Kansas Corporation Commission

Notice of Hearing Proposed Administrative Regulations

The Kansas Corporation Commission will conduct a public hearing at 9:00 a.m., Thursday, May 26, 2011, in the First Floor Hearing Room at the office of the Kansas Corporation Commission, 1500 SW Arrowhead Road, Topeka, KS 66604, to consider proposed amendments to rules and regulations of the Kansas Corporation Commission on a permanent basis.

This 60-day notice of the public hearing shall constitute a public comment period for the purpose of receiving written public comments on the proposed rules and regulations. All interested parties may submit written comments prior to the hearing to: Andrew O. Schulte, Litigation Counsel, Kansas Corporation Commission, 1500 SW Arrowhead Road, Topeka, KS 66604, or at a.schulte@kcc.ks.gov. All interested parties will be given a reasonable opportunity to present their views orally on the adoption of the proposed regulations during the hearing. In order to give all parties an opportunity to present their views, it may be necessary to request that each participant limit the time of any oral presentation. More information may be available on the Commission's website, <u>www.kcc.ks.gov</u>. A copy of the proposed regulations is available on the website.

Any individual with a disability may request accommodations in order to participate in the public hearing and may request the proposed regulation and economic impact statement in an accessible format. Requests for accommodation should be made at least five working days in advance of the hearing by contacting Becky Reid at 785-271-3231 or the Kansas Relay Center at 1-800-776-3777. Accessible parking and entrance is available at the Kansas Corporation Commission offices.

A summary of the proposed regulation and its economic impact follows:

The proposed amendments to K.A.R. 82-11-4 and 82-11-10 update the Kansas Corporation Commission's Natural Gas Pipeline Safety Regulations to stay consistent with updates to the federal law administered by the Pipeline and Hazardous Materials Safety Administration (PHMSA). K.A.R. 82-11-4 adopts 49 C.F.R. Part 192, as in effect October 1, 2010. K.A.R. 82-11-10 adopts 49 C.F.R. Part 199, as in effect October 1, 2010. The proposed amendments to K.A.R. 82-11-4 and K.A.R. 82-11-10 are updates to existing regulations. It is not anticipated that the proposed changes will create any economic impact, either for enforcement or pipeline compliance.

The proposed amendment to K.A.R. 82-12-7 carries out the Kansas Corporation Commission's directive in its Order Granting in Part and Denying in Part Petition of Kansas Electric Cooperatives, Inc. For Reconsideration in Docket No. 09-GIMT-970-GIT (Sept. 27, 2010) by rescinding K.A.R. 82-12-7(b). The Order stated that "K.A.R. 82-12-7(b) requires the Commission to incur unnecessary labor and maintenance expenses to store the [annually-filed telecommunication supply line] maps." Thus, by eliminating K.A.R. 82-12-7(b), the Commission will reduce its expenses. The telecommunications industry will also reduce expenses associated with filing maps and annual reports with the Commission.

> Susan K. Duffy Executive Director

REC	EIVED
MAR	9 2011
SECRETAR	Y OF STATE

82-11-4. Transportation of natural and other gas by pipeline; minimum safety standards. The federal rules and regulations titled "transportation of natural and other gas by pipeline: minimum federal safety standards," 49 C.F.R. Part 192, including appendices A, B, C, and D, and E, as in effect on October 1, 2006 2010, with the exception of portions that include jurisdiction beyond the state of Kansas, including off-shore pipelines, the outer continental shelf, and states other than Kansas, are adopted by reference with the following exceptions, deletions, additions, and modifications:

(a) 49 C.F.R. 192.7(b) shall be deleted and replaced by the following: "(b) Any incorporated document shall be available for inspection at the gas pipeline safety section's Topeka, Kansas office. All incorporated materials are also available for inspection in the <u>Office of Pipeline Safety</u>, Pipeline and Hazardous Materials Safety Administration, 400 Seventh Street, S.W. 1200 New Jersey Avenue, S.E., Washington, D.C., 20590-0001 or at the National Archives and Records Administration (NARA). For information on the availability of this material at NARA, call 202-741-6030 or access the following website:

http://www.archives.gov/federal_register/code_of_federal_regulations/ibr_locations.html. These materials have been approved for incorporation by reference by the Director of the Federal Register in accordance with 5 U.S.C. 552(a) and 1 CFR part 51. In addition, the incorporated materials are available from the respective organizations listed in paragraph (c)(1) of this section."

(b) 49 C.F.R. 192.181(a) shall be deleted and replaced by the following: "(a) Each high-pressure distribution system shall have valves spaced to reduce the time to shut down a section of main in an emergency. Each operator shall specify in its operation and maintenance manual the criteria as to how valve locations are determined using, as a minimum, the

RECEIVED	DEPT. OF ADMINISTRATION
MAR 9 2011 Mar 2 2011	FEB 1 8 2011
SECRETARY OF STATE	APPROVED

82-11-4 p. 2

considerations of operating pressure, the size of the mains, and the local physical conditions. The emergency manual shall include instructions on where operating personnel can find maps and other means of locating emergency valves during an emergency. Each area of residential development constructed after May 1, 1989 shall be provided with at least one valve to isolate it from other areas."

