BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF COLORADO

PROCEEDING NO. 25R-0280GPS

IN THE MATTER OF THE PROPOSED AMENDMENTS TO THE RULES REGULATING PIPELINE OPERATORS AND GAS PIPELINE SAFETY, 4 CODE OF COLORADO REGULATIONS 723-11.

RECOMMENDED DECISION ADOPTING RULES

Issued Date: October 15, 2025

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			e Commission Orders That:	

I. <u>STATEMENT</u>

A. Background

- 1. On June 30, 2025, the Colorado Public Utilities Commission (the "Commission" or "PUC") issued the Notice of Proposed Rulemaking ("NOPR")¹ that commenced this Proceeding to amend the Rules Regulating Pipeline Operators and Gas Pipeline Safety, 4 *Code of Colorado Regulations* 723-11 ("Pipeline Safety Rules"), proposing changes to Rules 11001, 11008, 11009, 11012, 11100, 11101, 11102, 11103, 11201, and 11203, and proposing new Rules 11209 and 11210.²
- 2. The proposed rules are intended to implement legislative changes and improve the current Pipeline Safety Rules. The proposed rules will require operators to conduct more frequent

¹ Decision No. C25-0489 issued in Proceeding No. 25R-0280GPS on June 30, 2025.

² Decision No. C25-0489, at p. 2, erroneously states that changes to Rules 11504, 11505, and 11506 were proposed. No changes to these rules were proposed.

leak surveys using Advanced Leak Detection Technologies ("ALDT") and to timely address identified leaks, as authorized by § 40-2-115 (1)(d)(II)(E) and (1)(g), C.R.S. The proposed rules also incorporate recent versions of 49 C.F.R. Part 192, and the National Pipeline Mapping System ("NPMS") Operator Standards Manual.

3. In the NOPR, the Commission referred this matter to an Administrative Law Judge ("ALJ") for a recommended decision.

B. Prior Rulemaking and Decision No. C25-0489

- 4. Through prior rulemaking Proceeding No. 22R-0491GPS and Decision No. C24-0058, the Commission added reporting requirements in Rule 11103(b) concerning leak detection technologies and considered additional requirements for ALDT. At the time Decision No. C24-0058 was issued, the Commission declined to adopt additional ALDT rules as the Pipeline and Hazardous Materials Safety Administration ("PHMSA") was considering significant changes to federal pipeline safety regulations involving ALDT.
- 5. It appears that PHMSA's recent rulemaking addressing ALDT will not result in final, updated federal rules.³ However, on April 30, 2025, the Colorado legislature passed House Bill ("HB") 25-1280, requiring the Commission to "adopt rules related to pipeline safety and repair and the use of advanced leak detection technology" on or before November 1, 2025.
- 6. In accordance with this legislative directive, the Commission issued this NOPR in Decision No. C25-0489, proposing changes to its Pipeline Safety Rules that require the use of ALDT and establish timelines for operators to address leaks, to meet the need for pipeline safety and protection of the environment.

³ Decision No. C25-0489, at p. 3.

7. The NOPR included the proposed amendments to the Pipeline Safety Rules, which were available for review as Attachment A (legislative/strikethrough) and Attachment B (clean) to Decision No. C25-0489 through the Commission's Electronic Filings website in Proceeding No. 25R-0280GPS.

C. Comments

- 8. Initial written comments on the proposed rule changes were requested to be filed by July 22, 2025. Any comments responding to the initial comments were requested to be filed by July 29, 2025.
- 9. The following entities filed initial comments: Adams County; QB Energy Operating LLC ("QB"); City of Aurora, Energy and Environment Division; Colorado Energy and Management Commission ("ECMC"); Southern Ute Indian Tribe and Red Cedar Gathering Company (jointly referred to as the "Tribal Nation"); TEP Rocky Mountain LLC; Larimer County; Carbon Mapper, Inc. ("Carbon Mapper"); American Petroleum Institute Colorado ("API Colorado"); Colorado Natural Gas, Inc. ("CNG"); Pinedale Natural Gas, Inc. ("PNG"); City and County of Broomfield ("Broomfield"); Atmos Energy Corporation ("Atmos Energy"); Colorado Springs Utilities; Colorado Oil & Gas Association ("COGA"); Environmental Defense Fund ("EDF"); Public Service Company of Colorado ("Public Service" or "PSCo"); GreenLatinos; Citizens for a Healthy Community ("CHC"); Pipeline Safety Trust ("PST"); Black Hills Colorado Gas, Inc., doing business as Black Hills Energy ("Black Hills"); Colorado State University; and Bridger Photonics, Inc. ("Bridger").
- 10. The following entities filed response comments: CNG, API Colorado, Larimer County, Colorado Springs Utilities, COGA, Public Service, Moms Clean Air Force, EDF,

Atmos Energy, Western Colorado Alliance ("WCA"), GreenLatinos, Adams County, CHC, and DCP Operating Company.

11. On August 5, 2025, a rulemaking hearing on the proposed rules and related matters was held in which oral public comments were received. At the hearing, the ALJ also gave an additional deadline for written comments to be filed by August 15, 2025. Adams County, Atmos Energy, Larimer County, EDF, and Public Service filed additional comments.

II. **DISCUSSION**

A. **Legal Authority**

- 12. jurisdiction over this proceeding pursuant The Commission has § 40-1-103(1)(a)(I), C.R.S.
- 13. The statutory authority for the proposed rules is found generally at § 40-1-103.5, C.R.S. (authorizing the Commission to promulgate implementing rules) and § 40-2-108, C.R.S. (authorizing the Commission to promulgate rules necessary to administer and enforce Title 40). The statutory authority for these rules is also set forth specifically in HB 25-1280, as codified at § 40-2-115, C.R.S.
- 14. Based on this authority, the undersigned concludes that the Commission has authority to promulgate the rules that this Decision adopts.
- 15. In issuing this Recommended Decision, the undersigned has reviewed the record in this Proceeding and has evaluated and considered all written and oral comments submitted by the participants, even if such comments are not specifically addressed in this Decision. The undersigned has further considered all arguments presented by the participants, including those arguments not specifically addressed in this Decision.

16. This Decision does not specifically address every comment or every proposed amendment to the rules.

B. Typographical Changes

17. The NOPR includes amendments intended to correct typographical errors appearing throughout the Part 11 Rule, which includes misspellings, grammatical errors, and reference updates in Rules 11001(f), 11001(p), 11001(t), 11001(yy), 11101(b)(III), 11101(b)(IV), and 11101(b)(VI).⁴ The Commission did not seek comment on these typographical changes and, as such, they are not addressed in this Recommended Decision.

C. Tribal Nation Sovereignty

- 18. The Commission received comments from the Tribal Nation expressing concern that the Commission's proposed Pipeline Safety Rules may infringe on tribal sovereignty.⁵
- 19. The ALJ echoes the sentiments of the Commission in the previous rulemaking proceeding in Decision No. C24-0058, which confirmed that "[t]he Commission recognizes tribal sovereignty in the area of pipeline safety and remains committed to working cooperatively with the Tribal Nation." In that Decision, the Commission clearly and unequivocally confirmed that the notice of proposed rulemaking and proposed rules at issue in that proceeding did not expand Commission jurisdiction over sovereign nations, and that the proposed rules did not expand Commission jurisdiction over Tribal Nation land.
- 20. Similarly, in this Proceeding, the ALJ finds that nothing in this NOPR or Proposed Rules expands Commission jurisdiction over sovereign nations or Tribal Nation land.

⁴ Decision No. C25-0489, at p. 11.

⁵ Tribal Nation Initial Comments, at pp. 6-7.

⁶ Decision No. C24-0058, at p. 8 issued in Proceeding No. 22R-0491GPS on January 29, 2024.

⁷ *Id.* at pp. 8-9.

D. Rule 11001 – Definitions

21. The NOPR proposes adding two new definitions to Part 11. These additional definitions are intended to support a specific requirement in the proposed rules to fulfill the directives of § 40-2-115(1)(d)(II)(E) and (G), C.R.S. The NOPR also seeks to clarify an existing definition.

1. Subparagraph (a) – Advanced Leak Detection Technology

a. Proposed Rule

22. As explained in the NOPR the proposed subparagraph (a) to Rule 11001 provides the following proposed definition of advanced leak detection technology:

"Advanced leak detection technology" means commercially available equipment that can detect leaks in gas pipelines at a detection threshold of a 10 kg/hr emission rate with 90 percent or greater probability of detection, or better, to use with other Part 192-regulated gas pipeline facilities or within a suite of mutually-reinforcing technologies to offer comparable leak detection ability. This can include a variety of commercially available methods to detect leaks including, but not limited to, optical, infrared, or laser-based devices; continuous monitoring via stationary gas detectors, pressure monitoring other means; mobile surveys; or systemic use of any other commercially available advanced technology.

b. Comments

23. The Commission received a number of comments regarding the proposed definition of ALDT, both supporting the proposed definition as well as recommendations for amending the definition.

