

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF COLORADO

DOCKET NO. 11R-364GPS

IN THE MATTER OF THE PROPOSED RULES FOUND IN THE RULES REGULATING
GAS UTILITIES AND PIPELINE OPERATORS, 4 CODE OF COLORADO REGULATIONS
723-4.

**RECOMMENDED DECISION OF
ADMINISTRATIVE LAW JUDGE
KEITH J. KIRCHUBEL
ADOPTING RULES**

Mailed Date: August 29, 2011

TABLE OF CONTENTS

I. STATEMENT.....	2
II. <u>FINDINGS AND DISCUSSION</u>	4
A. Staff Clarifications.....	4
1. 4 CCR 723-4-4901(e).....	4
2. 4 CCR 723-4-4901(l)	5
3. 4 CCR 723-4-4901(p).....	5
4. 4 CCR 723-4-4905	6
5. 4 CCR 723-4-4915	7
6. 4 CCR 723-4-4952(a).....	7
B. Adaptations of 49 CFR Parts 191 and 192	8
1. 4 CCR 723-4-4901(k).....	8
2. 4 CCR 723-4-4902	8
3. 4 CCR 723-4-4905(c).....	9
4. 4 CCR 723-4-4910	10
5. 4 CCR 723-4-4912 and 4913	11
C. General Findings Regarding the Rules as Adopted.....	11
III. ORDER.....	12

I. STATEMENT

1. On April 22, 2011, the Colorado Public Utilities Commission (Commission) issued a Notice of Proposed Rulemaking (NOPR) regarding the Rules Regulating Gas Utilities and Pipeline Operators, 4 *Code of Colorado Regulations* (CCR) 723-4. Decision No. C11-0440.

2. The NOPR introduced proposed changes¹ to the Gas Pipeline Safety Rules found at 4 CCR 723-4-4900, *et seq.*, adapting language found in 49 *Code of Federal Regulations* (CFR) Part 191 and Part 192,² to the Commission's intrastate jurisdiction within Colorado. The modified language principally addresses the annual and incident reporting requirements applicable to regulated gas utilities and pipeline operators.

3. The Commission assigned this Docket to the undersigned Administrative Law Judge (ALJ), invited interested persons to participate in the rulemaking by submission of written comments, by presentation of oral comments, or by both means and scheduled the hearing on the proposed rule changes for June 28, 2011.

4. The Commission also empowered the ALJ to set additional hearings as necessary to receive comments on the proposed changes. Based on the availability of Commission Staff (Staff) to address the changes in detail, the ALJ scheduled an additional hearing on June 30, 2011.

5. Public Service Company of Colorado (Public Service) filed a document entitled Initial Comments on June 3, 2011, as permitted by the Commission. Public Service stated that as

¹ A "red-line" version of the proposed changes was included with the NOPR as "Attachment A." The same version is incorporated by reference in this Decision as Appendix A.

² The pertinent amendments to 49 CFR Part 191 (Annual Reports, Incident Reports and Safety-Related Condition Reports) and part 192 (Minimum Federal Safety Standards) took effect on October 1, 2010.

a general matter it supports the proposed revisions to the rules related to the gas pipeline safety program. The written comments do address concerns regarding security risks associated with furnishing sensitive access information (PIN numbers) in a public forum as related to proposed changes to 4 CCR 723-4-4910.

6. The ALJ convened a hearing as scheduled on June 28, 2011. Counsel and a representative of Public Service attended the hearing, but did not offer any oral comment, preferring to wait until Staff was available on June 30. No other party appeared at the hearing on June 28, 2011, so it was concluded without any substantive record.

7. The ALJ convened another hearing on June 30, 2011 pursuant to Decision No. R11-0454-I issued on April 28, 2011. Mr. Stephan Pott, Chief of the Commission's Gas Pipeline Safety Section testified in support of the proposed changes. Mr. James Albright³ and Mr. Mark Noland⁴ appeared on behalf of Public Service and provided oral commentary on the proposed changes that supplemented the written comments filed by Public Service.

8. The Commission filed the proposed rules accompanying the NOPR with the Colorado Secretary of State for publication in the May 10, 2011 edition of *The Colorado Register*.

9. Being fully advised in this matter and consistent with the discussion below, the ALJ issues the Recommended Decision adopting rules as modified herein⁵ pursuant to § 40-6-109, C.R.S.

³ Mr. Albright is an attorney with the firm of Squire, Sanders & Dempsey.

⁴ Mr. Noland is employed by Xcel Energy Services in support of Public Service.

⁵ The modifications adopted by this Recommended Decision are shown in a red-line document incorporated by reference herein as "Appendix B." The final adopted language of the rules is shown in "Appendix C" without the red-lining (*i.e.*, as the rule will read when published in the *Colorado Register* and the *Code of Colorado Regulations*).

II. FINDINGS AND DISCUSSION

10. Rulemaking is a quasi-legislative function. Rulemakings encompass a range of determinations, with one end of the continuum being regulations based purely on policy considerations and the other end of the continuum being regulations the need for which, or the language of which, turns upon proof of discrete facts. *Citizens for Free Enterprise v. Department of Revenue*, 649 P.2d 1054 (Colo. 1982). The rules at issue in this rulemaking fall on the policy end of that continuum.

11. The rules promulgated by this Decision are authorized by Sections 40-2-108, 40-2-115, 40-7-117, C.R.S., and 49 U.S.C. §60105, *et seq.*

12. This Decision will refer to Appendix A as the “Proposed Changes” and to Appendix B as the “Adopted Changes.” Not all changes are discussed in this Decision.

13. The Proposed Changes fall within two relatively distinct categories: 1) language modifications proposed by Staff of the Commission to clarify the responsibilities of regulated utilities and pipeline operators and/or enforcement authority of the Commission; and 2) language adapted to the Commission’s intrastate jurisdiction from recent amendments to 49 CFR Parts 191 and 192. Each will be considered in turn.

A. Staff Clarifications

1. 4 CCR 723-4-4901(e)

14. Rule 4901(e) defines the extent of the Commission’s jurisdiction over intrastate direct sales pipelines. The proposed changes shown in Appendix A for Rule 4901(e) represent Staff’s choice of a distinct component of the pipeline system as preferable over the direct sales customer’s property boundary for purposes of determining the extent of the Commission’s jurisdiction.

15. No commenter addressed this proposed change. The ALJ finds that determining property lines in the field may be difficult in the absence of survey data. The proposed changes promote clarity, especially in an urgent situation where the extent of the Commission's jurisdiction needs to be affirmed without the benefit of obtaining the results of a survey. Even in less urgent circumstances, the proposed changes help to eliminate ambiguity and thus enhance the effectiveness of the Commission's work.

2. 4 CCR 723-4-4901(l)

16. The proposed changes added a reference to 49 C.F.R. §192.1. Public Service commented that inclusion of the phrase "covered by 49 C.F.R. §192.1" created ambiguity because that section applies to interstate gas facilities not subject to the Commission's jurisdiction. Mr. Pott, on behalf of Staff, concurred in the comment of Public Service.

17. The ALJ agrees that reference to a federal regulation applicable to interstate pipeline safety adds ambiguity to Rule 4901(l). Therefore the rule will be adopted without the phrase "covered by 49 C.F.R. §192.1 as reflected in Appendix B.

3. 4 CCR 723-4-4901(p)

18. Rule 4901(p) defines the term "major project" for purposes of understanding the reporting requirement imposed by 4 CCR 723-4-4916.⁶ The proposed changes eliminate consideration of integrity assessment from the definition and change the cost threshold from \$1 million to \$500,000. Staff desired to see information about a larger number of projects and this should be accomplished by reducing the value to \$500,000 from the existing level.