(c) 49 C.F.R. 192.199(e) shall be deleted and replaced by the following: "(e) Have discharge stacks, vents, or outlet ports designed to prevent accumulation of water, ice, or snow, located where gas can be discharged into the atmosphere without undue hazard. At town border stations and district regulator settings, the gas shall be discharged upward at a minimum height of six feet from the ground or past the overhang of any adjacent building, whichever is greater."

(d) 49 C.F.R. 192.199(h) shall be deleted and replaced by the following: "(h) Except for a valve that will isolate the system under protection from its source of pressure, shall be designed to prevent unauthorized access to or operation of any stop valve that will make the pressure relief valve or pressure limiting device inoperative including:

"(1) valves that would bypass the pressure regulator or relief devices; and

"(2) shut-off valves in regulator control lines that, if operated, would cause the regulator to be inoperative."

(e) The following shall be added to 49 C.F.R. 192.199: "(i) At town border stations and district regulator settings, this section shall require pressure relief or pressure limiting devices regardless of installation date."

(f) 49 C.F.R. 192.307 shall be deleted and replaced by the following: "Inspection of materials. Each length of pipe and each other component shall be visually inspected at the site of installation to ensure that it has not sustained any visually determinable damage that could impair

RECEIVED	ATTORNEY GENERAL	DEPT. OF ADMINISTRATION
MAR 9 2011	MAR 2 2011	FEB 1 1 2011
SECRETARY OF STAT		APPROVED

Proposed 82-11-4 p. 3

its serviceability. Except for short sections of pipe with external coating applied after installation, each coated length of pipe shall be checked for defects in the coating using an instrument that is calibrated according to manufacturer's specifications prior to lowering the pipe into the ditch."

(g) The following subsection shall be added to 49 C.F.R. 192.317: "(d) Each aboveground pipeline shall be placed underground, with the following exceptions:

"(1) Regulator station piping;

"(2) bridge crossings;

"(3) aerial crossings or spans;

"(4) short segments of piping for valves intentionally brought above the ground, including risers, piping at compressor, processing or treating facilities, block gate settings, sectionalizing valves and district regulator sites;

"(5) distribution mains specifically designed to be above the ground and have the approval of the landowner to provide service to commercial customers from the aboveground main and associated service line or lines; or

"(6) pipelines in class 1 locations that were in natural gas service before May 1, 1989."

(h) The following shall be added to 49 C.F.R. 192.317: "(e) Each pipeline constructed after May 1, 1989, shall be placed under ground, with the following exceptions:

"(1) Regulator station piping;

"(2) bridge crossings;

"(3) aerial crossings or spans;

"(4) short segments of piping for valves intentionally brought above ground, including risers, piping at compressor, processing or treating facilities, block gate settings, sectionalizing valves and district regulator sites; or ATTORNEY GENERAL

RECEIVED	MAR 2 2011	DEPT. OF ADMINISTRATION
MAR 9 2011		FEB 1 8 2011
SECRETARY OF STATE	APPROVED BY	APPROVED

82-11-4 p. 4

"(5) distribution mains specifically designed to be above ground and have the approval of the landowner to provide service to commercial customers from the aboveground main and associated service line or lines."

(i) 49 C.F.R. 192.453 shall be deleted and replaced by the following: "(a) The corrosion control procedures required by 49 C.F.R. 192.605(b)(2), including those for the design, installation, operation, and maintenance of cathodic protection systems, must be carried out by, or under the direction of, a person qualified in pipeline corrosion control methods.

"(b) Any unprotected steel service or yard line found to have active corrosion shall be either provided with cathodic protection and monitored annually as required by K.A.R. 82-11-4 (m) or replaced. In areas where there is no active corrosion, each operator shall, at intervals not exceeding three years, reevaluate these pipelines.

"(c) In lieu of conducting electrical surveys on unprotected steel service lines and yard lines, each operator may implement one of the following options:

"(1) Conduct annual leakage surveys at intervals not exceeding 15 months, but at least once each calendar year, on all unprotected steel service lines and yard lines and initiate a program to apply cathodic protection for all unprotected steel service lines and yard lines; or

"(2) conduct annual leakage surveys at intervals not exceeding 15 months, but at least once each calendar year, on all unprotected steel service lines and yard lines and initiate a preventative maintenance program for replacement of service and yard lines. The preventative maintenance program to be used in conjunction with the annual leak survey of unprotected steel service and yard lines shall include the following:

"(A) After the annual leakage survey of all unprotected steel service and yard lines is completed, the operator shall prepare a summary listing of the leak survey results.

RECEIVED	7	UEP1. OF ADMINISTRATION
MAR 9 2011	MAR 2 2011	FEB 1 1 2011
SECRETARY OF STATE	APPROVED BY	APPROVED

- A DAMANGTRATION

"(B) The summary listing shall include the number of leaks found and the number of lines replaced in a defined area.

"(C) An operator's replacement program for all service or yard lines in the defined area shall be initiated no later than when the sum of the number of unprotected steel service or yard lines with existing or repaired corrosion leaks and the number of unprotected steel service or yard lines already replaced due to corrosion equals 25% or more of the unprotected steel service or yard lines installed within that defined area.

"(D) The replacement program, once initiated for a defined area, shall be completed by an operator within 18 months.