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- 24. Atmos Energy proposes the use of a minimum threshold concentration consistent with PHMSA's proposed rules in parts per million ("ppm") rather than kg/hr.8 Additionally, Atmos Energy recommends the rule include language allowing operators to rely on leak detection thresholds identified by the manufacturer of the ALDT.9 Finally, Atmos Energy recommends using the terms "potential leak" and "confirmed leak" as opposed to "leak" where appropriate. 10
- 25. Black Hills expresses concern that the proposed definition shifts from an approach used in the industry based on concentration sensitivity to an approach based on mass flow capability.¹¹ Black Hills suggests broadening the definition to allow the use of "commercially available methods" to detect leaks to give operators greater flexibility in detecting and addressing leaks.¹²
- 26. Carbon Mapper suggests that the proposed definition may inadvertently exclude many advanced technologies. ¹³ Carbon Mapper recommends changing the proposed language in this subparagraph to be more inclusive and technology agnostic. ¹⁴ Carbon Mapper also recommends changing the leak detection threshold rate to 100 kg/hr. ¹⁵
- 27. Colorado State University notes that advanced leak detection is dependent on the method, not the equipment. 16 As such, Colorado State University comments that the definition of ALDT should reflect a method and be technology independent to encompass various methods of

⁸ Atmos Energy Initial Comments, at p. 4.

⁹ *Id.* at pp. 4-5.

¹⁰ *Id.* at p. 5.

¹¹ Black Hills Initial Comments, at p. 4.

¹² Id.

¹³ Carbon Mapper Initial Comments, at p. 1.

¹⁴ *Id.* at pp. 1-2.

¹⁵ *Id.* at p. 2.

¹⁶ Colorado State University Initial Comments, at p. 2.

advanced leak detection. Additionally, it notes that current advanced leak detection does not have adequate data support or abilities to detect below-ground leaks and the proposed definition should be updated to include testing and detection limits for above-ground sources.¹⁷

- 28. CNG recommends that the definition not include a specific leak detection threshold, but rather a density in ppm or parts per billion ("ppb"). ¹⁸ CNG also recommends that the definition be expanded to include "software using computer-based data platforms" in the list of commercially available leak detection methods. ¹⁹ Finally, CNG proposes adding a definition of "gas leak" in the rules. ²⁰
- 29. Colorado Springs Utilities comments that achieving the objectives of § 40-2-115, C.R.S. related to pipeline safety does not require the adoption of emission rate standards.²¹ Accordingly, Colorado Springs Utilities suggests that the definition should provide for detection of a leak concentration in ppb rather than an emission rate.²²
- 30. EDF recommends that the rule include a more sensitive detection threshold that is specific to each pipeline type. EDF recommends setting a threshold of 3 kg/hr with 90 percent probability of detection for transmission and gathering pipelines, and a threshold of 0.2kg/hr or 10 standard cubic feet per hour ("scfh") for distribution pipelines.²³
- 31. Larimer County recommends that the definition set different leak detection thresholds for the size of leak that must be discoverable by ALDT.²⁴ Larimer County proposes a

¹⁷ *Id*. at p. 4.

¹⁸ CNG Initial Comments, at pp. 2-3.

¹⁹ *Id.* at p. 3.

²⁰ *Id.* at pp. 3-4.

²¹ Colorado Springs Utilities Initial Comments, at pp. 2-3.

²² Id

²³ EDF Initial Comments, at pp. 28-30.

²⁴ Larimer County Initial Comments, at p. 2.

detection threshold of 10 kg/hr for transmission and gathering pipelines, a 0.2 kg/hr threshold for distribution pipelines, and a 5 ppm threshold for conventional survey technology.²⁵

- 32. PST comments that the proposed leak detection threshold is too high, particularly with regard to detecting small leaks on distribution pipelines, and recommends adjusting the threshold to be specific to the type of pipeline being surveyed.²⁶
- 33. Public Service comments that the proposed detection threshold would limit an operator's ability to use a full suite of leak detection technology for the appropriate application in the field.²⁷ Public Service suggested language for the definition with different detection thresholds for screening surveys and handheld leak detection equipment.²⁸
- 34. Bridger also recommends tailoring the detection threshold to the type of pipeline being monitored. Bridger proposes multiple options for distribution pipelines with thresholds at or below 0.5 kg/hr with a 90 percent probability of detection.²⁹ For gathering and transmission pipelines, Bridger proposes a detection threshold at or below 20 kg/hr with a 90 percent probability of detection.³⁰

c. Analysis

35. The ALJ shares the concerns of many commenters that including a general concentration or rate detection threshold may not encompass the broad range of available and potential leak detection technologies, particularly for different system types. The ALJ agrees with the comments that suggest tailoring the detection threshold to the type of pipeline system being monitored. The ALJ also supports using the terms "potential or confirmed leak" in the definition.

²⁵ *Id.* at pp. 2-3.

²⁶ PST Initial Comments, at p. 1.

²⁷ Public Service Initial Comments, at pp. 5-7.

²⁸ *Id.* at p. 7.

²⁹ Bridger Revised Initial Comments, at p. 2.

³⁰ *Id*.

- 36. Finally, the ALJ also supports the use of manufacturer-provided metrics for defining ALDT, but does not find it necessary to include additional language as nothing in the proposed rules prevents this.
- The ALJ recommends adopting the following definition of "advanced leak 37. detection technology":
 - (a) "Advanced leak detection technology" means commercially available equipment that, for screening surveys, can detect potential or confirmed leaks in a pipeline to use with other Part 192 regulated gas pipeline facilities or within a suite of mutually reinforcing technologies to offer comparable leak detection ability. This can include a variety of commercially available methods to detect leaks including, but not limited to, optical, infrared, or laser-based devices, continuous monitoring via stationary gas detectors, pressure monitoring or other means; mobile surveys; or systemic use of any other commercially available advanced technology, based on the following:
 - (i) For transmission or gathering lines, equipment that can detect leaks at a detection threshold of <20 kg/hr emission rate with 90 percent or greater probability of detection or better;
 - (ii) For distribution lines, equipment that can detect leaks at a detection rate threshold of 5 kg/hr with a 90 percent or greater probability of detection.

2. Subparagraph (b) – Business Districts

Proposed Rule a.

38. The NOPR proposes a definition of "business district" as an area that has pipeline facilities located under predominantly continuous paving or concrete that extends: (I) from the center line of a street to a building wall on one or both sides of the street; (II) from a main to a building wall; or (III) any other area that, in the judgment of the operator, should be so designated.

b. Comments

- 39. Atmos Energy recommends removing this definition entirely and allowing each operator to define what constitutes a business district based on their knowledge of the subject areas and their own systems, in accordance with PHMSA's approach.³¹ Similarly, Public Service recommends removing the definition altogether to be consistent with PHMSA's approach and to avoid the logistical challenges that the proposed definition presents.³²
- 40. Black Hills comments that the definition of "business district" is too broad and open to interpretation.³³ Black Hills comments that the proposed definition of "business district" would require operators to perform imagery analysis of their pipeline systems to determine what portions would qualify as "business districts," which would impact the type of leak detection survey operators would be required to implement under proposed Rule 11209(b).³⁴
- 41. EDF argues that the definition should be broadened to reflect a focus on places where people reside or otherwise congregate—i.e., human occupied districts—rather than focusing on the presence of commerce or industry.³⁵ Similarly, PST recommends avoiding the concept of a "business district" as proposed and focusing on areas with higher densities of people, pipeline infrastructure, and the presence of buildings.³⁶
- 42. Finally, Colorado Springs Utilities supports removing the definition of "business district" altogether; however, if a definition is included, it recommends the Commission adopt the following definition from the Gas Piping Technology Committee ("GPTC") guidelines:

³¹ Atmos Energy Initial Comments, at p. 5.

³² Public Service Initial Comments, at pp. 7-10.

³³ Black Hills Initial Comments, at p. 4.

³⁴ *Id.* at pp. 4-5.

³⁵ EDF Initial Comments, at p. 32.

³⁶ PST Initial Comments, at p. 2.

(b) "Business district" means (i) areas where the public regularly congregates or where the majority of the buildings on either side of the street are regularly utilized for industrial, commercial, financial, educational, religious, health, or recreational purposes; (ii) areas where gas and other underground facilities are congested under continuous street and sidewalk paving that extends to the building walls on one or both sides of the street; and (iii) any other area that, in the judgment of the operator, should be so designated.³⁷

c. Analysis

43. The ALJ finds that the proposed rule, by focusing on permanent physical structures rather than functional attributes, is intentionally broad. The Commission received comments that the rule is both too broad and not broad enough. As reflected in many comments, the concern with regard to business districts is a leak's proximity to areas where people congregate at greater densities. The ALJ agrees with Colorado Springs Utilities' that the Commission should adopt the definition of "business district" in the GPTC guidelines as it provides clearer guidance to operators in determining what constitutes a business district.

