

STATE OF CONNECTICUT PUBLIC UTILITIES REGULATORY AUTHORITY

PUBLIC COMMENT AND RESPONSE REPORT

Prepared Pursuant to Conn. Gen. Stat. § 4-168(b)

Regarding

Amendments to Conn. Agencies Regs. §§ 16-11-22, 16-11-31, 16-11-41, and 16-16-2 and repeals and replacement of outdated regulations with Conn. Agency Regs. §§ 16-280b-A1 to 16-280b-A76, inclusive, 16-280b-B1 to 16-280b-B32, inclusive, 16-280b-C1 to 16-280b-C10

On August 21, 2023, Marissa P. Gillett, Chairman, Public Utilities Regulatory Authority (Authority or PURA), published a notice of intent to amend Conn. Agencies Regs. §§ 16-11-22, 16-11-31, 16-11-41, and 16-16-2 and repeal and replace outdated regulations with Conn. Agency Regs. §§ 16-280b-A1 to 16-280b-A76, inclusive, 16-280b-B1 to 16-280b-B32, inclusive, 16-280b-C1 to 16-280b-C10, inclusive. The Authority is amending or repealing and replacing these regulations under the authority of Conn. Gen. Stat. §§ 16-280b(b) and 16-280c. Pursuant to such notice, the Authority held a public hearing on October 11, 2023, at 3:00 p.m. The public comment period remained open until October 20, 2023, at 4:00 p.m.

I. HEARING REPORT CONTENT

As required by Conn. Gen. Stat. § 4-168(b), this report describes the Authority's proposed regulations (Proposed Regulations), identifies principal reasons in support of and in opposition to the proposal, and summarizes and responds to all comments on the Proposed Regulations. A final recommended version of the text is attached hereto (Final Proposed Regulations), as is a copy of the hearing transcript and the written comments received.

II. SUMMARY OF PROPOSAL

The Authority is proposing to amend Conn. Agencies Regs. §§ 16-11-22, 16-11-31, 16-11-41, and 16-16-2 and repeal and replace outdated regulations with Conn. Agency Regs. §§ 16-280b-A1 to 16-280b-A76, inclusive, 16-280b-B1 to 16-280b-B32, inclusive, 16-280b-C1 to 16-280b-C10, inclusive.

III. SUMMARY OF COMMENTS

The Authority received three written comments regarding the Proposed Regulations. All written comments submitted are summarized below with the Authority's

eRegulations System Tracking Number: PR2023-019

responses. The following persons on behalf of their organizations submitted written comments to the Authority:

- Daniel R. Canavan, Vice President, Regulatory Affairs, UIL Holdings Corporation, UILRegulatory@uinet.com, UIL Holdings Corporation, 180 Marsh Hill Road, MS AD-2A, Orange, CT 06477, on behalf of Connecticut Natural Gas Corporation (CNG) and The Southern Connecticut Gas Company (SCG).
- 2. Eric Eggleston, Esq., Eversource Energy, eric.eggleston@eversource.com, P.O. Box 270, Hartford, CT 06141-0270, on behalf of Yankee Gas Services Company d/b/a Eversource Energy (YGS).
- 3. Christopher LaRose, General Manager, Norwich Public Utilities, chrislarose@npumail.com, 16 South Golden Street, Norwich, CT 06360, on behalf of Norwich Public Utilities (NPU).

A. STATEMENT OF PRINCIPAL REASONS IN SUPPORT OF THE AUTHORITY'S INTENDED ACTION

The purpose of the proposed regulations is to revise PURA's existing regulations that implement Conn. Gen. Stat. §§ 16-280b(b) and 16-280c. The proposed regulations repeal and replace outdated requirements and provide clarification and updates to reflect current practices related to PURA's oversight and the safety of the gas distribution systems throughout Connecticut using an approach consistent with federal regulations.

The current regulations are outdated and have not been revised since circa 1964. There have been significant changes in the gas industry including the materials and equipment used, and the processes for installing and maintaining gas distribution systems. Additionally, the proposed regulations focus on enhancing public safety and reducing the environmental impact of gas distribution systems.