⁶ As modified by Appendices A-C to this Decision.

19. Public Service supported the substance of the proposed change with one exception. Public Service reiterated that inclusion of the phrase “covered by 49 C.F.R. §192.1” created ambiguity because that section applies to interstate gas facilities not subject to the Commission’s jurisdiction. Mr. Pott, on behalf of Staff, concurred in the comment of Public Service.

20. The ALJ finds that the proposed language should be modified in accordance with the comment of Public Service. It is possible that a person reading Rule 4901(p) as it appears in Appendix A would be confused by the reference to interstate facilities when trying to understand the applicability of this definition to Commission reporting requirements. The ALJ will adopt the rule as modified in Appendix B.

4. 4 CCR 723-4-4905

21. The proposed change to the title of Rule 4905 from “Waiver” to “Special Permit” was intended to avoid confusion regarding the broader authority of the Commission to waive its rules under appropriate circumstances. *See, e.g.,* 4 CCR 723-1-1003. Mr. Pott explained that the substance of Rule 4905 addresses a utility’s ability to seek Commission approval for an altered inspection regime. In his opinion, Commission authorization of a variance does not constitute a waiver of inspection requirements and should not be characterized as such.

22. Public Service supported the substance of this change in its written comments, although it did point out that the reference to 49 U.S.C. §60118(c) in 4 CCR 723-4-4905(a) and (b) should be corrected to read 49 U.S.C. §60118(d). Mr. Pott concurred that the authority for states to “waive” compliance with a safety standard is covered by 49 U.S.C. §60118(d). Therefore, the ALJ will adopt the rule consistent with the comment of Public Service as shown in Appendix B.

23. Proposed changes to Rule 4905(c) are discussed in Section II.B, below.

5. 4 CCR 723-4-4915

24. The wholesale replacement of subparagraph (b) of Rule 4915 eliminates the requirement for local distribution and/or municipal system operators to make separate reports of individual occurrences of damage to their pipeline systems. Mr. Pott noted that such occurrences are reported separately to the Utility Notification Center of Colorado (UNCC) under existing law and, as such, there is no need for the Commission to mandate duplicate reporting. When the former rule was adopted the UNCC and the duplicate reporting requirement did not exist. The revised subparagraph (b) requires utilities to make an annual report to the Commission summarizing occurrences of damage in the past year, while the revised subparagraph (d) ensures that Commission Staff may access specific damage information when necessary.

25. This proposed change was not addressed in any comments. The ALJ concurs with Staff that regulated utilities and pipeline operators should not be subject to unnecessarily duplicative reporting requirements. The ALJ defers to the judgment of Mr. Pott that the summary reports, in conjunction with access to individual records as needed, will allow Staff to effectively monitor pipeline system safety.

6. 4 CCR 723-4-4952(a)

26. The proposed change to Rule 4952(a) clarifies that operators of gathering pipelines must report damage to underground facilities to the UNCC. Mr. Pott testified that this specific requirement exceeds Federal reporting mandates⁷ and was not present in earlier versions

⁷ As permitted under 49 U.S.C. §60104 and also §40-2-115, C.R.S.

of the Commission's Rules. The proposed rule clarifies the requirement that gathering pipeline operators report occurrences of damage pursuant to §§9-1.5-103 and 9-1.5-105, C.R.S.

27. No comments were submitted on this proposed change. The ALJ finds that monitoring the safety of gathering pipelines is an important component of the Commission's overall responsibility for ensuring the safety and reliability of intrastate gas transportation pipelines. The proposed change to Rule 4952 imposes the same requirement on gathering pipeline operators that applies to other system operators with regard to reporting facility damage. The rule is consistent with statutory law and germane to the Commission's purpose. It will be adopted as proposed.

B. Adaptations of 49 CFR Parts 191 and 192

1. 4 CCR 723-4-4901(k)

28. The proposed change to Rule 4901(k) represents a straightforward adaptation for intrastate use of the definition of "immediate repair" found and applied in 49 C.F.R. Part 191. This definition supplants that of "emergency repair" found in the former Rule 4901(g). Mr. Pott explained that this change was proposed to promote consistency, given that the term immediate repair appears in other provisions adapted from Parts 191 and 192.

29. There was no comment on this proposed change. The ALJ finds that this change is reasonable and necessary based on rationale offered by Mr. Pott.

2. 4 CCR 723-4-4902

30. The proposed change to Rule 4902 simply updates the reference to 49 C.F.R. Part 192 with the new adoption date of those regulations. This does not represent a substantive change and there was no comment offered regarding the proposed revision. It will be adopted as proposed.

3. 4 CCR 723-4-4905(c)

31. Rule 4905(c) details the process for an operator to request a special permit to deviate from the standard frequency of inspections detailed in Part 192. As noted in the previous paragraph, Part 192, including minimum safety standards for transportation of natural gas and other gas by pipeline, as well as for liquefied natural gas facilities, have been adopted by reference in Colorado. The substance of the proposed change to Rule 4905(c) mirrors language found in the federal counterpart regulations in Part 190 at §190.341 and Part 192 at §192.1013.

32. Public Service commented that the two references to Part 192 in the first sentence of Rule 4905(c) are unnecessary. They are unnecessary according to Public Service because Part 192 has already been effectively adopted by reference. Public Service also expressed concern that intrastate operators may not understand the applicability of Federal regulations oriented to interstate transportation of gas.

33. Mr. Pott offered that the references to Part 192 in the first sentence of Rule 4905(c) were included primarily for context. The intention here was to identify the source of the inspection and testing standards as well as the Commission authority to grant a special permit to deviate from such standards. The ALJ finds that the regulation is made less clear by simply removing all of this contextual information as advocated by Public Service. The ALJ has adopted language reflected in Appendix B which balances the legitimate interests of context and clarity.

34. The ALJ also adopted a change to Rule 4905(c) that was not discussed by Staff or any commenter. The proposed changes feature two provisions identified as 4905(c)(II). The second of these provisions was modified to 4905(c)(III) in Appendix B. The ALJ also changed the word “should” to “must” in Rule 4905(c)(III) to make clear that every request for

approval of alternative inspection frequency must contain the information set forth in provisions (A) through (E) of 4905(c)(III).

4. 4 CCR 723-4-4910

35. The proposed changes to Rule 4910 were designed to simplify reporting requirements by providing utilities and pipeline operators an alternate means of furnishing Staff with access to such information. In lieu of submitting the reports required by the Rules, an operator may alternatively provide Staff with a PIN code to access the same information that has been filed electronically with the Federal Office of Pipeline Safety (OPS).

36. Public Service expressed concern that disclosing its PIN code posed a potential security risk that it considered significant.⁸ Mr. Albright commented that Public Service would opt to submit its reports rather than providing Staff with its operator ID number and PIN. Public Service also commented that the phrase “as required under 49 C.F.R. 191.7” in Rule 4910(a) creates ambiguity because the subject regulation applies to interstate pipeline operators.

37. The ALJ understands the concerns expressed by Public Service. If its ID and PIN were somehow compromised, then the contents of its filings with OPS might be altered. However, as the proposed change to Rule 4910 preserves an operator’s ability to submit information by alternative means, only those who consider the potential security risk to be acceptable need avail themselves of the new method of access. As for the reference to 49 C.F.R. 191.7 in the proposed changes, the ALJ agrees that this reference is unnecessary in this instance

⁸ Public Service also pointed out that state regulators may have read-only access to the relevant data without the need for PIN information if the OPS modifies its website in the future. This change has been discussed, but is not definite.

and that the clarity of the rule will be enhanced by removing it. Therefore, the ALJ will adopt the rule consistent with the comment of Public Service as shown in Appendix B.