3. Subparagraph (m) – Gathering Pipeline

- 44. The proposed rule adds the language "to be jurisdictional" to the definition of gathering pipeline, such that gathering pipeline is defined as "a pipeline determined through the use of 49 C.F.R. § 192.8 to be jurisdictional." This update is intended to provide clarity out of an abundance of caution that only certain gathering pipeline types—Types A, B, and C—are subject to the Pipeline Safety Rules.³⁸
- 45. CHC, EDF, and Larimer County provide comments supporting the inclusion of Type R gathering pipelines as jurisdictional to the Commission.³⁹

³⁷ Colorado Springs Utilities Response Comments, at p. 3.

³⁸ Decision No. C25-0498, at pp. 12-13.

³⁹ CHC Initial Comments, at p. 1; EDF Initial Comments, at pp. 33-36; Larimer County Initial Comments, at p. 5.

46. The ALJ notes that jurisdictional matters are outside the scope of this NOPR and that inclusion of Type R gathering pipelines would require a statutory change as Type R gathering pipelines are currently under the explicit jurisdiction of PHMSA. The NOPR does not contemplate such an extension of the rule. As such, the ALJ recommends adopting the Rule as proposed in the NOPR.

E. Rule 11008 – Incorporation by Reference

- 47. The NOPR proposes updates to the dates in Rule 11008(b) and (e) to reflect recent changes to federal standards published in 49 C.F.R. § 192.⁴⁰ The proposal changes the date in subparagraph (b) from "June 28, 2025" to "January 15, 2025," as the most recent changes to the federal standards became effective on January 15, 2025.⁴¹ In subparagraph (e), the year is changed from "2024" to "2025" to incorporate the most recent NPMS Operator Standards Manual, updated in January 2025.⁴²
- 48. API Colorado and Public Service comment that the latest effective version of the federal standard is May 2025 and this latest version should be incorporated in the rule.⁴³
- 49. No comments were received regarding the date change, and incorporation of the most recent NPMS Operator Standards Manual, in subparagraph (e).
- 50. The ALJ finds that although NPMS may have more recent versions of the Operator Standards Manual, PSP staff have reviewed the January 2025 version and may not incorporate an unreviewed version of the manual by reference.⁴⁴ Accordingly, the January 2025 version is incorporated by reference and newer versions may be considered in future rulemakings.

⁴⁰ Decision No. C25-0498, at p. 13.

⁴¹ *Id*.

⁴² Id

⁴³ API Colorado Initial Comments, at p. 2; Public Service Initial Comments, at pp. 10-11.

⁴⁴ Colorado Administrative Procedures Act, Colo. Rev. Stat. § 24-4-103(4)(b).

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F. Rule 11009 – More Stringent Standards

- 51. The NOPR proposes updates to the existing rule regarding any overlap with federal rules. The proposed change replaces the term "conflict" with the phrase "more stringent rule of the Commission," and updates the general topics of the rule to include "operations, maintenance, or construction task" to reflect the range of activities regulated by the Pipeline Safety Rules.⁴⁵
- 52. Colorado Springs Utilities recommends that the Commission include an explicit exception for municipal operators included under the Commission's 49 U.S.C. § 60105(a) certification and § 60106(a) agreement. Colorado Spring Utilities proposes adding the following sentence to the proposed Rule 11009:

Notwithstanding, if inspection of a municipal operator is governed by a 60106(a) agreement, the Commission's rule is superseded in part and rules more stringent than the applicable federal safety and reporting requirements of 49 C.F.R. Parts 40 and 190-199 shall not apply to such municipal operator. For example, Colorado-only reporting requirements set forth at Rules 11100-11199 do not apply to municipal operators.⁴⁶

53. As Colorado Springs Utilities notes in its comment, the Commission's rules already acknowledge that the PSP operates in accordance with the Commission's 49 U.S.C. § 60105(a) certification and § 60106(a) agreement. Although the ALJ agrees that municipal operators subject to the Commission's § 60106(a) agreement may not be subject to certain Commission rules, this does not create the type of conflict anticipated in proposed Rule 11009. In cases where Commission rules are not applicable, there is no more stringent rule of the Commission at issue. Further, it is not only municipal operators that may be subject to federal safety and reporting requirements under a § 60106(a) agreement. As the Commission's rules already acknowledge

⁴⁵ Decision No. C25-0489, at p. 13.

⁴⁶ Colorado Spring Utilities Initial Comments, at p. 4.

§ 60106(a) agreements, the ALJ finds that Colorado Springs Utilities' proposed additional language is duplicative.

54. Accordingly, the ALJ recommends adopting the proposed rule as it appears in the NOPR.

G. Rule 11012 – Waiver-Emergency

55. The NOPR proposes a minor update to Rule 11012(b), changing "not inconsistent" to "consistent."⁴⁷ The proposed change is not substantive and is only intended to improve readability. ⁴⁸ No comments were received regarding the change and the ALJ finds that this stylistic change is consistent with the purpose of HB 25-1280.

H. Rule 11100 – Submission of Reports and Notices – General

1. Subparagraph (c) – Geographic Information Systems Data

a. Proposed Rule

56. The NOPR proposes minor updates to Rule 11100 subparagraphs (c) and (c)(I) to reflect how Geographic Information Systems ("GIS") data must be filed, and is able to be filed, in practice.⁴⁹ The NOPR also proposes updates to subparagraph (c)(II) to require that the data attributes to be submitted include wall thickness in the pipeline description, and the identification of class location for each segment as applicable.⁵⁰

⁴⁷ Decision No. C25-0489, at p. 13.

⁴⁸ *Id*.

⁴⁹ *Id*.

⁵⁰ *Id.* at pp. 13-14.

b. Comments

- 57. QB recommends a delayed reporting date for gathering pipeline operators to submit GIS data.⁵¹ QB recommends a January 1, 2027, effective date in line with other sections of the proposed rules.⁵²
- 58. Adams County expresses concern with local governments' access to detailed pipeline data being restricted to view-only access in the Commission's offices.⁵³ Adams County recommends adding language to allow local governments to request detailed GIS data be shared electronically.⁵⁴
- 59. Black Hills comments that where certain materials are used, providing both standard dimension ratio as well as wall thickness for all pipelines would be cumbersome and is not based on industry standards. Black Hills proposes that operators be allowed to submit either standard dimension ratio or wall thickness data where appropriate and that subparagraph (c)(II)(I) read: "the pipe description (i.e., nominal diameter, coating, standard dimension ratio or wall thickness, and material)." 56
- 60. Similarly, API Colorado recommends removing "wall thickness" from the proposed rule.⁵⁷
- 61. Carbon Mapper proposes that GIS data under this section be readily available to the Colorado Department of Public Health and Environment, ECMC, and other relevant agencies.⁵⁸

⁵¹ QB Initial Comments, at p. 1.

⁵² *Id*.

⁵³ Adams County Initial Comments, at p. 2.

⁵⁴ *Id*.

⁵⁵ Black Hills Initial Comments, at p. 5.

⁵⁶ Id

⁵⁷ API Colorado Initial Comments, at pp. 3-4.

⁵⁸ Carbon Mapper Initial Comments, at p. 4.

62. Public Service notes that Rule 11100(c) was already the basis of a separate and extensive rulemaking in Proceeding No. 22R-0491GPS and is the subject of a petition for declaratory order regarding the interpretation of the current Rule.⁵⁹ Public Service suggests refraining from amending Rule 11100(c) further until the Commission makes a final determination on the petition for declaratory order.⁶⁰ Finally, if the proposed rule is adopted, Public Service suggests that references to subparagraphs (II)(G)-(J) in Rule 11100(c)(III)(B) should instead refer to subparagraphs (II)(G)-(K) to reflect the changes.⁶¹

c. Analysis

- 63. With respect to the effective date for reporting deadlines proposed by QB, the ALJ finds that the reporting timelines are not within the scope of this NOPR and will not be addressed. Similarly, the issue of access to GIS data also falls outside the scope of this NOPR and will not be addressed. The ALJ also notes that the data in subparagraph (c)(I) is not publicly available data.
- 64. The ALJ agrees with Public Service that references to subparagraphs (II)(G)-(J) in proposed Rule 11100(c)(III)(B) should be changed to subparagraphs (II)(G)-(L) to reflect the amendments.
- 65. The ALJ finds that the inclusion of wall thickness and class location data with the submission of GIS data under Rule 11100(c), which will provide Commission Staff greater context when reviewing these reports, is consistent with the purpose of HB 25-1280.
- 66. With regard to Black Hills comments on the inclusion of "wall thickness" in subparagraph (c)(II)(I), the ALJ finds that the proposed rule does not require that operators provide both standard dimension ratio and wall thickness data as Black Hills suggests.