B. STATEMENT OF THE PRINCIPAL CONSIDERATIONS IN OPPOSITION TO THE AUTHORITY'S INTENDED ACTION AND THE REASONS FOR ACCEPTING OR REJECTING SUCH CONSIDERATIONS

The Authority received the following comments regarding specific provisions in the Proposed Regulations:

1. Section 16-280b-A5 of the Proposed Regulations

Comment:

NPU, YGS, CNG, and SCG requested that a specific implementation deadline of January 1, 2026, be included in Section 16-280b-A5. CNG and SCG Comments, Oct 20, 2023, p. 2-3; NPU Comments, Oct. 20, 2023, p. 3; YGS Comments, Oct. 20, 2023, p. 4-5.

eRegulations System Tracking Number: PR2023-019

Authority Response:

In response to NPU, YGS, CNG, and SCG's comment, the Authority is revising the Proposed Regulations. These requests are consistent with the implementation deadline the Authority intended to propose with the adoption of the regulations. Section 16-280b-A5 has been updated to include a specific global implementation deadline of January 1, 2026. State regulations applicable only to new pipeline facilities are now effective after December 31, 2025. In addition, throughout the proposed regulations, the phrase "[INSERT DATE X YEARS AFTER EFFECTIVE DATE OF REGULATION]" has been replaced with a specific date "X" number of years from January 1, 2026.

2. Section 16-280b-A19(4) of the Proposed Regulations

Comment:

NPU, YGS, CNG, and SCG requested that the requirement to notify the Gas Pipeline Safety Unit (GPSU) of an evacuation under Section 16-280b-A20(4) only apply if the evacuation is requested by a qualified individual or first responder due to a confirmed natural gas odor. CNG and SCG Comments, p. 3; NPU Comments, p. 3-4; YGS Comments, p. 5-6.

Authority Response:

The GPSU agrees that the recommendation to evacuate, routinely provided by gas company customer service representatives and/or dispatchers in response to telephonic odor complaints, should not represent a mandatory evacuation requiring reporting under Section 16-280b-A20(4). The proposed regulations have been revised to require a report only in the event of the mandatory evacuation of a building or area ordered by the Operator or an emergency responder due to Gas odor. The Authority declines to add the phrase "that is confirmed to be natural gas" since larger evacuations, such as office buildings and schools, generate media attention that necessitates GPSU awareness even when the evacuation was not caused by an actual gas leak.

3. Section 16-280b-A24(d) of the Proposed Regulations

Comment:

NPU, YGS, CNG, and SCG requested that the regulator labelling requirements in Section 16-280b-A25(d) (orifice, core size and spring pressure range) be added to the exemptions in Section 16-280b-A5 to clarify that the requirement is only applicable with respect to the installation of new pipeline facilities. CNG and SCG Comments, p. 3-4; NPU Comments, p. 4-5; YGS Comments, p. 6-7.

Authority Response:

eRegulations System Tracking Number: PR2023-019

In the initial draft, the requirement to label regulators in Section 16-280b-A25(d) was limited to service regulators or components that were changed or replaced. The Authority revised the language to apply to regulators that are installed, changed, or replaced to be consistent with the expectations of the Authority. Section 16-280b-A25(d) is only applicable with respect to facilities installed, changed, or replaced on January 1, 2026, or later, in accordance with Section 16-280b-A5. The requirement to label regulators with "core" size has been removed since this information will not be relevant for most installations. The intent of the authority is that existing facilities must comply with the labelling requirements if changed or replaced on January 1, 2026, or later. Adding Section 16-280b-A25(d) to the exemptions in Section 16-280b-A5 would limit effectiveness to new facilities only and thereby impede the intent of the subsection.

4. Section 16-280b-A24(e) of the Proposed Regulations

Comment:

NPU, YGS, CNG, and SCG requested that the language in Section 16-280b-A25(e) be revised to clarify that periodic regulator inspections will not require a new/independent inspection program but could instead be completed along with other ongoing maintenance like meter replacement. CNG and SCG Comments, p. 4; NPU Comments, p. 4-5; YGS Comments, p. 7.