"(E) Operators, at their option, may have separate preventative maintenance programs for service lines and yard lines but must consistently follow their selection.

"(d) For a city of the third class, or a city having a population of 2,000 or less, which is an operator of a natural gas distribution system, a replacement program for unprotected steel yard lines may comply with paragraph (c)(2)(D) of this section or include the following requirements in their replacement plan:

"(1) Perform leakage surveys at six month intervals;

"(2) Notify all customers in the defined area with a written recommendation that all unprotected steel yard lines should be scheduled for replacement; and

"(3) Replace all unprotected steel yard lines in the defined area that exhibit active corrosion."

(j) 49 C.F.R. 192.455(a) shall be deleted and replaced by the following: "(a) Except as provided in paragraphs (c) and (f) of this section, each buried, submerged pipeline, or exposed

ATTO RECEIVED	ORNEY GENERAL	DEPT. OF ADMINISTRATION
MAR 9 2011	MAR 2 2011	FEB 1 1 2011
SECRETARY OF STATE	APPROVED BY	APPROVED

82-11-4 p. 6

pipeline, installed after July 31, 1971, shall be protected against external corrosion by various methods, including the following:

"(1) An external protective coating meeting the requirements of 49 C.F.R. 192.461; and

"(2) A cathodic protection system designed to protect the pipeline in accordance with this subpart, installed and placed in operation within one year after completion of construction."

(k) 49 C.F.R. 192.455(b) shall be deleted.

(l) 49 C.F.R. 192.457(b) shall be deleted and replaced by the following: "(b) Except for cast iron or ductile iron pipelines, each of the following buried, exposed or submerged pipelines installed before August 1, 1971, shall be cathodically protected in accordance with this subpart in areas in which active corrosion is found:

"(1) Bare or ineffectively coated transmission lines;

"(2) bare or coated pipes at compressor, regulator, and measuring stations; and

"(3) bare or coated distribution lines."

(m) 49 C.F.R. 192.465(a) shall be deleted and replaced by the following: "Each pipeline that is under cathodic protection shall be tested at least once each calendar year, but in intervals not exceeding 15 months, to determine whether the cathodic protection meets the requirements of 192.463. If tests at those intervals are impractical for separately protected short sections of mains or transmission lines not in excess of 100 feet, or separately protected service lines, these pipelines may be surveyed on a sampling basis. At least one-third of the separately protected short sections, distributed over the entire system, shall be surveyed each calendar year, with a different one-third checked each subsequent year, so that the entire system is tested in each three-year period."

RECEIVEDITORNEY GENERAL	DEPT. OF ADMINISTRATION
NUR 9 2011 MAR 2 2011	FEB 1 1 2011
SECRETARY OF STATE	APPROVED
APPROVED BY	

Proposea

82-11-4 **D**. 7

(n) 49 C.F.R. 192.465(d) shall be deleted and replaced by the following: "(d) Each operator shall begin corrective measures within 30 days, or more promptly if necessary, on any deficiencies indicated by the monitoring."

(o) 49 C.F.R. 192.465(e) shall be deleted and replaced by the following: "(e) After the initial evaluation required by 49 C.F.R. 192.455 (b) and K.A.R. 82-11-4(l), each operator shall, at least every three calendar years at intervals not exceeding 39 months, reevaluate its unprotected pipelines and cathodically protect them in accordance with this subpart in areas in which active corrosion is found. The operator shall determine the areas of active corrosion by electrical survey, where practical."

(p) The following shall be added to 49 C.F.R. 192.465: "(f) It shall be considered practical to conduct electrical surveys in all areas, except the following:

"(1) Where the pipe lies under wall-to-wall pavement;

"(2) where the pipe is in a common trench with other utilities;

"(3) in areas with stray current; or

"(4) in areas where the pipeline is under pavement, regardless of depth, and more than two feet away from an unpaved area.

"(g) Where an electrical survey is impractical as listed in paragraph (f) of this section, the operator shall conduct leakage surveys using leak detection equipment in accordance with K.A.R. 82-11-4(dd) and evaluate for areas of active corrosion. The evaluation for active corrosion shall include review and analysis of leak repair records, corrosion monitoring records, exposed pipe inspection records, and the analysis of the pipeline environment.

"(h) for unprotected steel transmission lines and mains, a repair/replacement program shall be established based upon the number of leaks in a defined area.

RECEIVED ATT	PRNEY GENERAL	DBPT. OF ADMINISTRATION
MAR 9 2011	MAR 2 2011	FEB 1 8 2011
SECRETARY OF STATE		APPROVED

82-11-4

p. 8

"(i) In this section:

"(1) 'Active corrosion' means continuing corrosion which, unless controlled, could result in a condition that is detrimental to public safety.

"(2) 'Electrical survey' means a series of closely spaced pipe to soil readings and/or earth current readings over a pipeline that are subsequently analyzed to identify locations where a corrosive current is leaving the pipeline.

"(3) Pipeline environment includes soil resistivity (high or low), soil moisture (wet or dry), soil contaminants that may promote corrosive activity, and other known conditions that could affect the probability of active corrosion."