⁵⁹ Public Service Initial Comments, at pp. 11-12.

⁶⁰ Id.

⁶¹ *Id.* at p. 12.

Proposed Rule 11100(c)(II) requires that certain data attributes be submitted to the Commission "to the extent available." Further proposed Rule 11100(c)(II)(I) requires that "the pipe description" be submitted and provides examples of the type of data that may constitute pipe description in parenthesis, which includes both standard dimension ratio and wall thickness, but does not mandate that both be submitted. The ALJ finds that this gives operators sufficient flexibility to provide either standard dimension ratio or wall thickness data where appropriate.

2. Subparagraph (e) – Annual Leak Report

a. Proposed Rule

67. The NOPR also proposed the addition of new subparagraphs (e)(I)(K) and (e)(I)(L) regarding the required information for annual leak reports.⁶² Proposed subparagraph (e)(I)(K) would require the written analysis of the operator's selection of ALDT for each leak survey conducted in the prior calendar year in accordance with Rule 11209. Proposed subparagraph (e)(I)(L) would require for each gas leak, the leak classification, confirmed discovery date, latest leak evaluation date, and expected or actual repair date. These proposed reporting requirements are related to the leak survey and leak repair requirements proposed in Rules 11209 and 11210 and are intended to provide transparency into operators' compliance with the rules.⁶³

b. Comments

68. Adams County recommends expanding the rule to require the Commission or Director to review the written analysis of selected ALDT and ensure that the most appropriate ALDT is being utilized.⁶⁴ Adams County also recommends developing a specific list of metrics that operators must use to analyze the selected ALDT which would include the standard operating

⁶² Decision No. C25-0489, at p. 14. The NOPR erroneously lists these changes as falling under Rule 11101. The correct citation is Rule 11100.

⁶³ Id.

⁶⁴ Adams County Initial Comments, at pp. 2-3.

procedures for the ALDT, an operator's plan for quality assurance, technology calibration schedules and frequency, and operational and environmental conditions under which specific ALDT may not be permissible.⁶⁵ Adams County further recommends that the Commission or Director be required to produce an annual report and evaluation of ALDT deployed statewide in the preceding year.⁶⁶

- 69. Atmos Energy suggests that subparagraph (e)(I)(K) be clarified to ensure that the written analysis of ALDT is only required annually and applied on a general basis rather than for each individual leak survey conducted.⁶⁷ With respect to subparagraph (e)(I)(L), Atmos Energy suggests using the term "each *confirmed* gas leak" to reflect the difference between an indication of methane and a potential gas leak identified with ALDT and a confirmed actual leak.⁶⁸
- 70. Black Hills suggests rewording subparagraph (e)(I)(L) to read "for each gas leak, the leak classification, the confirmed discovery date, the latest leak evaluation date, and the actual repair date," rather than "the expected or actual repair date." 69
- 71. CNG proposes subparagraph (e)(I)(K) be amended to require an update only in the event a previously identified technology changes. CNG's proposed rule reads as follows:
 - (K) in the event a utility selects a new advanced leak detection technology other than previously specified, the written analysis of such technology for each leak survey conducted in the prior calendar year in accordance with paragraph 11209...⁷⁰

⁶⁵ *Id.* at p. 3.

⁶⁶ *Id*.

⁶⁷ Atmos Energy Initial Comments, at pp. 6-7.

⁶⁸ *Id.* at p. 7.

⁶⁹ Black Hills Initial Comments, at pp. 5-6.

⁷⁰ CNG Initial Comments, at pp. 4-5.

- 72. Colorado Springs Utilities proposes rewording subparagraphs (K) and (L) to simplify the reporting requirement. Colorado Spring Utilities proposes that subparagraph (e)(I)(L) be removed and subparagraph (K) read:
 - (K) a list (starting with the 2027 report) of the deployed leak detection technology(ies) for each type of leak survey conducted in the prior calendar year and the leak indicator(s) the technology(ies) provides in accordance with paragraph 11209(a). Subsequent annual reports need only update the information in the 2027 report when different equipment is deployed.⁷¹
- 73. Public Service recommends removing subparagraph (K) as it is a circular reference to proposed Rule 11209(a), which already requires a written analysis for selection of ALDT equipment, and duplicative of existing Rule 11103(b)(II), which requires operators to submit a list of leak detection technologies including a narrative for ALDT equipment.⁷² Public Service recommends removing the "confirmed discovery date" and "expected or actual repair date" language from the proposed subparagraph (L) as the discovery date must already be included in the annual leak report under subparagraph (e)(I)(E), and the repair date must already be included for most leaks under (e)(I)(D).⁷³

c. Analysis

74. First, with respect to the comments provided by Adams County, the recommendation that the Commission or Director be required to conduct a review of the written analysis of selected ALDT should be directed at the PSP Chief. Additionally, it is not within the jurisdiction or authority of state programs such as PSP to approve procedures or issue permits as suggested.

⁷¹ Colorado Springs Utilities Initial Comments, at p. 5.

⁷² Public Service Initial Comments, at pp. 11-12.

⁷³ *Id.* at p. 13.

- 75. The ALJ supports the clarifying language proposed by Atmos Energy and Black Hills, and recommends amending the proposed Rule 11100(e)(I)(K) and (L) as follows:
 - (K) a list of the deployed leak detection technology(ies) for each type of leak survey conducted in the prior calendar year and the leak indicator(s) that the technology(ies) provide(s). Subsequent annual reports need only to update the information from the previous calendar year's report when a different equipment is utilized. This requirement will go into effect one year after these rules are effective.

I. Rule 11101 – Submission of Reports and Notices

- 76. The NOPR proposes typographical and clarifying changes to Rule 11101(b). This includes amendments to Rule 11101(b)(VI), which would require Type C—in addition to Type A and B—gathering system operators to submit incident reports to PHMSA.
 - 77. No comments were received regarding the proposed changes to Rule 11101(b).
- 78. The ALJ finds that the changes are consistent with other amendments to the Pipeline Safety Rules with regard to the applicability of the rules to the different types of gathering pipeline operators. These changes are not inconsistent with the purpose of HB 25-1280 and the ALJ recommends adopting the rule as proposed in the NOPR.

J. Rule 11102 – Verbal Reporting of Pipeline Incidents and Events

- 79. The NOPR recommends removing "gathering pipelines in Class 1 areas" from the enumerated operators subject to this provision. As the rule applies to "all pipeline operators," which includes gathering pipeline operators, the additional language is unnecessary.⁷⁴
- 80. No comments regarding the removal of "gathering pipelines in Class 1 areas" were received. Colorado Springs Utilities recommends adding the language "excluding municipal operators" throughout the rules where relevant.

⁷⁴ Decision No. C25-0489, at p. 14.

81. The ALJ finds that the amended Rule 11102(b)(I) is consistent with the purpose of HB 25-1280 and aligns with other amendments proposed in this NOPR. The amendment proposed by Colorado Springs Utilities is not within the scope of this NOPR and is not addressed. However, the ALJ also recommends including an additional event under subparagraph (b)(III), which lists Colorado events operators must report to PSP Staff, of "a leak as defined in Section 11210." The ALJ recommends that this be included as Rule 11102(b)(III)(G) consistent with the requirements in proposed Rule 11210.

K. **Rule 11103 – Submission of Annual Reports**

a. **Proposed Rule**

82. The NOPR proposes amending Rule 11103(b)(II) to require that by March 31 of each year, each operator submit to the Commission a list of leak detection tools, techniques, methods, and processes. 75 The proposed change is intended to provide additional and more robust information to increase transparency into operators' practices regarding leak detection.⁷⁶

b. **Comments**

- 83. The Commission received a number of comments regarding the March 15 date in proposed Rule 11103(a). The commentors recommend that the date in subparagraph (a) be changed from March 15 to June 15 to be consistent with PHMSA's rule change.
- 84. Colorado Spring Utilities proposed rewording the rule to state that "each operator shall submit to the commission a list of leak detection technology(ies), including both proven conventional and advanced, being used according to paragraph 11100(e)."77

⁷⁶ *Id.* at pp. 14-15.

⁷⁷ Colorado Springs Utilities Initial Comments, at p. 7.