5. 4 CCR 723-4-4912 and 4913

38. Rule 4912 mandates annual reporting for low pressure distribution pipelines and Rule 4913 does the same for high pressure transmission pipelines. Staff proposed modifications to these rules based on changes to 49 C.F.R. Part 191 to clarify which entities must file such reports. Based on these changes, Mr. Pott concluded that the former Rule 4914 was no longer necessary and should be deleted.

39. This proposed change was not addressed by any comments. The reporting requirements are clear and unambiguous. The ALJ can discern no reason for retaining the former Rule 4914.

C. General Findings Regarding the Rules as Adopted

40. The Commission has the necessary and proper authority to issue the rules attached to this Decision as Appendix A, Appendix B, and Appendix C.

41. The rules attached to this Decision as Appendix B and Appendix C are consistent with the subject matter of this proceeding as set out in the Notice of Proposed Rulemaking (*i.e.*, Decision No. C11-440) which initiated this docket.

42. The rules attached to this Decision as Appendix B and Appendix C adopt the rules as noticed (*i.e.*, Decision No. C11-0440 at Attachment A) with changes based on comments, with changes made for consistency with existing rules, with grammatical changes, and with changes made for clarity.

43. The record of this rulemaking proceeding demonstrates the need for the rules attached to this Decision as Appendix B and Appendix C.

44. The rules attached to this Decision as Appendix B and Appendix C are reasonable and will provide guidance to, and guidelines for, jurisdictional public utilities, customers of those utilities, and others who appear or who wish to appear in formal proceedings before the Commission.

45. The rules attached to this Decision as Appendix B and Appendix C are clearly and simply stated, and their meaning can be understood by any person required to comply with them.

46. The rules attached to this Decision as Appendix B and Appendix C do not conflict with any other provision of law and do not duplicate or overlap other rules.

III. ORDER

A. It is Ordered That:

1. The Rules which are contained in Appendix B and Appendix C to this Order are adopted.

2. This Recommended Decision shall be effective on the day it becomes the Decision of the Commission, if that is the case, and is entered as of the date above.

3. As provided by § 40-6-109, 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 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 basic findings 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 Decision are filed, they shall not exceed 30 pages in length, unless the Commission for good cause shown permits this limit to be exceeded.

(S E A L)



THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF COLORADO

KEITH J. KIRCHUBEL

Administrative Law Judge

ATTEST: A TRUE COPY

A handwritten signature in cursive script that reads "Doug Dean".

Doug Dean,
Director

[This page intentionally left blank]

COLORADO DEPARTMENT OF REGULATORY AGENCIES

Public Utilities Commission

4 CODE OF COLORADO REGULATIONS (CCR) 723-4

PART 4

RULES REGULATING GAS UTILITIES AND PIPELINE OPERATORS

BASIS, PURPOSE, AND STATUTORY AUTHORITY.	2
GAS PIPELINE SAFETY	3
General Provisions	3
4900. Scope and Applicability.	3
4901. Definitions.	3
4902. Incorporation by Reference.	7
4903. Conflict.	7
4904. Interpretation.....	7
4905. Special Permit.....	8
4906. Alert Notices.	10
4907. – 4909. [Reserved].....	10
Filing Incident, Safety-Related Condition, Major Project, Damage and Locate Summary , and Annual Reports	10
4910. Submission of Reports.	10
4911. Telephonic Reports.....	11
4912. Written Reports by Operators of Distribution Systems.....	11
4913. Written Reports by Operators of Transmission and Gathering Systems.	12
4914. Reports of Safety-Related Conditions.	13
4915. Reporting of Pipeline Damage and of Locate Information.	15
4916. Filing Notices of Major Project.....	16
4917. – 4929. [Reserved].....	16
Procedure For Enforcement.....	16
4930. Service.....	16
4931. Subpoenas.....	17
4932. Inspections and Testing.....	17

Safety Standards for Gas Transportation by Pipeline and Gas Pipeline Systems	18
4950. Compliance.....	18
4951. Conversion to Service.....	18
4952. Gathering Pipeline.	18
4953. Procedural Updates.	19
4954. Amendment of Plans or Procedures.....	19
4955. – 4959. [Reserved].....	20
Safety Standards for Liquefied Natural Gas Facilities	20
4960. Compliance.....	20
4961. – 4969. [Reserved].....	20
Drug and Alcohol Testing.....	20
4970. Compliance.....	20
4971. – 4975. [Reserved].....	20
4977. – 4999. [Reserved].....	21
GLOSSARY OF ACRONYMS.....	21
Glossary of Gas Measurement Units:	21

BASIS, PURPOSE, AND STATUTORY AUTHORITY.

The basis and purpose of these rules is to set forth rules describing the service to be provided by jurisdictional gas utilities and master meter operators to their customers and describing the manner of regulation over jurisdictional gas utilities, master meter operators, and the services they provide. These rules address a wide variety of subject areas including, but not limited to, service interruption, meter testing and accuracy, safety, customer information, customer deposits, rate schedules and tariffs, discontinuance of service, master meter operations, transportation service, flexible regulation, procedures for administering the Low-Income Energy Assistance Act, cost allocation between regulated and unregulated operations, recovery of gas costs, and appeals regarding local government land use decisions. The statutory authority for these rules can be found at §§ 29-20-108, 40-1-103.5, 40-2-108, 40-2-115, 40-3-102, 40-3-103, 40-3-104.3, 40-3-111, 40-3-114, 40-3-101, 40-4-101, 40-4-106, 40-4-108, 40-4-109, 40-5-103, 40-7-117, and 40-8.7-105(5), C.R.S.

* * *

[indicates omission of unaffected rules]

GAS PIPELINE SAFETY

General Provisions

4900. Scope and Applicability.

- (a) The gas pipeline safety rules prescribe requirements for construction, operation, and maintenance of pipeline facilities, and for reporting by operators. Pursuant to these rules, the Commission conducts its pipeline safety program activities under 49 U.S.C. § 60105 and § 40-2-101, C.R.S. The statutory authority permitting the Commission to enter into cooperative agreements with federal agencies, to adopt and to create rules to administer and to enforce 49 U.S.C. §§ 60101, et seq., can be found at §§ 40-2-115 and 40-7-117, C.R.S.
- (b) Rules 4900 through ~~4999~~ 4970 apply to, establish, and govern the:
 - (I) Reporting by operators of gas pipeline systems of incidents, gas related events, safety-related conditions, damage statistics, notice of major projects, and annual pipeline summary data. [rules 4910 through 4929].
 - (II) Enforcement by Staff of the Rules Regulating Gas Pipeline Safety [rules 4930 through 4949].
 - (III) Adoption of minimum safety standards for transportation of natural gas and other gas by pipeline, specific requirements for rural gathering, procedural updates, and amendment of plans or procedures, [rules 4950 through 4959].
 - (IV) Adoption of minimum safety standards for liquefied natural gas facilities [rules 4960 through 4969].
 - (V) Adoption and enforcement of a drug and alcohol-testing program [rules 4970 through 4999].
- (c) Nothing in these rules shall be construed to exempt interstate or gathering pipeline operators from complying with § 9-1.5-105, C.R.S.