Authority Response:

The comments are addressed by the existing language of the regulations. There is no requirement in Section 16-280b-A25 for service regulator inspections to occur as part of an independent inspection program. Where specific program requirements are not described in the regulation, it is incumbent on the Operator to determine the most appropriate way to implement those requirements. There are other sections of the regulations where additional inspection/maintenance requirements are imposed. The Authority declines to specifically allow for simultaneous inspections to occur in Section 16-280b-A25(e) as such language may be later misconstrued to require independent programs in other areas where such methods are not specifically allowed.

5. Section 16-280b-A41(a)(2) of the Proposed Regulations

Comment:

YGS, CNG, and SCG requested that "installed" be replaced with "located" in: "the connection between Operator Piping and customer piping shall be <u>installed</u> at the building wall." CNG and SCG Comments, p. 4; YGS Comments, p. 7.

YGS, CNG, and SCG also requested that "at the building wall" to be replaced with "adjacent to" or "at the structure" in: "the connection between Operator Piping and customer piping shall be installed at the <u>building wall</u>." CNG and SCG Comments, p. 4; YGS Comments, p. 7.

eRegulations System Tracking Number: PR2023-019

Authority Response:

The Authority declines to make the requested revisions. Section 16-280b-A42(a) is limited to installed, replaced, or relocated service lines. Where an entire service line is installed, replaced, or relocated it will be necessary to install a connection to the customer piping. The language in this subsection is consistent with the language used in other areas of the regulations. "Installed" is always used when discussing new facilities, and "located" is used when discussing existing facilities.

The GPSU determines that the term "structure" is vague and could be misconstrued to mean structures other than the building/structure being served. The "building" terminology is consistent with that used in 49 C.F.R. 192 subpart H. There is a provision for the GPSU to provide approval for unusual installations that may not have a building wall.

6. Section 16-280b-A41(b) of the Proposed Regulations

Comment 1:

YGS requests that a study be conducted to review meter relocation timeframes and that implementation of meter relocation be completed through the companies' Distribution Integrity Management Programs (DIMPs). YGS Comments, p. 7-9.

CNG and SCG recommend the removal of proposed Sec. 16-280b-A42(b) and requested that company specific meter relocation timeframes established during future rate cases. CNG and SCG Comments, p. 5.

Authority Response:

The Authority declines to revise the section. Meter relocation is already included in most company DIMPs. Although the time required to complete meter relocations will vary based on each company's specific capabilities, this regulation is intended to provide a maximum timeframe for implementation across all programs. The Authority and the GPSU expect the companies to prioritize relocation of the highest risk meters through the DIMPs. The specific approach to meter relocation within the deadlines provided in the regulations can be examined during rate case proceedings and DIMP initiatives.

Comment 2:

NPU and YGS proposed separate meter/regulator relocation timeframes to service lines with an operable curb valve. NPU Comments, p. 5-6; YGS Comments, p. 8-9. YGS alternatively proposed that separate meter/regulator relocation timeframes could apply to service lines with an excess flow valve (EFV). YGS Comments, p. 8.

eRegulations System Tracking Number: PR2023-019

CNG and SCG recommend the removal of proposed Sec. 16-280b-A42(b) and requested that company specific meter relocation timeframes established during future rate cases. CNG and SCG Comments, p. 5.

Authority Response:

In response to the comments, the Authority is revising the section. EFVs can provide an important means of immediately curtailing gas flow in the event of a release due to failure or excavation damage. Since service lines without EFVs require operator intervention to curtail gas flow during a release, the Authority agrees that it would be prudent to prioritize these service lines for replacement. The regulations have been revised to require the replacement of high-pressure service lines without an EFV on or before January 1, 2036. All other service lines would require replacement on or before January 1, 2046. In addition, Section 16-280b-A42(c) has been revised to require the installation of an outdoor shutoff valve within 10 years for (b)(1) and 20 years for (b)(2).

7. Section 16-280b-A41(b)(1) of the Proposed Regulations

Comment:

YGS requested that the meter relocation requirements be limited to residential customers only. YGS Comments, p. 8-9.

Authority Response:

The Authority declines to revise the section. While some commercial and industrial customers may have meters and regulators with greater protection/accessibility, the consequences of a potential failure are often greater at these locations. Non-residential customers would include places of public gathering such as churches, schools, restaurants, etc. that periodically host large groups of people. The Authority determines that it would be imprudent to overlook these facilities with respect to the meter relocation requirements.