- 85. EDF reiterates its support of the reporting requirements in 11100(c) and 11100(e) and further suggests that the Commission further expand the reporting requirements. EDF also notes that it would be useful to require leak data in spreadsheet format.⁷⁸
- 86. Larimer County proposes that the rules include a requirement that every pipeline operator submit an Advanced Leak Detection Plan to be approved by the PSP Director. 79 WCA supports Larimer County's proposal. 80

c. Analysis

- 87. First, the ALJ notes that the proposed change of the deadline in Rule 11103(a) from March 15 each year to June 15 each year is not within the scope of the NOPR. Additionally, the March 15 due date aligns with the commission's annual planning dates and is necessary to provide the Pipeline Safety Program with updated information for annual planning. While this is more stringent than the associated PHMSA rules, the commission's certification under 49 U.S.C. § 60105 allows for this more stringent deadline.
- 88. Similarly, with regard to EDF's comments, the ALJ notes that Rule 11103(e) is not within the scope of this NOPR as it was previously established in Proceeding No. 22R-0491GPS.
- 89. With regard to Larimer County's proposal, the ALJ notes that it is not within the authority of the PSP to approve operations or plans as suggested. Additionally, as an advanced leak detection program was not included in the NOPR, it is not addressed here.

⁷⁸ EDF Initial Comments, at pp. 38-39.

⁷⁹ Larimer County Initial Comments, at pp. 3-4.

⁸⁰ WCA Response Comments, at p. 3.

90. The ALJ finds that Colorado Springs Utilities' proposed clarification to Rule 11103(b)(II) is appropriate and consistent with the statutory intent of HB 25-1280. The ALJ recommends proposed Rule 11103(b)(II) be amended as follows:

(b)(II) each operator shall submit to the Commission a list of leak detection technology(ies), including both proven, conventional, and advanced, being used according to paragraph 11100(e).

L. Rule 11201 – Pipeline Excavation Damage Prevention

- 91. The proposed updates to Rule 11201 subparagraphs (b), (c), and (d), remove exemptions for gathering pipeline systems from the rules in line with other proposed changes to the rules.
 - 92. No comments were received regarding this change.
- 93. The ALJ finds that removing the exemptions for gathering pipeline systems as proposed in Decision No. C25-0489 is consistent with the statutory intent of HB 25-1280 and recommends adopting the rule as proposed.

M. Rule 11203 – Small Operator Systems

- 94. Rule 11203(b)(IV) currently states that an operator of a de minimis gas system must repair "all hazardous pipeline leaks" immediately upon discovery. Proposed Rule 11203(b)(IV) provides that an operator of a de minimis gas system must repair "all pipeline leaks that represent an existing or probable hazard to persons or property" immediately upon discovery. The update was proposed to provide consistency with the leak classification language used in proposed Rule 11209. 82
 - 95. No comments were received regarding this change.

⁸¹ Decision No. C25-0489, at p. 15.

⁸² *Id*.

96. As stated in the NOPR, the proposed changes to Rule 11203 are not expected to substantively change the leak classification or repair protocols for de minimis system operators as the industry uses "hazardous" and "an existing or probable hazard to persons or property" interchangeably.⁸³ The ALJ finds that the proposed changes to Rule 11203 are consistent with the purpose of HB 25-1280 and recommends adopting the rule as proposed in the NOPR.

N. Rule 11209 – Advanced Leak Detection Survey Requirements

97. The NOPR proposed adding Rule 11209 to the Pipeline Safety Rules. The proposed rule requires periodic leak surveys using ALDT, and imposes different leak survey intervals on transmission, distribution, and gathering pipelines.

1. Subparagraph (a) – Advanced Leak Detection Selection Criteria

a. Proposed Rule

98. Proposed Rule 11209(a) gives operators the flexibility to choose any ALDT for a leak survey, including different ALDTs for different surveys. When selecting ALDT for a particular survey, 11209(a) directs operators to consider the following factors: (I) the state of commercially available leak detection technologies and practices; (II) the ability of leak detection technologies to estimate the leak rate; (III) the size and configuration of the pipeline system; and (IV) the system operating parameters and environment.⁸⁴

⁸³ *Id*.

⁸⁴ Decision No. C25-0489, at pp. 15-16.

99. The proposed rule aims to ensure that public safety and environmental benefits are realized through ALDT leak survey requirements and that operators are informed of available technologies.85

b. Comments

- 100. Atmos Energy recommends that an effective date be included as in proposed | Rule 11210 and that the requirements take effect four years from the effective date. 86 Atmos Energy also suggests that operators be permitted to rely on manufacturer information and not be required to conduct independent analysis of ALDT. 87
- 101. Black Hills expresses concern that 11209(a)(I) is too broad and would require operators to provide an exhaustive research report detailing all available technologies and practices. 88 Black Hills requests clarification of (a)(I), (III), and (IV), as well as an explanation of how the collected information will be used. 89
- 102. Colorado State University comments that currently available ALDT does not have adequate data support or abilities to detect below ground leaks, and that the advanced leak detection method description should be updated to include testing and potentially a different detection limit for above-ground sources.⁹⁰
- 103. Colorado Springs Utilities comments that HB 25-1280 does not require a detailed analysis of selected ALDT and questions the purpose of such a requirement. Colorado Springs Utilities suggests that it is sufficient for operators to inform the Commission of the technologies

⁸⁵ Id.

⁸⁶ Atmos Energy Initial Comments, at p. 7.

⁸⁷ *Id.* at pp. 7-8.

⁸⁸ Black Hills Initial Comments, at pp. 6-7.

⁸⁹ Id.

⁹⁰ Colorado State University Initial Comments, at pp. 6-7.

selected to perform leak surveys.⁹¹ Colorado Springs Utilities also recommends removing the word "Advanced" from the Rule 11209 heading and provided the following blue lines revisions to subparagraph (a):

- Operators must select advanced leak detection technology by (a) considering, at a minimum, the following criteria and must provide a written analysis of the selection its list of deployed technology in accordance with subparagraph $\frac{11101}{11100}$ (e)(I)(K):
- (I) the state of commercially available conventional leak detection technologies and advanced leak detection technologies and practices;
- (II) the ability of leak detection technologies to estimate the leak rate-natural gas concentration in parts per million (ppm) or parts per billion (ppb);
- (III) the size and configuration of the operator's pipeline system; and
 - (IV) the system operating parameters and environment; and
- (V) the cost/benefit of available technology to find hazardous leaks on the operator's system.92
- 104. API Colorado suggests that because ALDT must meet the criterion of detecting methane concentrations of 10 kg/hr with 90 percent confidence, this criterion should be repeated in 11209(a). 93 Additionally, with regard to 11209(a)(I), (II), (III), and (IV), API expressed concerns regarding operators' capacities to conduct substantive reviews of ALDT.94
- 105. Larimer County suggest that every pipeline operator submit an Advanced Leak Detection Plan to be approved by the PSP Director. 95

⁹¹ Colorado Springs Utilities Initial Comments, at pp. 7-8.

⁹² *Id.* at p. 9.

⁹³ API Colorado Initial Comments, at p. 4.

⁹⁵ Larimer County Initial Comments, at pp. 3-4.

106. Public Service recommends removing references to Rule 11100(e)(I)(K), consistent with its comments on subparagraph (e)(I)(K).

c. Analysis

107. In light of the comments regarding proposed Rule 11209(a), the ALJ recommends removing subparagraph (a) in its entirety.

2. Subparagraph (b) – Leak Detection Survey Requirements⁹⁷

- 108. Proposed Rule 11209(b) sets forth the intervals for leak surveys using ALDT and is intended to ensure that ALDT use meets the need for pipeline safety and protection of the environment through more timely discovery of leaks, while also considering the burden and cost to pipeline operators of more frequent leak surveys. 98 More specifically, subparagraphs (b)(I), (II), and (III), discussed below, set forth leak survey intervals for transmission, distribution, and gathering pipelines, respectively.
- 109. In its comment, EDF supports all the proposed leak detection survey timelines in subparagraph (b).⁹⁹ Adams County agrees with the different inspection frequencies for transmission, distribution, and gathering pipelines based on the class of pipeline, but recommends grouping Class 3 and Class 4 pipelines together.¹⁰⁰
- 110. Colorado State University comments that it is unclear how the proposed rule interacts with PHMSA's inspection requirements. 101

⁹⁶ Public Service Initial Comments, at pp. 13-14; *see also* Comments to Proposed Rule 11100(e), *supra* Section II.G.2.b.

⁹⁷ This subsection discusses proposed Rule 11209(b) as it appears in the NOPR; however, the analysis section lists this as Rule 11209 without the subparagraph as the ALJ recommends removing proposed Rule 11209(a).

⁹⁸ Decision No. C25-0489, at p. 16.

⁹⁹ EDF Initial Comments, at p. 31.

¹⁰⁰ Adams County Initial Comments, at pp. 3-4.

¹⁰¹ Colorado State University Initial Comments, at p. 6.