4901. Definitions.

The following definitions apply to rules 4900 through 4999, except where a specific statute or rule provides otherwise or where the context otherwise indicates. In the event of a conflict between these definitions and a statutory definition, the statutory definition shall apply.

- (a) "Chief" means the program manager of the Gas Pipeline Safety Section of the Commission.
- (b) "Damage," when used in reference to a pipeline, means the penetration or destruction of any protective coating of an underground pipeline, the partial or complete severance of an underground pipeline, or the denting or puncturing of an underground pipeline.
- (c) "Damage prevention program" means an operator's written program to prevent damage to a pipeline by excavation, as defined in 49 C.F.R. § 192.614.

- (d) "Direct sales meter" means a meter that measures the transfer of gas to a direct sales customer purchasing gas for its own consumption.
- (e) "Direct sales pipeline" means a pipeline not under the jurisdiction of the Federal Energy Regulatory Commission and which runs from an intrastate or interstate transmission pipeline, a production facility, or a gathering pipeline to a direct sales meter ~~or to the direct sales customer's property line, pressure regulator, or emergency valve,~~ whichever is the furthest downstream.
- (f) "Distribution pipeline" means a pipeline other than a transmission pipeline or a gathering pipeline.
- ~~(g) "Emergency repair" means a pipeline repair requiring immediate action where either: (I) The pipeline is a transmission pipeline and the MAOP produces a hoop stress at or above 20 percent SMYS, or (II) The pipeline is a gathering pipeline that operates at or above 125 psig.~~
- ~~(h)~~ (g) "Excavation" means the moving or removing of earth by means of any tools, equipment, or explosives and includes (without limitation) auguring, boring, backfilling, ditching, drilling, grading, plowing-in, pulling-in, ripping, scraping, trenching, or tunneling.
- ~~(i)~~ (h) "Gas" means natural gas, flammable gas, toxic or corrosive gas, and petroleum gas.
- ~~(j)~~ (i) "Gathering pipeline" means a pipeline that transports gas from a current production facility to a transmission pipeline or main.
- ~~(k)~~ (j) "Hazardous facility" means a pipeline facility that, if allowed to go into operation or to remain in operation, would be hazardous to life and property.
- ~~(l)~~ (k) "Immediate repair" means a pipeline repair requiring immediate or emergency action where either: (I) the pipeline is a transmission pipeline and the MAOP produces a hoop stress at or above 20 percent SMYS, or (II) the pipeline is a gathering pipeline that operates at or above 125 psig.
- (l) "Incident" means a release of gas from a pipeline covered by 49 C.F.R. § 192.1, or a release of liquefied natural gas or gas from a ~~an~~ LNG facility, which results in any of the following:
- (I) Death or personal injury necessitating in-patient hospitalization.
- (II) Estimated property damage of \$50,000 or more, including loss to the operator and others, or both, but excluding cost of gas lost~~the cost of gas lost to the operator or others, or both, of \$50,000 or more.~~
- (III) An event that results in an emergency shutdown of a ~~an~~ LNG facility.
- (IV) An unintentional event resulting in an estimated gas loss of three million cubic feet or more.
- ~~(V)~~ (V) An event that is significant, in the judgment of the operator, even though it does not meet the criteria of subparagraphs (I), (II), or (III) of this paragraph.

- (m) "Liquefied Natural Gas" or "LNG" means natural gas or synthetic gas which has methane (CH₄) as its major constituent and which has been changed to a liquid.
- (n) "LNG facility" means a pipeline facility that is used for liquefying natural gas or synthetic gas or for transferring, storing, or vaporizing liquefied natural gas.
- (o) "Main" means a distribution line that serves, or is designed to serve, as a common source of supply for more than one service line.
- (p) "Major project" means the construction of any new pipeline facility covered by 49 C.F.R. § 192.1, the repair, ~~integrity assessment~~, or upgrade of a pipeline segment, that originally is estimated to cost one million five hundred thousand dollars or more. As used in this rule, cost includes only the direct costs associated with the construction, repair, ~~integrity assessment~~, or upgrade.
- (q) "Master meter system" means a pipeline system for distributing gas within a definable area (for example, a mobile home park) where the operator or owner purchases gas from an outside source for delivery through a pipeline system to an end user.
- (r) "Municipality" means a city, town, or village in the State of Colorado.
- (s) "Natural Gas Pipeline Act" means the federal statute found at 49 U.S.C. §§ 60101, et seq., as amended.
- (t) "Operator" means a person who is engaged in the transportation of gas, or who has the right to bury underground pipeline, or who is both engaged in the transportation of gas and has the right to bury underground pipeline. "Operator" also may include an owner, such as a pipeline corporation.
- (u) "OPS" means the Office of Pipeline Safety, a unit of the Pipeline and Hazardous Materials Safety Administration (PHMSA) of the United States Department of Transportation.
- (v) "Person" means an individual, firm, joint venture, partnership, corporation, association, municipality, cooperative association, or joint stock association, and includes any trustee, receiver, assignee, or personal representative thereof.
- (w) "Pipeline" or "pipeline system" means all parts of those physical intrastate facilities through which gas moves in transportation, including, but not limited to, pipes, valves, and other appurtenances attached to pipes, compressor units, metering stations, regulator stations, delivery stations, holders, and fabricated assemblies.
- (x) "Pipeline facility" means new and existing intrastate pipelines, rights-of-way, and any equipment, facility, or building used in the transportation of gas or in the treatment of gas during the course of transportation.

- (y) "Production facility" means flowline and associated equipment used at a wellsite in producing, extracting, recovering, lifting, stabilizing, initial separating, and/or treating, initial dehydrating, disposal, and above ground storing of liquid hydrocarbons, associated liquids, and associated natural hydrocarbon gases. A production facility may include flowlines up to a central delivery point directly associated with a specific producing field. To be a production facility under this definition, a flowline must be used in the process of extracting hydrocarbons and associated liquids from the ground or from facilities where hydrocarbons are produced or must be used for disposal or injection in reservoir maintenance or recovery operations.
- (z) "Propane gas system" means a pipeline system serving ten or more structures from a single tank.
- (aa) "Roadway" means a main public artery, highway, or interstate highway.
- (bb) "Service line" means a distribution line that transports gas, or is designed to transport gas, from a common source of supply to an individual customer, to two adjacent or adjoining residential or small commercial customers, or to multiple residential or small commercial customers served through a single meter header or manifold. A service line ends at the outlet of the customer meter or at the connection to a customer's piping, whichever is furthest downstream, or at the connection to customer piping if there is no meter.
- (cc) "Service regulator" means the device on a service line that controls the pressure of gas delivered from a higher pressure to the pressure provided to the customer. A service regulator may serve one customer or multiple customers through a meter header or manifold.
- (dd) "Specified Minimum Yield Strength" or "SMYS" means:
 - (I) For steel pipe manufactured in accordance with a listed specification, the yield strength specified as a minimum in that specification.
 - (II) For steel pipe manufactured in accordance with an unknown or unlisted specification, the yield strength determined in accordance with 49 C.F.R. § 192.107(b).
- (ee) "Staff" means the Staff of the Gas Pipeline Safety Section of the Commission.
- (ff) "Transmission pipeline" means a pipeline, other than a gathering pipeline or distribution pipeline, that does one of the following:
 - (I) Transports gas from a gathering pipeline or storage facility to a distribution center, or storage facility.
 - (II) Operates at a hoop stress of 20 percent or more of SMYS.
 - (III) Transports gas within a storage field.
 - (IV) Is a direct sales pipeline serving a large volume customer not downstream of a distribution center, which may include, but not be limited to, factories and power plants.