(q) 49 C.F.R. 192.491(a) shall be deleted and replaced by the following: "(a) For as long as the pipeline remains in service, each operator shall maintain records and maps to show the locations of all cathodically protected piping, cathodic protection facilities other than unrecorded galvanic anodes installed before August 1, 1971, and neighboring structures bonded to the cathodic protection system."

(r) 49 C.F.R. 192.491(b) shall be deleted.

(s) 49 C.F.R. 192.509(b) shall be deleted and replaced by the following: "(b) Each steel main that is to be operated at less than 1 p.s.i.g. shall be tested to at least 10 p.s.i.g. and each main to be operated at or above 1 p.s.i.g. shall be tested to at least 100 p.s.i.g."

(t) The following shall be added to 49 C.F.R. 192.517(a): "(8) Test date. (9)
Description of facilities being tested."

(u) 49 C.F.R. 192.517(b) shall be deleted and replaced by the following: "For any pipeline installed after May 1, 1989, each operator shall make, and retain for the useful life of the pipeline, a record of each test performed under §§ 192.509, 192.511 and 192.513."

RECEIVED	ATTORNEY GENERAL	PT. OF ADMINISTRATION
MAR 9 2011	MAR 2 2011	FEB 1 8 2011
SECRETARY OF STATE	APPROVED BY MW	APPROVED

Proposod

82-11-4 p. 9

(v) 49 C.F.R. 192.553(a)(1) shall be deleted and replaced by the following: "(1) At the end of each incremental increase, the pressure shall be held constant while the entire segment of pipeline that is affected is checked for leaks. This leak survey by flame ionization shall be conducted within eight hours after the stabilization of each incremental pressure increase provided in the uprating procedure. If the operator elects to not conduct the leak survey within the specified time frame because of nightfall or other circumstance, the pressure increment in the line shall be reduced that day with repetition of that particular increment during the next day that the uprating procedure is continued."

(w) 49 C.F.R. 192.603(b) shall be deleted and replaced by the following: "(b) Each operator shall establish a written operating and maintenance plan meeting the requirements of this part and keep records necessary to administer the plan. This plan and future revisions shall be submitted to the gas pipeline safety section."

(x) The following shall be added to 49 C.F.R. 192.603:

"(d) Each operator shall have regulator and relief valve test, maintenance and capacity calculation records in its possession whether the town border station is owned by the operator or by a wholesale supplier, if the supplier's relief valve capacity is utilized to provide protection for the operator's system.

"(e) Each operator shall be responsible for ensuring that all work completed by its consultants and contractors complies with this part."

(y) The following shall be added to 49 C.F.R. 192.605(b):

"(12) (13) Classifying underground leaks according to K.A.R. 82-11-4(bb).

"(13) (14) Performing leakage surveys of underground pipelines.

RECEIVED ATT	DRNEY GENERAL	
11:0 9 111		DEPT. OF ADMINISTRATION
	MAR 2 2011	FEB 1 1 2011
SECRETARY OF STREET		APPROVED

"(14) (15) Identifying conditions which will require patrols of a distribution system at intervals shorter than the maximum intervals listed in K.A.R. 82-11-4 (cc)."

(z) 49 C.F.R. 192.617 shall be deleted and replaced by the following: "Investigation of failures. (a) Each operator shall establish procedures for analyzing accidents and failures, including:

"(1) The maintenance of records that contain information for each failure including the type of pipe and the reason for failure.

"(2) The selection of samples of the failed facility or equipment for laboratory examination, where appropriate, for the purpose of determining the causes of the failure and minimizing the possibility of recurrence.

"(b) Each operator shall investigate each accident and failure."

(aa) 49 C.F.R. 192.625(f) shall be deleted and replaced by the following:

"(f) Each operator shall assure the proper concentration of odorant and shall maintain records of these samplings for at least two years in accordance with this section. Proper concentration of odorant shall be assured by conducting periodic sampling of combustible gases as follows:

"(1) Conduct monthly odorometer sampling of combustible gases at selected points in the system; and

"(2) conduct sniff tests during each service call where access to a source of gas in the ambient air is readily available.

"(g) Operators of master meter systems may comply with this requirement by the following:

MAR 9 2011 DEPT. OF ADMINISTRATION FEB 1 1 2011 SECRETARY OF STATE APPROVED APPROVED BY MY

"(1) Receiving written verification from their gas source that the gas has the proper concentration of odorant; and

"(2) Conducting periodic sniff tests at the extremities of the system to confirm that the gas contains odorant."

(bb) 49 C.F.R. 192.703 shall be deleted and replaced by the following: "General. (a) No person shall operate a segment of pipeline unless it is maintained in accordance with this subpart.

"(b) Odorometers and leak detection equipment shall be calibrated according to manufacturer's specifications. Leak detection equipment shall be tested monthly with a calibration gas of known hydrocarbon concentration, except if equipment is not used, then testing with calibration gas shall be performed prior to the next use.

"(c) Each segment of pipeline that becomes unsafe shall be replaced, repaired or removed from service within five days of the operator being notified of the existence of the unsafe condition. Minimum requirements for response to each class of leak are as follows:

"(1) A class 1 leak requires immediate repair or continuous action until the conditions are no longer hazardous. After conditions are no longer hazardous, a class 1 leak shall be replaced, repaired, or removed from service within five days of the operator being notified of its existence.