8. Section 16-280b-A49(a) of the Proposed Regulations

Comment:

NPU, YGS, CNG, and SCG request only applying holiday inspection requirements to pipe lengths greater than 20 feet. CNG and SCG Comments, p. 5; NPU Comments, p. 7; YGS Comments, p. 9-10. YGS, CNG and SCG recommend only applying holiday inspection requirements to service lines when greater than 1.25" in diameter. <u>Id</u>.

Authority Response:

In response to the comments, the Authority is revising the section. Effective pipe coating is essential to ensure that cathodic protection systems will work as intended to

eRegulations System Tracking Number: PR2023-019

prevent corrosion. With the widespread use of polyethylene, the installation of steel pipe is normally reserved for higher pressures or where large diameters make the use of polyethylene impractical. It is especially important that effective coating be installed in these locations. Since steel lines can operate at higher pressures, small diameter pipelines can still carry a significant volume of gas. Smaller diameters can use thinner wall pipe for the same pressure carrying capacity, meaning that less material loss would need to occur before a leak would result. The Authority and the GPSU understand that the training and equipment requirements to use a holiday detector may make its use impractical for the installation of especially short replacement segments or service tie overs. However, the length proposed by YSG, NPU, CNG, and SCG is too great. Therefore, the electrical inspection requirement has been revised to apply only to pipe lengths greater than 10 feet.

9. Section 16-280b-A53(c) of the Proposed Regulations

Comment:

NPU, CNG, and SCG requested that the regulation specifically state that test points do not need to be added in response to corrosion leaks repaired prior to the effective date. CNG and SCG Comments, p. 6; NPU Comments, p. 7.

Authority Response:

The Authority declines to make the requested revisions. The requirement to add a test point in Section 16-280b-A54(c) is limited to locations where the pipe is exposed to repair a corrosion leak. Section 16-280b-A54(c) is only applicable from January 1, 2026, forward in accordance with Section 16-280b-A5. The intent of the Authority is that only exposures occurring on January 1, 2026, or later would require the addition of a test point. The language used in this subsection is consistent with language used in other sections of the regulations where requirements are not applied retroactively.

10. Section 16-280b-A57 of the Proposed Regulations

Comment:

YGS, CNG, and SCG requested that remediation timeframes for continuing surveillance findings be established in procedures rather than globally limited to before the next inspection cycle. CNG and SCG Comments, p. 6; YGS Comments, p. 10.

Authority Response:

In response to the comments, the Authority is revising the section. To prevent a backlog of continuing surveillance findings, the Operators will need to remediate at least as many findings as are identified during each inspection cycle. The continuing surveillance required by 49 C.F.R. 192.613 covers a broad range of possible unusual operating conditions that could be encountered. Remediating certain findings, especially

eRegulations System Tracking Number: PR2023-019

those that require excavation or specialized equipment to address, may not always be feasible before the next inspection cycle. Therefore, the Authority has revised the inspection requirements in Section 16-280b-A58(a) to apply only to aboveground Pipelines. Remediation before the next inspection cycle has been limited to deficiencies found during inspections required under Section 16-280b-A58(a). The Authority and the GPSU also acknowledge that bridge inspections sometimes require specialized equipment/scheduling to complete and therefore may not be feasible to conduct annually in business districts. The requirements in Section 16-280b-A58(a)(1) have been updated to exempt bridge crossings from the annual inspection requirements.

11. Section 16-280b-A68 of the Proposed Regulations

Comment:

NPU, YGS, CNG, and SCG requested that the GPSU have the ability to directly waive service line cutoff requirements and prohibition on re-use of previously abandoned pipe. CNG and SCG Comments, p. 7; NPU Comments, p. 8; YGS Comments, p. 11.

Authority Response:

In response to the comments, the Authority is revising the section. The Authority and the GPSU acknowledge that there may be unusual circumstances where the cutoff of an inactive service line or the complete abandonment of state-of-the-art piping may not be in the best interest of ratepayers. Therefore, provisions for the GPSU to waive the requirements of subsections (c) and (e) have been added to the regulations.