- (gg) "Transportation of gas" means the gathering, transmission, distribution, or storage of gas within the State of Colorado that is not subject to the jurisdiction of the Federal Energy Regulatory Commission under the Natural Gas Act.

4902. Incorporation by Reference.

- (a) The Commission adopts by reference the minimum federal safety standards for the transportation of natural gas and other gas by pipeline of the OPS that are published in 49 C.F.R. Part 192 (October 1, 20~~07~~10). This incorporation by reference does not include later amendments to, or editions of, 49 C.F.R. Part 192.
- (b) The Commission adopts by reference the federal safety standards for liquefied natural gas facilities of the OPS that are published in 49 C.F.R. Part 193 (October 1, 20~~07~~10). This incorporation by reference does not include later amendments to, or editions of, 49 C.F.R. Part 193.
- (c) The Commission hereby adopts by reference the drug and alcohol testing program of the OPS published in 49 C.F.R. Parts 40 and 199 (October 1, 20~~07~~10). This incorporation by reference does not include later amendments to, or editions of, 49 C.F.R. Parts 40 and 199.
- (d) Any material incorporated by reference in this rule may be examined at the offices of the Commission, 1560 Broadway, Suite 250, Denver, Colorado 80202, during normal business hours, Monday through Friday, except when such days are state holidays. Certified copies of the incorporated standards shall be provided at cost upon request. The Director or the Director's designee will provide information regarding how the incorporated standards may be examined at any state public depository library.

4903. Conflict.

In the event of a conflict between the provisions of 49 C.F.R. Parts 40, 192, 193, or 199 and the rules 4900 through 4999 regarding the administrative, the enforcement, and the reporting requirements, the rules 4900 through 4999 shall apply.

4904. Interpretation.

- (a) An operator may request a regulatory interpretation of any of these rules by submitting a written request to the Chief. The requestor shall include his or her return address and the specific application and rule reference with the request.
- (b) After a request for interpretation is received, the Chief will notify the requestor of the disposition of the request and if additional information is required.
- (c) If the request is consistent with the state pipeline safety program and is justified, the Chief will provide the Federal Administrator for Pipeline Safety a written recommendation with terms and conditions as are appropriate.
- (d) The interpretation is effective upon approval by the Federal Administrator for Pipeline Safety or, no action is taken by the Federal Administrator for Pipeline Safety, 60 days after the receipt of the recommendations from the Chief.

4905. ~~Waiver~~Special Permit.

- (a) The Commission may grant a request for a special permit authorizing a variance from ~~waiver of~~ any of these rules in accordance with ~~§ 40-2-115, C.R.S.,~~ 49 U.S.C. § 60118(c), and the Commission's Rules Regulating of Practice and Procedure.
- (b) Under § 40-2-115, C.R.S. and 49 U.S.C. § 60118(c) the ~~Public Utilities~~ Commission has the authority to grant special permits in emergency situations. An emergency special permit will be granted if it is in the public interest, is not inconsistent with pipeline safety, and is necessary to address an actual or impending emergency involving pipeline transportation, including an emergency caused by a natural or manmade disaster. An emergency pipeline special permit is an order by which the Commission may temporarily modify compliance with state pipeline regulations for affected pipeline owners or operators and the Commission may waive compliance with a safety regulation if, after receiving notice, the OPS concurs in the action.
 - (~~e~~i) The Commission will determine on a case-by-case basis what duration is necessary to address the emergency. However, as required by statute, no emergency special permit may be issued for a period of more than 60 days. Each emergency special permit will automatically expire on the date stated on the permit.
 - (~~d~~ii) Each request should include the following information:
 - (~~i~~A) Name of requestor and indication of whether requestor is an owner or operator;
 - (~~ii~~B) Duration of the emergency special permit;
 - (~~iii~~C) Specific regulations from which the owner or operator seeks relief;
 - (~~iv~~D) An explanation of the actual or impending emergency;
 - (~~v~~E) Specific reasons the special permit is necessary (e.g., lack of accessibility, damaged equipment, gas supply or temporary by-pass);
 - (~~vi~~F) A description of the pipeline for which special permit is sought, including:
 - (~~A~~i) the mileage or footage of pipeline to be covered and the ~~c~~Counties in which it is located;
 - (~~B~~ii) the year the pipeline was installed;
 - (~~C~~iii) all pipeline facilities such as pump and compressor stations that this permit will affect, and;
 - (~~D~~iv) the material, thickness, diameter and operating pressure of the pipeline.
 - (~~vii~~G) A statement indicating whether and how operating the pipeline pursuant to an emergency special permit is in the public interest (e.g., continuity of service, service restoration);

- (~~VIII~~) Proposed alternatives to compliance with the regulation (e.g., additional inspections and tests, shortened reassessment intervals);
- (~~IX~~) Measures to be taken after the emergency situation or permit expires-whichever comes first--to confirm long-term operational reliability of the facility, and;
- (~~X~~) A certification that operation of the owner or operator's pipeline under the requested emergency special permit would not be inconsistent with pipeline safety.

(c) Pursuant to 49 C.F.R. § 192.1013, an operator may propose to deviate from part 192 and reduce the frequency of periodic inspections and tests on the basis of an engineering analysis and risk assessment.

(I) An alternative frequency of inspections and tests required under part 192 will be granted if it is not inconsistent with pipeline safety. For intrastate facilities, an operator must submit its proposal to Staff the Chief at least 120 days before the requested effective date. After receiving notice, Staff the Chief will confer with the OPS on the action requested by the operator. The ChiefStaff may accept the proposal, with or without conditions and limitations, on a showing that the operator's proposal, which includes the adjusted interval, will provide an equal or greater overall level of safety.

(II) An operator may implement an approved reduction in the frequency of a periodic inspection or test only where the operator has developed and implemented an integrity management program that provides an equal or improved overall level of safety despite the reduced frequency of periodic inspections.

(II) Each request should include the following information:

(A) Name of the owner or operator;

(B) Duration of the deviation proposal;

(C) Specific regulations from which the owner or operator seeks relief;

(D) A description of the pipeline for which the deviation is sought, including:

(i) the mileage or footage of pipeline to be covered and the counties in which it is located;

(ii) the year the pipeline was installed;

(iii) all pipeline facilities that this request will affect, and;

(iv) the material, thickness, diameter and operating pressure of the pipeline.

(E) Proposed alternatives to compliance with the regulation (e.g., additional inspections and tests, shortened reassessment intervals); and

~~(F) A certification that operation of the owner or operator's pipeline under the requested alternative frequency of periodic inspections and tests would not be inconsistent with pipeline safety.~~

~~(d) Grants and denials. If the Chief determines that the permit to deviate complies with the requirements of this rule and that the deviation from the regulation or standard is not inconsistent with pipeline safety, the Chief may grant the request, in whole or in part, on a temporary or permanent basis. Conditions may be imposed on the request if the Chief concludes that they are necessary to assure safety, or are otherwise in the public interest. If the Chief determines that the application does not comply with the requirements of this rule or that a deviation is not justified, the request for deviation will be denied. Whenever the Chief grants or denies a request for deviation, the notice of the decision will be provided to the applicant. All special permits will be posted on the PUC website at <http://www.dora.state.co.us/puc/pipesafetymain.htm>.~~

4906. Alert ~~Notices~~Bulletins.

An alert or advisory ~~notice~~bulletin may be disseminated to an operator based on recommendations from the National Transportation Safety Board, the OPS, or as a result of a situation which may pose a threat to pipeline systems or the public. After receiving information concerning an alert or advisory ~~notice~~bulletin, an operator shall take appropriate action to review and to revise its design, installation, and/or its operating and maintenance procedures.

