

- (1) If the service address is not disclosed on the most recent annual report or has changed since the most recent annual report was submitted to the chief, service shall be made at any business address disclosed in documents or papers submitted by the operator or gas gathering/processing plant pipeline operator to the commission.
- (2) If the operator or gas gathering/processing plant pipeline operator has not disclosed its service address or business address to the commission, service shall be made at any business address of the operator or gas gathering/processing plant pipeline operator.
- (C) If service under paragraph (B) of this rule is returned with an endorsement showing failure of delivery, or is not returned within twenty-one days, then service may be made by ordinary United States mail and is effective on the date of mailing.

**NO CHANGE**

**4901:1-16-09 Notice of probable noncompliance; proposed compliance order; and/or proposed forfeiture.**

- (A) After an inspection or investigation, the staff may issue a notice of probable noncompliance.
- (B) The staff may issue with the notice of probable noncompliance or separately thereafter:
  - (1) A proposed compliance order.
  - (2) A proposed forfeiture.
- (C) The staff may issue an amended notice of probable noncompliance, proposed compliance order, or proposed forfeiture at any time prior to the commencement of a gas pipeline safety proceeding brought pursuant to rule 4901:1-16-12 of the Administrative Code, in order to modify or include additional probable noncompliances or violations, facts, proposed forfeitures and proposed compliance orders. This rule should not be construed to prevent the staff, during the course of a gas pipeline safety proceeding, from seeking a finding of violations not listed in the notice or amended notice of probable noncompliance, from rescinding or refraining from seeking a finding of violations, or from seeking a compliance order or proposed forfeiture that varies

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from previous notices issued under this rule, provided that the staff's proposed findings and/or violations relate to the same incident, investigation, or safety audit(s).

- (D) Any notice of probable noncompliance, proposed compliance order, proposed forfeiture, or amendments thereto shall be served pursuant to rule 4901:1-16-08 of the Administrative Code.
- (E) The staff findings contained in the notice of probable noncompliance, proposed compliance order, or proposed forfeiture represent the results of the staff investigation. Such findings are not intended to represent the views of the commission or otherwise bind the commission.

**NO CHANGE**

**4901:1-16-10 Hazardous pipeline facilities: inspection and notice.**

- (A) After an inspection or investigation, the staff may issue a notice of hazardous facility. The notice may include a proposed compliance order.
- (B) The staff may issue an amended notice or proposed compliance order at any time prior to the commencement of a gas pipeline safety proceeding brought pursuant to rule 4901:1-16-12 of the Administrative Code in order to modify or include additional hazards, facts, and proposed compliance orders. This rule should not be construed to prevent the staff, during the course of a gas pipeline safety proceeding, from seeking a finding of hazardous facility not listed in the notice or amended notice, from rescinding or refraining from seeking a finding of hazardous facilities, or from seeking a compliance order that varies from previous notices issued under this rule, provided that the staff's proposed findings and/or violations relate to the same incident, investigation, or safety audit(s).
- (C) Any notice of hazardous facility, proposed compliance order, or amendments thereto shall be served pursuant to rule 4901:1-16-08 of the Administrative Code.
- (D) The staff findings contained in the notice and proposed compliance order represent the results of the staff investigation. Such findings are not intended to represent the views of the commission or otherwise bind the commission.