"(2) A class 2 leak shall be repaired within six months after detection. Under adverse soil conditions, a class 2 leak shall be monitored weekly to ensure that the leak will not represent a probable hazard and that it reasonably can be expected to remain nonhazardous.

"(3) A class 3 leak shall be rechecked at least every six months and repaired or replaced within 30 months.

NEY GENERAL DEPT. OF ADMINISTRATION MAR 9 2011 MAR 2 2011 RETARY OF STATE DOOVED BY FEB 1 1 2011 APPROVED

"(d) Each operator shall inspect and classify all reports of gas leaks within two hours of notification.

"(e) Each underground leak shall be classified using the operator's underground leak classification procedure as follows:

"(1) A class 1 leak means a leak that represents an existing or probable hazard to persons or property, and requires immediate repair or continuous action until the conditions are no longer hazardous. This class of leak may include the following conditions:

"(A) Any leak which, in the judgment of operating personnel at the scene, is regarded as an immediate hazard;

"(B) any leak in which escaping gas has ignited;

"(C) any indication that gas has migrated into or under a building, or into a tunnel;

"(D) any percentage reading gas in air at the outside wall of a building, or where gas would likely migrate to an outside wall of a building;

"(E) any reading of 4% gas in air, or greater, in a confined space;

"(F) any reading of 4% gas in air, or greater, in a small substructure from which gas would likely migrate to the outside wall of a building; or

"(G) any leak that can be seen, heard, or felt, and which is in a location that may endanger the general public or property.

"(2) A class 2 leak means a leak that is nonhazardous at the time of detection, but justifies scheduled repair based on probable future hazard. This class of leak may include the following conditions:

"(A) any reading of 2% gas in air, or greater, under a sidewalk in a wall-to-wall paved area that does not qualify as a class 1 leak; RECEIVEDTORNEY GENERAL DEPT. OF ADMINISTRATION

> MAR 9 2011 MAR 2 2011 SECRETARY OF STATE

FEB 1 1 2011

APPROVED

"(B) any reading of 5% gas in air, or greater, under a street in a wall-to-wall paved area that has significant gas migration and does not qualify as a class 1 leak;

"(C) any reading less than 4% gas in air in a small substructure from which gas would likely migrate creating a probable future hazard;

"(D) any reading between 1% gas in air and 4% gas in air in a confined space;

"(E) any reading on a pipeline operating at 30% SMYS, or greater, in a class 3 or 4 location, which does not qualify as a class 1 leak;

"(F) any reading of 4% gas in air, or greater, in a gas associated substructure; or

"(G) any leak which, in the judgment of operating personnel at the scene, is of significant magnitude to justify scheduled repair.

"(3) A class 3 leak means a leak that is nonhazardous at the time of detection and can reasonably be expected to remain nonhazardous. This class of leak may include the following conditions:

"(A) any reading of less than 4% gas in air in a small gas associated substructure;

"(B) any reading under a street in areas without wall-to-wall paving where it is unlikely the gas could migrate to the outside wall of a building; or

"(C) any reading of less than 1% gas in air in a confined space."

(cc) 49 C.F.R. 192.721(a) shall be deleted and replaced by the following two paragraphs: "(a) The frequency with which mains are patrolled shall be determined by the severity of the conditions which could cause failure or leakage, and the consequent hazards to public safety. Intervals between patrols shall not be longer than those prescribed in the following table:

RECEIVED	ORNET GLINLING	DEPT. OF ADMINISTRATION
1.5. 9 2011	MAR 2 2011	FEB 1 1 2011
SECRETARY OF STATE	APPROVED BY	APPROVED

Maximum Intervals Between Patrols		
Location of Line	Mains in places or on structures where anticipated physical movement or external loading could cause failure or leakage	Mains at all other locations
Inside business districts	4 ½ months, but at least four times each calendar year	7 ½ months, but at least twice each calendar year
Outside business districts	7 ½ months, but at least twice each calendar year	18 months, but at least once each calendar year

"(b) Service lines and yard lines shall be patrolled at least once every three calendar years at intervals not exceeding 42 months."

(dd) 49 C.F.R. 192.723 shall be deleted and replaced by the following:

"Distribution systems: leak surveys and procedures.

"(a) Each operator of a distribution system shall conduct periodic leakage surveys using leak detection equipment in accordance with this section. The leak detection equipment used for this survey shall utilize a continuously sampling technology.

"(b) The type and scope of the leakage control program shall be determined by the nature of the operations and the local conditions. A leakage survey using leak detection equipment shall be conducted on all distribution mains and shall meet the following minimum requirements:

"(1) In business districts, a leakage survey shall include tests of the atmosphere in gas, electric, telephone, sewer and water system manholes, at cracks in pavement and sidewalks, and at other locations providing an opportunity for finding gas leaks. This survey shall be conducted at intervals on the distribution mains within the business district as frequently as necessary with the maximum interval between surveys not exceeding 15 months, but at least once each calendar year.