4907. – 4909. [Reserved].

Filing Incident, Safety-Related Condition, ~~Construction~~Major Project, Damage and Locate Summary, and Annual Reports

4910. ~~Written Submission of~~ Reports.

- (a) ~~Written~~An operator must submit reports required by these rules, except notices of major projects, and ~~of pipeline damage and locate summary information reports,~~ electronically to the OPS at <http://opsweb.phmsa.dot.gov> as required under 49 C.F.R 191.7~~shall be filed with the Information Resources Manager, OPS.~~
- (b) A copy of each report ~~filed with the Information Resources Manager, submitted to the~~ OPS shall be furnished via U.S. mail, ~~or~~ emailed to the gas pipeline safety contact found on the Commission's PUC Pipeline Safety Web-site in a .pdf searchable document, ~~or or by a facsimile to (303) 894-2065. In lieu of sending a copy of the an OPS report, operators may supply operator identification number and PIN number information to permit Staff access to the OPS reporting site.~~
- ~~(c) Copies of the prescribed reporting forms are available, without charge, upon request. Additional copies may be reproduced and used if on the same size and kind of paper.~~

4911. Telephonic Reports.

- (a) As soon as possible after discovery, but generally not to exceed two hours after discovery, an operator ~~shall~~must telephonically report any incident to the Staff at (303) 894-2854 and to the National Response Center of the U.S. Department of Transportation at (800) 424-8802 or electronically at <http://www.nrc.uscg.mil>.
- (b) The operator of a pipeline, including a gathering pipeline in a class 1, 2, 3, or 4 area ~~operating at or above 125 psig~~, of a LNG system, of a master meter system, or of a propane system, ~~shall~~must telephonically report to the Staff at (303) 894-2854, within two hours after discovery, any of the following events:
 - (I) An ~~emergency repair~~immediate repair, as defined in paragraph 4901(~~gk~~).
 - (II) A gas leak ~~which that~~ occurs on ~~a the~~ pipeline, the LNG system, the master meter system, or the propane system and ~~which that~~ results in the evacuation of 50 or more people from a normally occupied building or property.
 - (III) A gas leak ~~which that~~ occurs on the pipeline, the LNG system, the master meter system, or the propane system and ~~which that~~ results in the closure of a roadway or railroad.
- (c) A telephonic report made pursuant to paragraphs (a) or (b) of this rule ~~shall~~must include the following information:
 - (I) The name and telephone number of the operator and the contact.
 - (II) The location of the incident or event.
 - (III) The date and time of the ~~beginning of the~~ incident or event.
 - ~~(IV) The date and time of the ending of the incident or event, if appropriate.~~
 - ~~(V) The date and time of the discovery of the incident or event.~~
 - ~~(IV)~~ The number of fatalities and personal injuries, if any.
 - ~~(V)~~ All other significant facts that are known by the person making the report that are relevant to the cause of the incident or event and the extent of the damage.
 - ~~(VI)~~ The National Response Center control number, if known.

4912. Written Reports by Operators of Distribution Systems.

- (a) Except as provided in paragraph (c) of this rule, an operator of a distribution pipeline system ~~shall file~~must submit DOT/OPS Form PHMSA F 7100.1 Incident Report: Gas Distribution System an incident report on a current U.S. DOT Form PHMSA F 7100.1 with the agencies as required listed in the manner required by in rule 4910 as soon as possible after the ~~discovery~~detection of an incident, but not later than 30 days after ~~discovery~~detection.

- (b) After ~~filing-submitting~~ an incident report pursuant to paragraph (a) of this rule, an operator ~~shall must file-submit~~ a supplemental report ~~as required with the agencies listed in in the manner required by~~ rule 4910 if the operator obtains additional, relevant information. The operator ~~shall must file-submit~~ the supplemental report as soon as possible, but not more than 60 days after obtaining the additional information. ~~The supplemental report shall reference the original report by date and subject.~~
- (c) An operator of a master meter system or a propane gas system is not required to file an incident report.
- (d) Except as provided in paragraph (e) of this rule, an operator of a distribution pipeline system ~~shall must file-submit~~ an annual report for its intrastate pipeline ~~system on OPS Form PHMSA F 7100.1-1 Distribution system: Annual Report on a current U.S. DOT Form PHMSA F 7100.1-1 with the agencies listed as required in in the manner required by~~ rule 4910. This report shall be ~~filed-submitted~~ annually by March 15 for the preceding calendar year.
- (e) An operator of a propane gas system which serves fewer than 100 customers from a single source, a master meter system, or a LNG facility is not required to ~~file-submit~~ an annual report.

4913. Written Reports by Operators of Transmission and Gathering Systems.

- (a) An operator of a transmission pipeline system or ~~an OPS regulated~~ type A ~~or Type B~~ gathering pipeline ~~system segment~~ as defined in 49 C.F.R Part 192 ~~shall file must submit DOT OPS Form PHMSA F 7100.2 Transmission and Gathering system: Incident Report information an incident report on a current U.S. DOT Form PHMSA F 7100.2 with the agencies as required listed in in the manner required by~~ rule 4910 as soon as possible after the ~~discovery detection~~ of an incident, but not later than 30 days after ~~discovery detection~~.
- (b) After ~~filing-submitting~~ an incident report pursuant to paragraph (a) of this rule, an operator ~~shall must file-submit~~ a supplemental report ~~as required with the agencies listed in in the manner required by~~ rule 4910 if the operator obtains additional, relevant information. The operator shall ~~file-submit~~ the supplemental report as soon as possible, but not more than 60 days after obtaining the additional information. The supplemental report shall reference the original report by date and subject.
- (c) An operator of a transmission pipeline system or ~~a DOT an OPS~~ regulated ~~type A or type B~~ gathering pipeline ~~segment(s) system~~ as defined in 49 C.F.R Part 192 ~~shall file must submit DOT OPS Form PHMSA F 7100.2.1-4 Transmission and Gathering system: Annual Report information an annual report for intrastate pipeline on a current U.S. DOT Form PHMSA 7100.2-1 with the agencies as required listed in in the manner required by~~ rule 4910. This report shall be ~~filed-submitted~~ annually by March 15 for the preceding calendar year.

~~4914. Filing of Separate Reports.~~

- ~~(a) An operator which is primarily engaged in gas distribution and which also operates a gas transmission pipeline system or a regulated gathering pipeline system as defined in 49 C.F.R. Part 192 shall file separate reports for each pipeline system.~~

~~(b) — An operator which is primarily engaged in gas transmission or regulated gathering pipeline system as defined in 49 C.F.R. Part 192 and which also operates a gas distribution pipeline system shall file separate reports for each pipeline system.~~