- 111. Public Service recommends removing the requirement that operators utilize ALDT equipment entirely to allow for more flexibility in selection of leak detection technology. 102 Public Service also recommends the Commission generally align leak survey frequencies with those which were intended to be promulgated by PHMSA and incorporate a risk-based approach to increased leak survey frequencies. 103
- 112. The ALJ agrees with Public Services' suggestion that the proposed rule be amended to allow for greater flexibility in the selection of leak detection equipment. The ALJ's recommended language is included after discussion of the pipeline specific subsections below.
- 113. In addition to the comments regarding the first part of proposed Rule 11209(b), the Commission received a number of specific comments regarding the leak survey intervals in subparagraphs (b)(I)-(III), which the ALJ discusses in turn below.

a. Subparagraph (b)(I) – Transmission Pipeline Comments

114. With regard to 11209(b)(I), a number of comments were received regarding the class groupings in the proposed rule. Atmos Energy recommends grouping Class 1 and Class 2, and keeping Class 3 and Class 4 separate for purposes of survey intervals. 104 Colorado State University comments that grouping Class 1 with Classes 2 or 3 does not appear to be the most efficient grouping as it may increase costs substantially without yielding commensurate benefits. 105 PNG recommends excluding Class 1 transmission lines from the leak detection survey requirements. 106 Public Service recommends grouping High Consequence Areas with Class 4 areas

¹⁰² Public Service Initial Comments, at pp. 14-15.

¹⁰³ *Id.* at pp. 16-19.

¹⁰⁴ Atmos Energy Initial Comments, at p. 8.

¹⁰⁵ Colorado State University Initial Comments, at pp. 5-6.

¹⁰⁶ PNG Initial Comments, at pp. 2-3.

and including language that "transmission pipelines outside of HCAs must be surveyed at least once per calendar year, but with an interval between surveys not to exceed 15 months."¹⁰⁷

115. Additionally, Black Hills and CNG both express concern with performing such surveys in remote areas or where physical access is restricted, making use of ALDT impractical or ineffective. 108 To account for these situations, CNG recommends requiring the use of ALDT "to the extent practicable" and requiring operators to identify areas where ALDT cannot be used, why it is not appropriate, and alternative methods of leak assessment. 109

b. Subparagraph (b)(II) – Distribution Pipeline Comments

With regard to the timelines applicable to distribution pipelines outlined in 116. 11209(b)(II), a number of comments were received regarding the overlap between the proposed rule and 49 C.F.R. 192.723, which is referenced in the proposed rule. Black Hills comments that 49 C.F.R. 192.723 already provides three separate intervals for leak surveys of distribution lines, and recommends following subsection 49 C.F.R. 192.723.¹¹⁰ Colorado State University comments that it is unclear under the proposed rule whether the requirements in 49 C.F.R. 192.723 are in addition to or in lieu of the requirements in 11209(b)(II)(B), or whether operators will have a choice between following the requirements in 49 C.F.R. 192.723 or subparagraph (B).¹¹¹

117. Atmos Energy comments that subparagraph (b)(II)(B), which sets forth intervals for certain distribution pipelines outside of business districts, is already addressed and tailored through each operator's Distribution Integrity Management Program ("DIMP") and need not be duplicated here. 112

¹⁰⁷ Public Service Initial Comments, at p. 19.

¹⁰⁸ Black Hills Initial Comments, at pp. 7-8; CNG Initial Comments, at pp. 6-7.

¹⁰⁹ CNG Initial Comments, at p. 5.

¹¹⁰ Black Hills Initial Comments, at p. 8.

¹¹¹ Colorado State University Initial Comments, at p. 6.

¹¹² Atmos Energy Initial Comments, at p. 9.

- 118. CNG comments that the flexibility provided in subparagraphs (b)(II)(B) and (C) is not necessary as, based on its own practices, surveys are already planned at ideal weather conditions and prioritized according to defined risk. 113
- EDF recommends that, in addition to the proposed survey intervals, distribution 119. operators be required to conduct an annual super emitter survey on all distribution pipelines to identify large leaks of 10 scfh or greater.¹¹⁴
- 120. PST recommends simplifying the inspection requirements for all distribution pipeline operators to the following proposed language for subparagraph (b)(II):
 - (b)(II) For all distribution pipelines, operators shall perform periodic leak detection surveys at intervals not to exceed fifteen months, but at least once a calendar year, with advanced leak detection equipment that meets the requirements of the advanced leak detection technology standard. 115
- 121. Public Service recommends clarifying the language in (b)(II)(B) and provided blueline suggestions to the proposed rule as follows:
 - (B) For distribution pipelines outside of business districts that have steel pipelines without cathodic protection, are known to leak based on material, design, or past operations and maintenance history, or are distributed anode protected pipelines with an a historically deficient reading, operators shall perform a leak detection survey at intervals annually not to exceed 15 months but at least once a calendar year or as close to once a calendar year as practicable after environmental conditions that may affect venting or gas migration resolve, until the deficiency is remediated. 116

¹¹³ CNG Initial Comments, at pp. 7-8.

¹¹⁴ EDF Initial Comments, at pp. 31-33.

¹¹⁵ PST Initial Comments, at p. 2.

¹¹⁶ Public Service Initial Comments, at pp. 19-20.

Subparagraph (b)(III) – Gathering Pipeline Comments c.

- 122. QB comments that weather conditions could lead to safety issues if flyovers are not delayed and recommends that the rules allow for greater flexibility in determining which leak detection frequency timeline operators will be subject to.¹¹⁷
- 123. Adams County recommends grouping Class 3 and Class 4 pipelines with a leak detection frequency of at least four times in a calendar year. 118 Additionally, it recommends coordinating with local governments to re-evaluate classifications on a biennial basis, particularly to consider locations near disproportionately impacted communities. 119
- 124. Colorado State University comments that grouping Class 1 pipelines with Class 2 and Class 3 pipelines does not appear to provide the same benefit in light of the increased costs. 120
 - 125. EDF recommends including Type R gathering pipelines in the rule. 121
- 126. COGA expresses concerns that weather and topography could make compliance with proposed Rule 11209(b)(III) infeasible and recommends including an exemption from the proscribed survey frequency timelines that would relieve an operator from strict compliance with the proposed timelines when a gathering line is located within a Class 1 area, and weather or topographic features prevent conducting more than an annual survey. 122

3. **Analysis**

127. First, the ALJ finds that while there may be some overlap between the requirements in 11209(b)(II)(B) and DIMP plans, the DIMP plan does not fully encompass mitigation and threat identification in the same manner as 11209(b)(II). The ALJ also agrees that additional language

¹¹⁷ OB Initial Comments, at p. 1.

¹¹⁸ Adams County Initial Comments, pp. 4-5.

¹²⁰ Colorado State University Initial Comment, at p. 5.

¹²¹ EDF Initial Comments, at pp. 33-35.

¹²² COGA Initial Comments, at pp. 4-5.

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should be added providing an exception for safety-related delays where leak surveys cannot be performed in the interval prescribed due to accessibility. The ALJ notes that Rule 11011 also provides a waiver/variance process.

- The ALJ agrees with modifying the class groupings and survey frequencies as 128. provided below.
- 129. As part of the Commission's 49 U.S.C. § 60105 certification, PSP is explicitly prohibited from addressing any siting issues. 123 The Commission will continue to rely on the operators' existing requirements to perform location analysis on an annual basis.
- When using "disproportionately impacted" language, state programs must analyze compliance with both federal and state requirements. Such analysis has not been performed within the scope of this rulemaking and will not be addressed in this Proceeding.
- 131. Finally, it is not within the scope of this NOPR to address jurisdictional requirements, particularly with regard to Type R gathering lines.

¹²³ 49 U.S.C. § 60104(e).

132. In light of the discussion above, the ALJ recommends amending proposed Rule 11209 as follows:

In addition to the requirements incorporated by reference in paragraph 11008(b), an operator shall comply with the following subsections. Operators shall perform all leak detection surveys with the use of leak detection equipment, as appropriate for each specific survey, as identified in subparagraph 11103(b)(II) annual reporting requirement. In cases where a leak survey cannot be performed in the prescribed interval, the operator shall submit notification and documentation to the PSP Chief. Exceptions will only be made for safety-related delays. Operators shall schedule leak surveys according to accessibility to the assets each season, as applicable.

- (a) Transmission and Gathering pipelines.
 - (I) For transmission and gathering pipelines in Class 1, 2 locations an operator shall perform a leak detection survey at intervals not exceeding 15 months, but at least once each calendar year.
 - (II) For transmission and gathering pipelines in Class 3, 4 locations and/or High Consequence Areas (HCA), as applicable, an operator shall perform a leak detection survey at intervals not exceeding four and a half months, but at least four times each calendar year.
- (b) Distribution pipelines.
 - (I) For distribution pipelines inside business districts, operators shall follow the requirements listed in 49 C.F.R. 192.723.
 - (II) For distribution pipelines outside of business districts that have steel pipelines without cathodic protection; are known to leak based on material, design, or past operations and maintenance history; or are distributed anode protected pipelines with a historically deficient reading, operators shall perform a leak detection survey at intervals not to exceed 15 months, or as close to once a calendar year as practicable, after environmental conditions that may affect venting or gas migration resolve, until the deficiency is remediated.
 - (III) For all other distribution pipelines outside of business districts, operators shall perform a leak detection survey at intervals not to exceed 39 months, but at least once every three calendar years.
 - (IV) All operators classified as MMO or LPG are exempt from this section.