> RECEIVED ATTORNEY GENERAL MAR 9 2011 MAR 2 2011 FE SECRETARY OF STATE APPROVED BY

DEPT. OF ADMINISTRATION FEB 2 1 2011 APPROVED

Proposed 82-1

"(2) A leakage survey with leak detection equipment shall be conducted on the distribution mains outside the business areas. The survey shall be made as frequently as necessary, but it shall meet the following minimum requirements:

"i. Cathodically unprotected steel mains and ductile iron mains located in class 2, 3, and 4 areas shall be surveyed at least once each calendar year at intervals not exceeding 15 months.

"ii. Cathodically unprotected steel mains and ductile iron mains located in class 1 areas, cathodically protected bare steel mains, cast iron mains, and mains constructed of PVC plastic shall be surveyed at least once every three calendar years at intervals not exceeding 39 months.

"iii. Cathodically protected externally coated steel mains and mains constructed of polyethylene plastic shall be surveyed at least once every five calendar years at intervals not exceeding 63 months.

"(3) Operators in existence on January 1, 2007 must be in compliance with paragraph (b)(2) of this section no later than June 1, 2010. Prior to compliance with subparagraphs (b)(2)(i) and (b)(2)(ii) of this section, a leakage survey with leak detection equipment of the distribution system shall be conducted outside business districts as frequently as necessary, but it shall be performed at least once every 3 calendar years at intervals not exceeding 39 months.

"(c) Except for the service lines and yard lines described in paragraph (d) of this section, a leakage survey using leak detection equipment shall be conducted for all service lines and yard lines as follows:

"(1) In business districts, this survey shall be conducted as frequently as necessary with the maximum interval between surveys not exceeding 15 months, but at least once each calendar year.

ATTORNEY GENERAL RECEIVED DEPT. OF ADMINISTRATION MAR 9 2011 MAR 2 2011 FEB 1 1 2011 SECRETARY OF STATE APPROVED BY APPROVED

82-11-4 p. 15

82-11-4 p. 16

"(2) Outside business districts, the survey shall be made as frequently as necessary, but it shall meet the following minimum requirements:

"i. Cathodically unprotected steel service or yard lines and service or yard lines constructed of PVC plastic, cast iron, or copper shall be surveyed at least once each calendar year at intervals not exceeding 15 months.

"ii. Cathodically protected bare steel service or yard lines shall be surveyed at least once every three years at intervals not exceeding 39 months.

"iii. Cathodically protected externally coated steel service or yard lines and service or yard lines constructed of polyethylene plastic shall be surveyed at least once every five calendar years at intervals not exceeding 63 months.

"(d) For yard lines more than 300 feet in length and operating at a pressure less than 10 p.s.i.g., only the portion within 300 feet of a habitable dwelling must be leak surveyed in accordance with these regulations.

"(e) Each operator's operations and maintenance manual shall state that companydesignated employees are to be trained in and conduct vegetation leak surveys where vegetation is suitable to such analysis.

"(f) Each leakage survey record shall be kept for at least six years."

(ee) The following shall be added to 49 C.F.R. 192.755: "(c) Each operator with cast iron piping shall institute all of the following for the purposes of evaluation and replacement of cast iron pipelines:

"(1) Each time a leak in the body of a cast iron pipe is discovered, collect a coupon from the joint of pipe that is leaking within five feet of the leak site.

RECEIVED ATTORNEY GENERAL DEPT. OF ADMINISTRATION MAR 9 2011 MAR 2 2011 FEB 1 1 2011 APPROVED APPROVED BY

Proposea

"(2) Conduct laboratory analysis on all coupons to determine the percentage of graphitization. Using the following equation:

Percent of Graphitization =
$$\frac{(Maximum Depth of Graphitization)}{(Wall Thickness)} \times 100$$

"(3) Replace at least one city block (approximately 500 feet) within 120 days of the operator's discovery of a leak in cast iron pipe due to external corrosion or each time the laboratory analysis of a coupon shows graphitization equal to or greater than the following:

Percent Graphitization
25%
60%
75%
90%

"(4) Submit coupons for analysis within 30 days of collection. Retain all sampling records for the life of the facility, but not less than five years.

"(5) For each operator with cast iron piping that is 3 inches or less in nominal diameter, shall have a replacement program that will remove all cast iron piping with nominal diameter of 3 inches and smaller from natural gas service by January 1, 2013."

(ff) 49 C.F.R. 192.801(b)(3) shall be deleted and replaced by the following: "(3) Is performed as requirement of K.A.R. 82-11-4; and." (Authorized by and implementing K.S.A. 66-1,150; effective, T-82-10-28-88, Oct. 28, 1988; effective, T-82-2-25-89, Feb. 25, 1989; revoked, T-82-3-31-89, April 30, 1989: effective MARNEY989, amended April 16, 1990; RECEIVED MAR 9 2011 MAR 2 2011 FEB 1 1 2011

82-11-4 p. 18

amended March 12, 1999; amended July 7, 2003; amended Jan. 25, 2008; amended June 26,

2009; amended P-_____.)