12. Section 16-280b-A75 of the Proposed Regulations

Comment:

YGS, CNG, and SCG request that the monitoring of publications from "trade or similar organizations" for the purposes of threat identification be limited to "industry authorit[ies] on natural gas system matters warning of concerns related to the safety or integrity of the gas system." CNG and SCG Comments, p. 7; YGS Comments, p. 11-12. YGS further proposed that only those publications/notifications identified by the GPSU should require action under this regulation. YGS Comments, p. 11-12.

Authority Response:

In response to the comments, the Authority is revising the section. The language in Section 16-280b-A76 limits actionable alerts, advisory bulletins, recommendations, or similar notifications to those received by the Operator. It is not the intent of the Authority that the Operators be required to proactively search for actionable publications. The Authority and the GPSU acknowledge that a detailed review/final timeline may take longer than 10 days to establish. As a result, only the preliminary results of a review will be required no later than 10 calendar days from receipt of an actionable publication. The

eRegulations System Tracking Number: PR2023-019

scope of organizations which may provide actionable correspondence has been expanded to include pipe, component, and equipment manufacturers since these organizations will sometimes issue important product recalls or advisory bulletins to customers.

13. Section 16-280b-B11(b) of the Proposed Regulations

Comment:

YGS, CNG, and SCG request that the requirement for equipment to operate if submerged be limited to only equipment which directly impacts the safe operation and reliability of the gas system. CNG and SCG Comments, p. 8; YGS Comments, p. 12-13.

Authority Response:

In response to the comments, the Authority is revising the section. The Authority and the GPSU agree that not all equipment located in below ground enclosures is necessary for the safe operation and reliability of a pipeline. Therefore, the regulation has been revised to limit the applicability of Section 16-280b-B11(b) to equipment where a malfunction could directly impact the safe operation and reliability of a Pipeline.

14. Section 16-280b-B17(b) of the Proposed Regulations

Comment:

YGS requests that the regulation specifically identifies that the process for evaluating construction contractor "competency" be defined in an Operator's procedures. YGS Comments, p. 13-14.

Authority Response:

The Authority declines to make the requested revisions. The language in Section 16-280b-B17(b) establishes a performance goal and intentionally does not identify what criteria should be used to evaluate contractor competency in performing covered tasks. It is incumbent on the Operators to develop criteria used to determine competency. This is consistent with other areas of the proposed regulations where a performance goal is established without specific evaluation criteria. It is the responsibility of the Operator to demonstrate to the Authority during procedural audits that the established criteria are appropriate.

15. Section 16-280b-B18(a) of the Proposed Regulations

Comment:

NPU, YGS, CNG, and SCG request that the GPSU have the authority to waive the 30-inch cover requirement for mains. CNG and SCG Comments, p. 8; NPU Comments, p. 8-9; YGS Comments, p. 14. NPU further requests the ability to install mains at less

eRegulations System Tracking Number: PR2023-019

than 30 inches of cover if an Operator approved protective device is installed over the main. NPU Comments, p. 8-9.

Authority Response:

In response to the comments, the Authority is revising the section. The Authority acknowledges that a rigid minimum cover requirement could be difficult or impossible to implement in some situations. The requirements of Section 16-280b-B18(a) have therefore been revised to mirror the cover requirements for service lines originally proposed in Section 16-280b-B18(b). The revised requirements necessitate written approval from the GPSU for any cover less than 18 inches over mains. Any variance from the 30-inch minimum cover requirement would need to be approved by the Operator and documented.

16. Section 16-280b-B21(a)(7) of the Proposed Regulations

Comment:

YGS, CNG, and SCG request that the GPSU approve plans for upgrades in writing. CNG and SCG Comments, p. 9; YGS Comments, p. 15.