O. Rule 11210 – Leak Classification and Repair Requirements

1. Rule 11210 – Introduction

- 133. Proposed Rule 11210 requires the classification of discovered leaks and sets time frames for operators to address those leaks through repair, replacement, abandonment, or in limited circumstances, periodic monitoring.¹²⁴
- 134. The ALJ recommends adding clarifying introductory language to proposed Rule 11210, prior to the subparagraphs, as follows:

11210. Leak Classification and Repair Requirements.

Leak detection technology that is not concentration based is intended to provide the operator with overall system health information and will provide indications of leaks. The use of such leak detection technology does not replace the role of conventional leak detection equipment needed to pinpoint a leak for purposes of investigation and classification.

135. Additionally, the Commission received many comments on subparagraphs (a) and (b), discussed in turn below. The ALJ's recommended language is included after discussion of the comments received for each proposed subsection.

2. Subparagraphs (a) and (b)

a. Subparagraph (a) – Leak Classification Requirements Proposed Rule

136. Proposed Rule 11210(a) requires that each operator inspect and classify reports of gas leaks within two hours of confirmed discovery and further requires that each operator estimate the leakage rate of a gas leak within 48 hours using reasonably available information to confirm the initial classification. The proposed rule includes leakage rate estimation to ensure that operators judge the magnitude of environmental risks posed by leaks as well as hazards to persons

¹²⁴ Decision No. C25-0489, at p. 17.

¹²⁵ *Id.* at p. 17.

and property. 126 The proposed rule expands on classification practices and is not intended to replace an operator's focus on addressing hazardous leaks. 127

b. Subparagraph (a) – Leak Classification Requirements

- 137. The Commission received many comments on the proposed Rule 11210(a), particularly with respect to the proposed timelines for classifying leaks and estimating leakage rates after a confirmed leak.
- 138. GreenLatinos supports the proposed leak classification and leakage rate estimation timelines to increase leak detection frequency. 128
- QB seeks clarification on what grade of gas leak will require reporting within two 139. hours and recommends a tiered reporting approach for each grade. 129 QB recommends that for remote and rural locations, the requirement to estimate a leakage rate should be 48 hours from reporting the discovery to allow for an initial in-field response. 130
- 140. Adams County recommends adding to the proposed rule a point-based additive hazard matrix to grade leaks and incorporate elements such as risk, severity, and probability of impact in the grading analysis.¹³¹ The proposal also includes notification to local governments with siting jurisdiction and local emergency planning committees ("LEPC") regarding Grade 1 leaks at the same time the Commission is notified. 132
- Atmos Energy comments that the requirement of reporting all leaks within two hours of confirmed discovery poses a substantial burden on operators due to the safety-related

¹²⁶ *Id*.

¹²⁸ GreenLatinos Initial Comments, at p. 1.

¹²⁹ QB Initial Comments, at p. 1.

¹³⁰ *Id.* at pp. 1-2.

¹³¹ Adams County Initial Comments, at p. 4.

¹³² *Id.* at pp. 4-5.

tasks required to address the leaks. 133 Accordingly, Atmos Energy recommends removing the two-hour time limit for classifying a leak following a confirmed discovery and replacing it with a requirement that operators "promptly" classify leaks. 134 Atmos Energy also expresses concern that complying with the time limits in the proposed rule could conflict with safety-related tasks required to assess and respond to a confirmed leak. 135

- 142. Black Hills comments that calculating the leakage rate provides no added value and recommends removing the clarifications in subparagraph (a)(I)(B). 136 Black Hills also comments that subparagraph (a)(I)(C) is overly broad and should be removed. 137
- Carbon Mapper recommends defining a Grade 1 leak as 100 kg/hr to be consistent with the EPA's Super Emitter Program to better reflect the urgency associated with large volume methane releases.¹³⁸ Carbon Mapper also proposes including an event reporting requirement to include a 0.5 million cubic feet per day or greater threshold, within a 96-hour period. 139
- CNG also expresses safety concerns related to the proposed leak classification 144. timelines and recommends that greater flexibility be provided in the rule to allow for circumstances in which a short response time is not practicable or may not improve safety. 140 CNG also seeks greater flexibility in the timing of leakage rate estimations. 141 Finally, CNG recommends using the scfh rather than kg/hr as it is more consistent with industry practices. 142

¹³³ Atmos Energy Initial Comments, at p. 9.

¹³⁶ Black Hills Initial Comments, at p. 9.

¹³⁸ Carbon Mapper Initial Comments, at p. 2.

¹⁴⁰ CNG Initial Comments, at p. 9.

¹⁴² *Id.* at pp. 9-10.

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- 145. EDF recommends incorporating a quantifiable leakage rate specific to each pipeline type into the leak grade definitions. 143
- 146. COGA suggests requiring leak classification within 48 hours from a confirmed discovery for all leaks. 144 COGA also recommends incorporating PHMSA's proposed criteria in the classification of Grade 1 leaks. 145 For Grade 2 leaks, COGA recommends removing the "at the scene" language in the definition to avoid limiting decision-making authority to on-site individuals and allowing for off-site subject matter experts to weigh in. 146
- 147. Colorado Springs Utilities comments that the two-hour reporting requirement prioritizes speed over accuracy and safety contrary to the public interest; it recommends removing the mandatory timelines and clarifying the basis for establishing a confirmed leak discovery.¹⁴⁷
- 148. API Colorado also seeks to remove the two-hour reporting timeline and recommends including a definition of "confirmed discovery" to mean "when it can be reasonably determined, based on information available to the operator at the time a reportable event has occurred, even if only based on a preliminary evaluation." API Colorado also recommends adopting the PHMSA Gas Pipeline Advisory Committee's prescriptive definition of leaks, which is widely accepted within the industry. 149
 - 149. Larimer County also supports adopting PHMSA's grading definitions. 150

¹⁴³ EDF Initial Comments, at p. 30.

¹⁴⁴ COGA Initial Comments, at p. 7.

¹⁴⁵ *Id.* at pp. 7-9.

¹⁴⁶ *Id.* at p. 9.

¹⁴⁷ Colorado Springs Utilities Initial Comments, at pp. 10-11.

¹⁴⁸ API Colorado Initial Comments, at p. 6.

¹⁴⁹ *Id.* at p. 7.

¹⁵⁰ Larimer County Initial Comments, at p. 4.

150. Public Service recommends amendments to the proposed rule to address logistics, unnecessary excavation, unintended burdens on emergency responders, and the unclear use of the term "confirmed discovery." Public Service provided the following blueline suggestions as follows:

(a) Each operator shall inspect and classify all reports of gas leaks within two hours of promptly following confirmed discovery-leak identification and confirmation by an Operator Qualified individual. Each operator shall estimate the leakage rate of a gas leak within 48 hours of confirmed discovery-leak classification using reasonably available information and shall change the leak classification as appropriate.¹⁵²

Public Service also recommends removing subparagraph (a)(I)(B)(i), such that "any leak with an estimated leakage rate of 5kg per hour or more" is not included in the Grade 2 leak definition. 153

c. Subparagraph (b) – Leak Repair Requirements Proposed Rule

151. Proposed Rule 11210(b) specifies minimum requirements for operators to address identified leaks, depending on the leak grade classification, with an effective date of January 1, 2027.¹⁵⁴ The NOPR recognizes that while the proposed rule will impose costs and burdens on operators, the proposed rule is intended to balance these concerns with the goal of meeting public safety and environmental protection needs.¹⁵⁵

152. Proposed subparagraph 11210(b)(I) requires repair of Grade 1 leaks immediately, until the conditions are no longer hazardous. 156 Proposed subparagraph 11210(b)(II) requires repair of Grade 2 within six months of confirmed discovery, with an alternative provision for when the ground is frozen or inaccessible subject to additional monitoring. 157 Proposed subparagraph

¹⁵¹ Public Service Initial Comments, at pp. 20-23.

¹⁵² *Id.* at p. 23.

¹⁵³ *Id.* at p. 24.

¹⁵⁴ Decision No. C25-0489, at p. 19.

¹⁵⁵ *Id.* at pp. 19-20.

¹⁵⁶ *Id.* at p. 20.

¹⁵⁷ *Id*.