÷

		RECEIVED
R	CEIVED	MAR 9 2011
MA	R 9 2011	
SECR	TARY OF STATE	
ATTORNEY GENERA	L DEST. OF	ADMINISTRATION
MAR 2 2011	FE	B 1 1 2011
	AP	PROVED

APPROVED BY

82-11-10. Drug and alcohol testing. The federal regulations titled "drug and alcohol testing," 49 C.F.R. Part 199 as in effect October 1, 2008 2010, are adopted by reference only as they apply to operators of pipeline facilities that deal in the transportation of natural gas by pipeline, with the following modifications:

(a) 49 C.F.R. 199.1 shall be deleted and replaced by the following: "This regulation requires operators of pipeline facilities subject to K.A.R. 82-11-4 to test covered employees for the presence of prohibited drugs and alcohol."

(b) 49 C.F.R. 199.2 shall be deleted and replaced by the following:

"(a) This part applies to operators of intrastate natural gas pipelines within the state of Kansas.

"(b) This part does not apply to covered functions performed on:

"(1) Master meter systems, as defined in K.A.R. 82-11-3; or

"(2) pipeline systems that transport only petroleum gas or petroleum gas/air mixtures."

(c) 49 C.F.R. 199.3 shall be deleted and replaced by the following: "As used in this part:

"(a) 'accident' means an incident involving gas pipeline facilities reportable under K.A.R. 82-11-3;

"(b) 'administrator' means the Administrator, Pipeline and Hazardous Materials Safety Administration or the state corporation commission of the state of Kansas;

"(c) 'covered employee, employee, or individual to be tested' means a person who performs a covered function, including persons employed by operators, contractors engaged by operators, and persons employed by such contractors;

RECEIVED	ORNEY GENERAL	DEPT. OF ADMINISTRATION
MAR 9 2011	mar 2 2011	FEB 1 1 2011
SECRETARY OF STATE		APPROVED

APPROVED BY

"(d) 'covered function' means an operations, maintenance, or emergency response function regulated by K.A.R. 82-11-4 and K.A.R. 82-11-8 that is performed on a pipeline;

"(e) 'DOT Procedures' means the Procedures for Transportation Workplace Drug and Alcohol Testing Programs published by the Office of the Secretary of Transportation in 49 C.F.R. Part 40;

"(f) 'fail a drug test' means that the confirmation test results shows positive evidence under DOT Procedures of a prohibited drug in the employee's system;

"(g) 'operator' means a person who owns or operates pipeline facilities subject to K.A.R. 82-11-1, et seq.;

"(h) 'pass a drug test' means that initial testimony or confirmation testing under DOT Procedures does not show evidence of the presence of a prohibited drug in the person's system;

"(i) 'performs a covered function' includes actually performing, ready to perform, or immediately available to perform a covered function;

"(j) 'positive rate for random drug testing' means the number of verified positive results for random drug tests conducted under this part plus the number of refusals of random drug tests required by this part, divided by the total number of random drug tests results (i.e., positives, negatives, and refusals) under this part;

"(k) 'prohibited drug' means any of the following substances specified in Schedule I or Schedule II of the Controlled Substances Act, 21 U.S.C. §812 – marijuana, cocaine, opiates, amphetamines, and phencyclidine (PCP);

"(1) 'refuse to submit, refuse, or refuse to take' means behavior consistent with DOT Procedures concerning refusal to take a drug test or refusal to take an alcohol test;

"(m) 'state agency' means the state corporation commission of the state of Kansas."

RECEIVED	DRNEY GENERAL	DEPT. OF ADMINISTRATION
MAR 9 2011	MAR 2 2011	FEB 1 1 2011
SECRETARY OF STATE	ADDONIED DV AM	APPROVED

(d) 49 C.F.R. 199.7 shall be deleted and replaced by the following:

"(a) Each operator who seeks a waiver under 49 C.F.R. 40.21 from the stand-down restriction must submit an application for waiver in duplicate to the state corporation commission of Kansas and the Associate Administrator for Pipeline Safety, Pipeline and Hazardous Materials Safety Administration, <u>U.S.</u> Department of Transportation, <u>1200 New</u> Jersey Avenue, SE, Washington, DC 20590-0001;

"(b) Each application must:

"(1) Identify 49 C.F.R. 40.21 as the rule from which the waiver is sought;

"(2) Explain why the waiver is requested and describe the employees to be covered by the waiver;

"(3) Contain the information required by 49 C.F.R. 40.21 and any other information or arguments available to support the waiver requested; and

"(4) Unless good cause is shown in the application, be submitted at least 60 days before the proposed effective date of the waiver.

"(c) No public hearing or other proceeding is held directly on an application before its disposition under this section. If the Associate Administrator determines that the application contains adequate justification, he or she grants the waiver. If the Associate Administrator determines that the application does not justify granting the waiver, he or she denies the application. The Associate Administrator notifies each applicant of the decision to grant or deny an application."

(e) 49 C.F.R. 199.9 shall be deleted.

(f) 49 C.F.R. 199.100 shall be deleted and replaced by the following: "The purpose of this subpart is to establish programs designed to help provent excitings and injuries resulting

RECEIVED	1	DEPT. OF ADMINISTRATION
MAR 9 2011	MAR 2 2011	FEB 1 1 2011
SECRETARY OF STATE	APPROVED BY	

from the use of prohibited drugs by employees who perform covered functions for operators of certain pipeline facilities subject to K.A.R. 82-11-4."