Authority Response:

In response to the comments, the Authority is revising the section. For systems that have been operating at pressures significantly lower than MAOP for long periods of time it is important to ensure that facilities are still capable of safely operating at the higher MAOP. During <u>upratings</u>, it is standard practice that the Operator reach the actual MAOP while performing leak survey of the system. Operators have historically met this requirement using compressed natural gas or LNG when upstream system pressures would otherwise prevent reaching MAOP. Despite this, there are situations where reaching actual MAOP may be difficult or impossible based on customer load/system pressure variations. The allowance has been revised to a pressure within three psig of MAOP during <u>upgradings</u> to allow for some system pressure variation without exceeding the established MAOP. It will be incumbent on the Operators to conduct upgradings at times of low/no gas utilization to minimize pressure variation.

17. Section 16-280b-B26(a)(3) of the Proposed Regulations

Comment:

NPU and YGS request that the requirement to test for odorant concentration at the gas flow null points be eliminated and instead be assessed through sampling at system extremities. NPU Comments, p. 9-10; YGS Comments, p. 16.

Authority Response:

eRegulations System Tracking Number: PR2023-019

In response to the comments, the Authority is revising the section. The Authority agrees that gas flow null points will be variable based on dynamic customer loads. Numerous null points could be present in systems with multiple feeds. Locating and sampling at all gas flow null points would tax Operator resources and might not be feasible for larger systems. Therefore, the regulation has been revised to remove the requirement to test odorant concentration at gas flow null points. Similarly, there are many more system extremities than could be reasonably sampled on a monthly basis. A representative sampling of the system is already necessary to assure the proper concentration of odorant under 49 C.F.R. 192.625(f). Therefore, the regulation has been revised to remove specific consideration of the system extremities.

18. Section 16-280b-B32 of the Proposed Regulations

Comment:

YGS, CNG, and SCG request that the performance evaluation component of 'visual inspection' covered tasks be satisfied using photos in a written evaluation. CNG and SCG Comments, p. 9-10; YGS Comments, p. 17-18. YGS, CNG, and SCG request that the GPSU be permitted to waive the requirement for both written and performance evaluations when one or the other would be sufficient. <u>Id</u>.

YGS, CNG, and SCG further request that knowledge evaluations can be combined with performance evaluations. <u>Id</u>. In addition, YGS, CNG, and SCG request that the Operator be permitted to identify covered tasks which can be inspected by personnel not holding qualifications for those tasks. Id.

Authority Response:

In response to the comments, the Authority is revising the section. The Authority and the GPSU agree that some covered tasks may be well suited for evaluation using visual aids on written exams. Inspection tasks, specifically, do not usually require the same physical capabilities to complete. To address these scenarios, a provision was added in Section 16-280b-32(i)(10) allowing the GPSU to waive the requirements of Section 16-280b-32(a)(2)(B) where a written or oral examination provides a sufficient evaluation.

The Authority and the GPSU agree that some covered tasks may be well suited for evaluation through oral examination during observation of performance on the job or simulations. To address these scenarios, a provision was added in Section 16-280b-32(i)(9) specifically allowing oral examinations to be combined with observations during performance on the job or simulations during evaluations.

The Authority and GPSU agree that there are some tasks which can be inspected by a person not holding the qualifications necessary to perform the task independently. Tasks such as welding and joining where specific physical skills would be required to pass a qualification evaluation can be inspected by those who may not have completed

eRegulations System Tracking Number: PR2023-019

a physical skill evaluation. The language in Section 16-280b-32(e) was specifically developed to allow for these scenarios. The regulation requires that inspectors be trained and certified for the Covered Tasks they are inspecting. Since "certified" (unlike "Qualified") is not a defined term, it is incumbent on the Operators to develop procedures establishing what certification inspectors would require.

IV. CONCLUSION

Based upon the written comments addressed in this Public Comment and Response Report, I recommend the proposed amendments to the Regulations for Gas Pipeline Safety, publicly noticed on August 21, 2023, be revised as recommended herein, and that the Final Proposed Regulations be submitted by Marissa P. Gillett, Chairman of the Authority, for approval by the Attorney General and the Legislative Regulations Review Committee of the Connecticut General Assembly and, upon adoption, submitted to the Secretary of State for posting on the eRegulations system.

Victoria M. E. Church

Staff Attorney

Office of Adjudications

<u>January 15, 2025</u>

Date

Attachments:

Proposed Regulation
Public Comment Hearing Transcript
Compilation of Written Comments