49154. Reports of Safety-Related Conditions.

- (a) Except as provided in paragraph (d) of this rule, an operator ~~shall must file submit~~ a ~~written~~ safety-related condition report ~~as required in in the manner required by rule 4910~~ on the existence of any of the following safety-related conditions with respect to a regulated pipeline in service:
- (I) In the case of a pipeline that operates at a hoop stress of 20 percent or more of its SMYS, (a) general corrosion that has reduced the wall thickness to less than that required for the maximum allowable operating pressure and (b) localized corrosion pitting to a degree where leakage might result.
 - (II) Unintended movement or abnormal loading by naturally-occurring environmental causes (for example, earthquakes, landslides, or floods) that impairs the serviceability or integrity of a pipeline.
 - (III) Any crack or other material defect that impairs the structural integrity or reliability of a LNG facility that contains, controls, or processes gas or LNG.
 - (IV) Any material defect or physical damage that impairs the serviceability of a pipeline that operates at a hoop stress of 20 percent or more of its SMYS.
 - (V) Any malfunction or operating error that causes the pressure of a pipeline or LNG facility that contains or processes gas or LNG to rise above its maximum allowable operating pressure (or working pressure for LNG facilities) plus the build-up allowed for operation of pressure limiting or control devices.
 - (VI) A leak in a pipeline or LNG facility that contains or processes gas or LNG that constitutes an emergency.
 - (VII) Inner tank leakage, ineffective insulation, or frost heave that impairs the structural integrity of a LNG storage tank.
 - (VIII) Any safety-related condition that could lead to an imminent hazard and that causes (either directly or indirectly by remedial action of the operator), for purposes other than abandonment, a 20 percent or more reduction in operating pressure or shutdown of operation of a pipeline or a LNG facility that contains or processes gas or LNG.
- (b) A ~~written~~ report of a safety-related condition ~~shall must~~ be ~~filed submitted with the Associate Administrator, Office of Pipeline Safety as in the manner required by rule 4910,~~ within five business days (not including Saturday, Sunday, or federal or State holidays) after the day on which the operator or its representative first determines that a safety-related condition exists. The report shall not be ~~filed submitted~~ later than ten business days after the day an operator or its representative discovers the condition. Separate conditions may be reported in a single ~~report~~ submission report if they are closely related.

~~On the same day that the report is filed with the Associate Administrator, Office of Pipeline Safety, the operator shall provide to Staff a copy of the report filed with the Associate Administrator, Office of Pipeline Safety. Reports may be filed with the U.S. DOT and the Staff by facsimile.~~

- (c) The ~~written~~ report shall be headed "Safety-Related Condition Report" and ~~shall~~ must provide the following information:
- (I) Name and principal address of operator.
 - (II) Date of report.
 - (III) Name, job title, and business telephone number of the person submitting the report.
 - (IV) Name, job title, and business telephone number of the person who determined that the condition exists.
 - (V) Date the condition was discovered and, if different, date condition was first determined to exist.
 - (VI) Location of the condition. This requires identification of the town, city, or county in which the condition exists and, as appropriate, the nearest street address, milepost, or landmark; and the name of pipeline.
 - (VII) Description of the condition, of the circumstances leading to its discovery, of any significant effects the condition has on safety, and of the type of gas transported or stored.
 - (VIII) Description of the corrective action taken (including reduction of pressure or shutdown) before the report was submitted.
 - (IX) Description of any planned future follow-up or corrective action, including the anticipated schedule for starting and concluding such action.
- (d) A written report need not be made for any safety-related condition that:
- (I) Exists on a regulated gathering system as defined by 49 C.F.R. Part 192 and where a MAOP produces a hoop stress less than 20 percent of SMYS, a master meter system, a propane gas system, or a customer-owned service line.
 - (II) Is an event or results in an event which occurs before a permanent repair or replacement pertaining to an already-reported incident can be completed.
 - (III) Exists on a pipeline (other than a LNG pipeline) that is more than 220 yards from any building intended for human occupancy or outdoor place of assembly, except that reports are required for conditions within the right-of-way of an active railroad or roadway.
 - (IV) Is corrected by permanent repair or replacement in accordance with applicable safety standards within five business days of the day on which the operator first determines that the condition exists, but not later than ten business days after an operator or its

representative discovers the condition. This subparagraph does not apply to localized corrosion pitting on an effectively coated and cathodically protected pipeline.

49165. Reporting of Pipeline Damage and of Locate Information.

- (a) An operator of a local distribution company or municipal operated system serving greater than 50,000 customers shall must file with the Commission information concerning general known pipeline damage and general pipeline locate information annually, by March 15. This report applies to damage to underground pipelines, excluding any damage to electrically conductive tracer wire.
- (b) Each report shall include the following pipeline information:
- (I) Total number of facility locates transmitted from the Utility Notification Center of Colorado (UNCC);
 - (II) Total number of excavation related damages to mains;
 - (III) Total number of excavation related damages to services;
 - (IV) Total number of excavation related damages to transmission pipelines;
 - (V) Total number of excavation damage due to excavation practice being insufficient;
 - (VI) Total number of excavation damage due to operator locator practice being insufficient;
 - (VII) Total number of excavation damage due to contract locator practice being insufficient;
 - (VIII) Total number of excavation damage due to no facility locate requested; and
 - (IX) Total number of excavation damage due to other reasons. A root cause explanation must be included with each reported damage under this category.
- ~~(b) The specific damage information shall contain, at a minimum, the following:~~
- ~~(I) The location of the damaged pipeline by city and county.~~
 - ~~(II) The type of facility locate request (normal or emergency); the date of facility locate request; the date the facility was located; the date the facility was relocated, if applicable; the date the facility damage occurred, if known.~~
 - ~~(III) The name of the excavation company and the type of equipment causing the damage (for example, track hoe, backhoe, trencher, directional bore, shovel). If a homeowner caused the damage, the term "homeowner" will suffice for excavation company name.~~
 - ~~(IV) The reason for the excavation (for example, communications, sewer, water, electric, ditch maintenance, road maintenance, pipeline, landscaping, homeowner).~~
 - ~~(V) The type of pipeline damaged (service, main, or transmission).~~

~~(VI) The damage resulting from locator error or excavator error, if applicable.~~

~~(c) Pipeline operators are required to be Tier 1 members and report underground facility damages to the Utility Notification Center of Colorado (UNCC-Colorado 811) "Colorado Damage Reporting Tool DIRT" at <https://www.damagereporting.org/uncc>.~~

~~(d) Additional specific damage information may be requested under paragraph 4932(c).~~

~~(e) The report of general facility locate information shall contain the following:-~~

~~(I) The number of monthly facility locate requests.~~

~~(II) The number of monthly facility locates performed by the operator.~~

~~(III) The number of monthly facility locates performed by the operator's contract facility locator.~~

491~~76~~. Filing Notices of Major Project.

(a) Written notice of a major project ~~shall~~**must** be submitted to the Staff not later than 20 business days prior to the scheduled commencement date of the project, if practicable.

(b) The notice shall contain the following information:

(I) The type of construction or repair.

(II) The date of commencement.

(III) The estimated period of construction or repair.

(IV) Pipeline design specifications, and T~~he~~ test medium (for example, gas, inert gas, water).

(V) The location of the construction or repair.

(VI) The estimated cost of the construction or repair project.

491~~87~~. – 4929. [Reserved].

Procedure For Enforcement

4930. Service.

(a) An order, notice, complaint or other document required to be served under these rules shall be served personally or by registered or certified mail.

(b) Service upon an operator's authorized representative or agent constitutes service upon that operator.

- (c) Service by registered or certified mail is complete upon mailing. An official U.S. Postal Service receipt evidencing a registered or certified mailing constitutes prima facie evidence of service.

4931. Subpoenas.

- (a) The Commission, an Administrative Law Judge, or the Director may issue a subpoena in accordance with rule 1406.
- (b) Rule 45 of the Colorado Rules of Civil Procedure, except as provided in rule 1406 and §§ 40-6-102 and 103, C.R.S., shall govern a subpoena issued under this rule.
- (c) A subpoena issued under this rule may be enforced in the district court, as provided by § 40-6-103(2), C.R.S.