**AMENDED**

**4901:1-16-11 Settlement agreements and stipulations.**

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- (A) If the staff and operator or gas gathering/processing plant pipeline operator reach agreement regarding any of the following: the occurrence of a noncompliance; the occurrence of a hazardous condition of a facility; the violation of a commission order; a compliance order or remedy; or the amount of a forfeiture, compromise forfeiture, or other payment, the agreement may be reduced to writing in a settlement agreement and/or stipulation. Such agreement shall be signed by the operator or gas gathering/processing plant pipeline operator, or its attorney, and an authorized representative of the staff. Except as otherwise provided in paragraphs (B) and (E) of this rule, the settlement agreement and/or stipulation shall not be effective until it is filed with the commission and approved by the commission.
- (B) If the settlement agreement and/or stipulation provides for the payment of a forfeiture, compromise forfeiture, or other payment by the operator or gas gathering/processing plant pipeline operator of ~~one~~ten thousand dollars or less, the agreement shall be fully binding upon the commission and the operator or gas gathering/processing plant pipeline operator upon its execution.
- (C) Unless contained in or otherwise provided in a settlement agreement and/or stipulation, no statement or conduct during settlement negotiations is admissible in any other commission proceeding regarding the noncompliance, hazardous facility, or violation.
- (D) Where the operator or gas gathering/processing plant pipeline operator has demonstrated to the staff that the violation(s) listed in the notice, or amended notice, of probable noncompliance or gas pipeline safety investigative report has been corrected and where the operator or gas gathering/processing plant pipeline operator submits full payment of the proposed forfeiture prior to the execution of a written settlement agreement and/or stipulation, or final commission order, the violation(s) listed in such notice of probable noncompliance shall be considered by the commission as part of the operator's or gas gathering/processing plant pipeline operator's history of violations in determining the appropriate forfeiture for any future violation.
- (E) If the operator or gas gathering/processing plant pipeline operator pays a proposed forfeiture ~~or of~~ more than ~~one~~ten thousand dollars without executing a written settlement agreement and/or stipulation, the payment shall be fully binding upon the commission and the operator or gas gathering/processing plant pipeline operator when approved by the commission.

**NO CHANGE**

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- (A) The commission may initiate a gas pipeline safety proceeding after:
  - (1) An incident has occurred.
  - (2) A notice of probable noncompliance is served.
  - (3) A notice of hazardous facility is served.
- (B) The commission shall conduct gas pipeline safety proceedings in accordance with Chapter 4901-1 of the Administrative Code.
- (C) Unless otherwise ordered by the commission or an attorney examiner assigned to the gas pipeline safety proceeding, the staff shall file with the commission and serve upon the operator or gas gathering/processing plant pipeline operator a written report of investigation in each gas pipeline safety proceeding within ninety days after service of the entry which initiates the gas pipeline safety proceeding. The gas pipeline safety investigative report shall include: staff findings on any alleged incident, noncompliances, hazardous conditions, or violation of a commission order, whether included in any initial notice or amended notice; staff's findings on operator or gas gathering/processing plant pipeline operator policies and practices; and the staff's recommendations.
- (D) The commission shall hold an evidentiary hearing to consider the alleged incident(s), noncompliances, hazardous conditions and violations of a commission order. The hearing may include evidence on the issues of corrective action and compliance orders, forfeitures, enforcement of a commission order, and other remedies.
- (E) The staff shall prove the occurrence of an incident, noncompliance, hazardous condition of a facility, or violation of a commission order by a preponderance of the evidence.
- (F) If, after a hearing, the commission finds an operator or gas gathering/processing plant pipeline operator has violated or is violating an applicable provision of the pipeline safety code, the commission may consider all factors set forth in section 4905.95 of the Revised Code, including when determining the amount of any proposed civil forfeiture. In addition, the commission may order an operator to terminate service to an operator of a master meter system who has violated the pipeline safety code.
- (G) This rule shall not apply to emergency orders approved by the commission under paragraph (C) of rule 4901:1-16-13 of the Administrative Code.

**NO CHANGE**



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**4901:1-16-13 Emergency proceedings.**

- (A) The commission may initiate an emergency gas pipeline safety proceeding consistent with section 4905.95 of the Revised Code.
- (B) The commission shall conduct such proceedings in accordance with Chapter 4901-1 of the Administrative Code, except where inconsistent with this rule.
- (C) Prior to a hearing under this rule, the commission may, without notice, find an emergency exists, may order the attorney general to seek remedies as provided in section 4905.96 of the Revised Code, and shall provide for an expedited hearing to begin no later than thirty days thereafter.

The order shall remain in effect no longer than forty days after the date it was approved.

**NO CHANGE**

**4901:1-16-14 Payment of forfeitures and payments made pursuant to stipulation.**

- (A) All forfeitures ordered by the commission or any payments made pursuant to stipulation shall be paid by certified check or money order made payable to "Public Utilities Commission of Ohio," and shall be mailed or delivered to:  
  
"Public Utilities Commission of Ohio  
  
180 East Broad Street  
  
Columbus, Ohio 43215-3793"
- (B) The commission shall deposit such payments in the state treasury to the credit of the general revenue fund.
- (C) No operator or gas gathering/processing plant pipeline operator may recover any forfeiture or other payment made pursuant to stipulation in any pending or subsequent proceeding before the commission.