11210(b)(III) requires monitoring and evaluation of Grade 3 leaks at least every six months after longer repair timelines grades. 158 discovery. and allows for than other leak Subparagraph 11210(b)(III) also takes into consideration whether a pipeline is scheduled for abandonment. 159

d. Subparagraph (b) – Leak Repair Requirements Comments

- 153. GreenLatinos supports the timelines in the proposed rule. 160
- Adams County, Black Hills, COGA, Colorado Springs Utilities, API Colorado, 154. Public Service, Larimer County, and WCA all recommend increasing or decreasing the proposed repair timelines and propose their own recommended timelines. 161
- API Colorado, PNG, and Colorado Springs Utilities recommend removing 155. subparagraph (b)(V) which directs small operators to classify all leaks as Grade 1 and repair immediately. 162
- 156. Black Hills comments that the effective date of January 1, 2027, is too soon to be workable as the first several years after adopting of ALDT will require many additional man hours for operators. 163 Black Hills recommends greater flexibility for the first several years after adoption of ALDT. 164 Public Service also recommends that the effective date for this, and all of the proposed rules, should be 24 months from the date of publication in the Colorado Register. 165

¹⁵⁸ *Id*.

¹⁵⁹ *Id.* at pp. 20-21.

¹⁶⁰ GreenLatinos Initial Comments, at pp. 1-2.

¹⁶¹ Adams County Initial Comments, at p. 5; Black Hills Initial Comments, at p. 9; COGA Initial Comments, at pp. 6-7; Colorado Springs Utilities, at pp. 11-12; API Colorado Initial Comments, at pp. 8-10; Public Service Initial Comments, at pp. 24-26; Larimer County Initial Comments, at pp. 4-5; WCA Response Comments, at p. 5.

¹⁶² API Colorado Initial Comments, at p. 10; PNG Initial Comments, at p. 1; Colorado Springs Utilities Initial Comments, at p. 12.

¹⁶³ Black Hills Initial Comments, at p. 9.

¹⁶⁵ Public Service Initial Comments, at pp. 26-27.

157. CNG comments that the leak repair requirements for Grade 1 and Grade 2 leaks are unnecessary as it is already CNG's practice to repair Grade 1 and Grade 2 leaks immediately upon discovery, but notes that defining what constitutes a leak and its confirmation are important considerations. 166

158. EDF supports the proposed timelines, but recommends that abandonment only be taken into consideration when a pipeline is scheduled for abandonment within one year of discovery rather than the proposed five years. 167

Bridger recommends that the proposed rule should not disincentivize high 159. performance technology and suggests that including mandatory repairs for leaks exhibiting emission rates lower than those required to be detected can disincentivize selecting technologies that perform better than the required baseline. 168

3. **Analysis**

Based on the multitude of comments expressing concern over the two-hour 160. reporting requirement and associated safety concerns, the ALJ recommends increasing the reporting requirement in proposed Rule 11210(a) from two hours to four hours.

161. As the overarching purpose of the classification requirement in proposed Rule 11210(a) is to find rather than measure leaks, the ALJ finds that the requirement of estimating the leakage rate of a gas leak within 48 hours of confirmed discovery does not further this purpose. Since the Commission's role here is to further pipeline safety and not to monitor emissions, the leak rate estimation requirement will not provide pertinent information to the PSP and may detract from other leak classification- or repair-related tasks. Although HB 25-1280 mandates the use of

¹⁶⁶ CNG Initial Comments, at pp. 8-9.

¹⁶⁷ EDF Initial Comments, at p. 30.

¹⁶⁸ Bridger Revised Initial Comments, at p. 3.

ALDT "to meet the need for pipeline safety and protection of the environment," 169 it is the use of appropriate leak detection equipment and not the leak rate estimation that furthers this goal in the context of this rulemaking and the Pipeline Safety Rules more broadly. As such, the ALJ supports comments recommending the removal of the leak rate estimation requirement.

- 162. The ALJ also finds that the monetary and temporal costs of notifying local governments and LEPCs of Grade 1 leaks would be disproportionate to any potential benefit as it is not within the jurisdiction of local governments and LEPCs to respond to Grade 1 leaks.
- The ALJ disagrees with the removal of the term "confirmed discovery" from the 163. proposed rule as the term is clearly defined and consistent with state rules, even though it is not used in 49 C.F.R. Part 192.
- With respect to the requirements for small operators in subparagraph (c)(V), the ALJ notes that this provision was added to address MMO/LPG operators and recommends amending the proposed rule to read "All operators classified as MMO or LPG" in lieu of "Small operators."
- 165. Pursuant to the above discussion, the ALJ recommends separating the inspection and classification requirements into separate subparagraphs tailored to each task, and amending the proposed rule as follows:
 - (a) Effective January 1, 2027, each operator shall inspect all reports of gas leaks within 4 hours of notification.
 - (b) Effective January 1, 2027, each operator shall classify all reported leaks within 48 hours of confirmed discovery. Each classification shall be performed by a qualified leak survey individual using quantifiable, concentration-based methods and is not intended to include an indication from ALDT if that ALDT is incapable of measuring natural gas classification.

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¹⁶⁹ HB 25-1280, codified at § 40-20-115(d)(II)(E), C.R.S.

- (I) Leak classification should utilize the following definitions:
 - (A) Grade 1 A leak that represents an existing or probable hazard to persons or property, requires immediate repair or continuous action until the conditions are no longer hazardous.
 - (B) Grade 2 A leak that is recognized as being non-hazardous at the time of detection, but justifies scheduled repair based on probable future hazard. Grade 2 leaks include:
 - (i) Any leak of LPG, hydrogen gas, or carbon dioxide; or
 - (ii) Any leak that, in the judgment of operating personnel, is of sufficient magnitude to justify scheduled repair within six months or less.
 - (C) Grade 3 A leak that is non-hazardous at the time of detection and is reasonably expected to remain non-hazardous. Grade 3 leaks include:
 - (i) Any leak that does not meet the criteria of Grades 1 or 2; or
 - (ii) Any reading of gas outside of the pipe.
- (II) Any above grade, non-hazardous leak that can be resolved by tightening, lubrication, or minor adjustment shall not be graded and is beyond the scope of this paragraph 11210.
- (c) Effective January 1, 2027, minimum requirements for response to each grade of leak are as follows:
 - (I) A Grade 1 leak requires immediate repair or continuous action until the conditions are no longer hazardous.
 - (II) A Grade 2 leak shall be repaired within 12 months after confirmed discovery. When the ground is frozen or otherwise inaccessible, the Grade 2 leak shall be monitored and evaluated at least every 6 months after confirmed discovery to ensure that the leak will not become a Grade 1 leak prior to repair, and shall be repaired within 12 months after confirmed discovery.
 - (III) A Grade 3 leak shall be monitored and evaluated at least every 12 months after confirmed discovery to ensure the leak will not become a Grade 1 or Grade 2 leak prior to repair or abandonment, as applicable.
 - (A) If the pipeline is not scheduled for abandonment within five years of the confirmed discovery date, the leak shall be repaired within 24 months after confirmed discovery.

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- (B) If the pipeline is scheduled for abandonment within five years of the confirmed discovery date, the operator may monitor and evaluate the leak at least every 16 months instead of repairing.
- (IV) A repair can include repair, replacement, or abandonment.
- (V) All operators classified as MMO or LPG shall classify all leaks as Grade 1 and repair immediately.

III. **ORDER**

A. **The Commission Orders That:**

- 1. The Commission's Rules Regulating Pipeline Operators and Gas Pipeline Safety, 4 Code of Colorado Regulations 723-11, contained in red-lined and strikeout format, attached to this Recommended Decision as Attachment A, and in final format, attached as Attachment B are adopted.
- 2. This Recommended Decision shall be effective on the day it becomes the Decision of the Colorado Public Utilities Commission (the "Commission"), if that is the case, and is entered as of the date above.
- 3. As provided by § 40-6-106, C.R.S., copies of this Recommended Decision shall be served upon the parties, who may file exceptions to it.
 - a. If no exceptions are filed within 20 days after service or within any extended period of time authorized, or unless the recommended decision is stayed by the Commission upon its own motion, the recommended decision shall become the decision of the Commission and subject to the provisions of § 40-6-114, C.R.S.
 - b. If a party seeks to amend, modify, annul, or reverse a basic finding of fact in its exceptions, that party must request and pay for a transcript to be filed, or the parties may stipulate to portions of the transcript according to the procedure stated in § 40-6-113, C.R.S. If no transcript or stipulation is filed, the Commission is bound by the facts set out by the administrative law judge; and the parties cannot challenge these facts. This will limit what the Commission can review if exceptions are filed.

4. If exceptions to this Recommended Decision are filed, they shall not exceed 30 pages in length, unless the Commission for good cause shown permits this limit to be exceeded.



ATTEST: A TRUE COPY

THE PUBLIC UTILITIES COMMISSION OF THE STATE OF COLORADO

ROBERT I. GARVEY

Administrative Law Judge

Rebecca E. White, Director