(g) 49 C.F.R. 199.200 shall be deleted and replaced by the following: "The purpose of this subpart is to establish programs designed to help prevent accidents and injuries resulting from the misuse of alcohol by employees who perform covered functions for operators of certain pipeline facilities subject to K.A.R. 82-11-4." (Authorized by and implementing K.S.A. 66-1,150; effective April 16, 1990; amended March 12, 1999; amended July 7, 2003; amended June 26, 2009; amended P-_____.)

> RECEIVED MAR 9 2011 SECRETARY OF STATE

ATTORNEY GENERAL

MAR 2

DEPT. OF ADMINISTRATION

APPROVED

FEB 1 1 2011

APPROVED BY M

2011

82-12-7. Utility requirements for telecommunication supply lines. (a) A utility may proceed with construction of any telecommunication supply line if all <u>both</u> of the following requirements are met.:

ž

(1) (a) Prior to Before beginning construction, the utility shall give written notice to all of the following entities that have facilities within ½ mile of any contemplated telecommunication supply line construction or change in construction:

(A) (1) Railroads; and

(B) (2) any other utilities, unless the utilities have executed a joint use or other agreement covering the area in which the construction is proposed.

(2) (b) The proposed telecommunication supply line construction shall meet the following requirements:

(A) (1) Be within the utility's certified area; and

(B) (2) not result in any objection from other utilities or railroads that have been given written notice as required by paragraph (a)(1) above subsection (a).

(b) Each utility owning or operating one or more telecommunication supply lines shall file with the commission, in an annual telecommunication supply line report, a map or maps showing routes for all of its existing telecommunication supply lines. Annual reports shall be due on March 31 of each calendar year. Maps provided shall indicate the following:

(1) any specific additions or changes to the telecommunication supply lines in the previous calendar year;

(2) whether lines are toll, interexchange, or local exchange lines;

(3) whether lines are constructed of fiberoptic, copper or other material;

(4) whether lines are analog or digital; and

MAR 9 2011 SECRETARY OF STATE

ATTORNEY GENERAL

DEPT. OF ADMINISTRATION

MAR 2 2011

FEB 1 8 2011

APPROVED BY

APPROVED

82-12-7

p. 2

(5) the location of microwave towers.

The format of the filed maps shall be on a scale of at least one inch to the mile, or in electronic form approved by the commission. (Authorized by and implementing K.S.A. 66-183; effective Aug. 11, 1995; amended P-_____.)

RECEIVED MAR 9 2011 SECRETARY OF STATE MAR 2 2011 MAR 2 2011 DEPT. OF ADMINISTRATION FEB 1 8 2011 APPROVED BY MAR APPROVED

Economic Impact Statement K.A.R. 82-11-4, K.A.R. 82-11-10, K.A.R. 82-12-7

Proposed

I. Summary of Proposed Regulations, Including Its Purpose

The proposed amendments to K.A.R. 82-11-4 and K.A.R. 82-11-10 update the Kansas Corporation Commission's (Commission) Natural Gas Pipeline Safety Regulations to stay consistent with updates to the federal law administered by the Pipeline and Hazardous Materials Safety Administration (PHMSA).

The proposed amendment to **K.A.R. 82-12-7** carries out the Commission's directive in its Order Granting in Part and Denying in Part Petition of Kansas Electric Cooperatives, Inc. For Reconsideration in Docket No. 09-GIMT-970-GIT (Sept. 27, 2010) (970 Order) by rescinding K.A.R. 82-12-7(b).

II. Reason or Reasons the Proposed Regulation is Required, Including Whether or Not the Regulation is Mandated by Federal Law

The proposed amendments to K.A.R. 82-11-4 and K.A.R. 82-11-10 are required by 49 C.F.R. Part 198 – Regulations for Grants to Aid State Pipeline Safety Programs.

The proposed amendment to K.A.R. 82-12-7 is required by the Commission's 970 Order.

III. Environmental Benefit Statement

There will be no direct environmental benefit on the industry, agency, other governmental agencies, or the general public.

IV. Anticipated Economic Impact

The proposed amendments to K.A.R. 82-11-4 and K.A.R. 82-11-10 are updates to existing regulations. It is not anticipated that the proposed amendments will create any economic impact, either for enforcement or pipeline compliance.

The proposed amendment to **K.A.R. 82-12-7** complies with the Commission's 970 Order, in which the Commission noted that "K.A.R. 82-12-7(b) requires the Commission to incur unnecessary labor and maintenance expenses to store the [annually-filed telecommunication supply line] maps." Thus, by eliminating K.A.R. 82-12-7(b), the Commission will reduce its expenses. The telecommunications industry will also reduce expenses associated with filing maps and annual reports with the Commission.

V. Description of less costly methods considered to address this issue

The current versions of K.A.R. 82-11-4 and K.A.R. 82-11-10 were adopted based on older versions of the federal regulations. The proposed amendments update existing

REC	EIVED
MAR	9 2011
SECRETAR	Y CP TATE

Kansas regulations based on more current federal regulations. There are no less costly methods applicable to this objective.

The current version of K.A.R. 82-12-7 violates the Kansas Corporation Commission's Order in Docket No. 09-GIMT-970-GIT. The proposed amendment updates the existing regulation to comply with the Commission's Order. There are no less costly methods applicable to this objective.