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## **NO CHANGE**

### **4901:1-16-15 Gas gathering pipelines and processing plant stub pipelines.**

- (A) All gas gathering/processing plant pipeline operators shall comply with the applicable pipe design requirements of 49 C.F.R. 192(C), as effective on the date referenced in paragraph (D) of rule 4901:1-16-02 of the Administrative Code, for all gas gathering pipelines and processing plant gas stub pipelines that are completely constructed on or after the effective date of section 4905.911 of the Revised Code, and that transport gas produced by a horizontal well.
- (B) A gas gathering/processing plant pipeline operator shall do all of the following:
  - (1) Design, install, construct, initially inspect, and initially test the pipeline in accordance with the requirements of 49 C.F.R. 192, as effective on the date referenced in paragraph (D) of rule 4901:1-16-02 of the Administrative Code, if the pipeline is new, replaced, relocated, or otherwise changed;
  - (2) Control corrosion according to requirements of 49 C.F.R. 192(I), as effective on the date referenced in paragraph (D) of rule 4901:1-16-02 of the Administrative Code, if the pipeline is metallic;
  - (3) Establish and carry out a damage prevention program under 49 C.F.R. 192.614, as effective on the date referenced in paragraph (D) of rule 4901:1-16-02 of the Administrative Code;
  - (4) Establish and carry out a public education program under 49 C.F.R. 192.616, as effective on the date referenced in paragraph (D) of rule 4901:1-16-02 of the Administrative Code;
  - (5) Establish the MAOP of the pipeline under 49 C.F.R. 192.619, as effective on the date referenced in paragraph (D) of rule 4901:1-16-02 of the Administrative Code;
  - (6) Install and maintain pipeline markers according to the requirements for transmission lines under 49 C.F.R. 192.707, as effective on the date referenced in paragraph (D) of rule 4901:1-16-02 of the Administrative Code;
  - (7) Perform leakage surveys according to requirements in 49 C.F.R. 192.706, as effective on the date referenced in paragraph (D) of rule 4901:1-16-02 of the Administrative Code; and

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- (8) Retain a record of each required leakage survey conducted under paragraph (B)(7) of this rule and 49 C.F.R. 192.706, as effective on the date referenced in paragraph (D) of rule 4901:1-16-02 of the Administrative Code, for five years or until the next leakage survey is completed, whichever time period is longer.
- (C) Not later than twenty-one days prior to commencement of construction of the pipeline, any person who plans to construct a pipeline subject to paragraphs (A) and (B) of this rule after the effective date of section 4905.911 of the Revised Code, shall submit to the pipeline safety division of the public utilities commission a form approved by the division that includes all of the following information:
  - (1) The route of the proposed pipeline;
  - (2) The design MAOP of the pipeline;
  - (3) The outside diameter of the pipeline;
  - (4) The wall thickness of the pipeline;
  - (5) The material that the pipeline will be made of; and
  - (6) The yield strength of the pipeline.
- (D) Not later than sixty days after the completion of construction of a pipeline subject to paragraph (C) of this rule, the gas gathering/processing plant pipeline operator shall submit to the public utilities commission division of pipeline safety an explanation of the constructed pipeline's route and operating information. Operating information shall be submitted to the pipeline safety division of the public utilities commission on a form approved by the division that includes all of the following information:
  - (1) The route of the pipeline;
  - (2) The class location of the pipeline;
  - (3) The length of the pipeline;
  - (4) The MAOP of the pipeline;
  - (5) The outside diameter of the pipeline;
  - (6) The wall thickness of the pipeline;
  - (7) The yield strength of the pipeline; and

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- (8) A description of the complete pipeline, including compressor stations.

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**Case No(s). 19-0047-GA-ORD**

Summary: Entry granting in part and denying in part the application for rehearing filed by the Ohio Gas Association on December 18, 2020, and amends Ohio Adm.Code 4901:1-16-04(J) (4) to achieve consistency among phrases used within the rule and clarify timing obligations electronically filed by Heather A Chilcote on behalf of Public Utilities Commission of Ohio