4932. Inspections and Testing.

- (a) ~~Upon presentation of Commission credentials, Staff As~~ authorized by the Chief, ~~Staff are authorized to may~~ enter upon, to inspect, and to examine, at reasonable times, an operator's ~~records, right of way or easement, new and existing piping, valves, and other above ground appurtenances attached to pipes, pipeline facility,~~ or, upon request of the OPS, ~~an~~ interstate pipeline to determine compliance with 49 U.S.C. §§ 60101 et seq., with these rules, with Commission orders, or with orders issued pursuant to these rules. If requested, Staff shall present Commission credentials at the time of the inspection.
- (b) Staff may require testing of an operator's pipeline. Staff shall make every effort to negotiate with the operator of the pipeline a mutually-acceptable testing plan before performing such tests.
- (c) If information is needed, the Chief may send the operator a request for specific information to be answered within 45 days after receipt of the request.
- (d) When information obtained from an inspection, testing, a request for specific information, or other sources indicates that enforcement action is warranted, the Chief may do one of the following:
 - (I) Serve on the operator a Warning Letter pursuant to rule 4933 or a Notice of Probable Violation pursuant to rule 4934.
 - (II) File a formal complaint with the Commission requesting a Hazardous Facilities Order pursuant to rule 4940.

* * *

[indicates omission of unaffected rules]

Safety Standards for Gas Transportation by Pipeline and Gas Pipeline Systems

4950. Compliance.

An operator shall comply with these rules and the minimum safety standards for the transportation of natural gas and other gas by pipeline which are incorporated by reference in rule 4902(a).

4951. Conversion to Service.

A pipeline previously used in service not subject to 49 C.F.R. Part 192 qualifies for service subject to 49 C.F.R. Part 192 if the operator prepares and follows a written procedure addressing the requirements of 49 C.F.R. § 192.14. The operator shall make its written procedures and applicable records available to Staff upon request.

4952. Gathering Pipeline.

(a) In addition to 49 C.F.R. § 192.9, ~~effective April 14, 2006, all gathering pipeline operators must report underground facility damages to the Utility Notification Center of Colorado (UNCC-Colorado 811) "Colorado Damage Reporting Tool DIRT" at~~ <https://www.damagereporting.org/uncc>.

(ab) Type A regulated gathering lines: An operator of metallic gathering lines where the MAOP produces a hoop stress of 20 percent or more of SMYS or non-metallic lines where the MAOP is more than 125 psig and located in a class 2, 3, or 4 location as defined in part § 192.5 shall follow the requirements of part 192 applicable to transmission pipelines, except the requirements in §192.150 and in subpart O of §192. However, an operator of a Type A gathering pipeline located in a class 2 location may demonstrate compliance with subpart N by describing the processes it uses to determine the qualifications of persons performing operation and maintenance tasks.

(bc) Type B regulated gathering lines: An operator of metallic gathering lines where the MAOP produces a hoop stress less than 20 percent of SMYS or non-metallic lines and the MAOP is at 125 psig or less, and located in a class 2, 3, or 4 location as determined by using one of three methods found in part § 192.8, must comply with the following requirements:

- (I) If a line is new, replaced, relocated, or otherwise changed, the design, installation, construction, initial inspection, and initial testing must be in accordance with requirements of part 192 applicable to transmission lines;
- (II) If the pipeline is metallic, control corrosion according to requirements of subpart I of part 192 applicable to transmission lines;
- (III) Carry out a damage prevention program under § 192.614;
- (IV) Establish a public education program under § 192.616;
- (V) Establish the MAOP of the line under § 192.619;
- (VI) Install and maintain line markers according to the requirements for transmission lines in § 192.707;

- (VII) Carry out a leakage control program according to § 192.723(b);
 - (VIII) At a minimum, prepare a Procedural Manual addressing the above maintenance and operations items, and;
 - (IX) Report any incident, or events as described in 4911(b), to Staff. Any hazardous leakage or conditions which may lead to a hazardous facility order shall be promptly repaired and documented.
- (e) (d) Type C gathering lines: An operator of gathering lines located in a class 1 location as defined in § 192.5 or type B gathering lines located in class 2 areas that the operator determines does not meet Area 2 dwelling density in §192.8, must comply with the following requirements:
- (I) Telephonically report any incident, or events as described in 4911(b) to Staff. Any hazardous leakage or conditions which may lead to an ~~hazardous facility order~~ immediate repair shall be promptly repaired and documented;
 - (II) Tier 1 Member at the Utility Notification Center of Colorado if the pipeline system is located in any public road or railroad right-of-way, and;
 - (III) Install and maintain pipeline markers at each crossing of a public road or railroad right-of-way, and labeled according to § 192.707(d).

4953. Procedural Updates.

As soon after the end of an incident, an emergency-immediate repair, a safety-related condition, or an abnormal operating condition as defined in 49 C.F.R. § 192.803 as possible, each operator shall investigate, and shall make applicable changes to the operator qualification program, and the written procedural manual(s) used for conducting operations, for maintenance, and for emergencies. At a minimum, the operator shall review (and update, if necessary) applicable plans or procedural manual(s) at intervals not exceeding 15 months, but at least once each calendar year.

4954. Amendment of Plans or Procedures.

- (a) If the Chief determines that an operator's plans or procedures required by rules 4900 through 4999 are inadequate to assure safe operation of a pipeline facility or a LNG facility, the Chief shall issue a notice of amendment to initiate a proceeding to determine whether the plans or procedures are inadequate. The notice of amendment shall:
 - (I) Provide an opportunity for a hearing pursuant to rule 4935.
 - (II) Specify the alleged inadequacies and the proposed action for revision of the plans or procedures.
 - (III) Allow the operator 30 days after receipt of the notice to submit written comments pursuant to rule 4935 or to request a hearing.

- (b) In determining the adequacy of an operator's plans or procedures, the Chief shall consider the following:
 - (I) Relevant available pipeline safety data.
 - (II) Whether the plans or procedures are appropriate for the particular type of pipeline transportation or facility and for the location of the facility.
 - (III) The reasonableness of the plans or procedures.
 - (IV) The extent to which the plans or procedures contribute to public safety.
- (c) Amendment of an operator's plans or procedures as prescribed in paragraph (a) of this rule is in addition to, and may be used in conjunction with, other enforcement action.

4955. – 4959. [Reserved].

Safety Standards for Liquefied Natural Gas Facilities

4960. Compliance.

An operator shall comply with the safety standards for liquefied natural gas facilities which are incorporated by reference in rule 4902(b).

4961. – 4969. [Reserved].

Drug and Alcohol Testing

4970. Compliance.

An operator shall comply with the drug and alcohol testing program which is incorporated by reference in rule 4902(c) applicable to 49 C.F.R. Part 192 pipeline systems.

4971. – ~~4975~~4974. [Reserved].

~~4975. [Emergency regulation expired 04/21/2010.]~~

* * *

[indicates omission of unaffected rules]

4977. – 4999. [Reserved].

GLOSSARY OF ACRONYMS.

CAAM –	Cost Allocation and Assignment Manual
CCR –	Colorado Code of Regulations
C.F.R. –	Code of Federal Regulations
CPCN -	Certificate of Public Convenience and Necessity
CRCP –	Colorado Rules of Civil Procedure
C.R.S. -	Colorado Revised Statutes
EAO –	Energy Assistance Organization
e-mail -	Electronic mail
FDC -	Fully Distributed Cost
FERC –	Federal Energy Regulatory Commission
GAAP -	Generally Accepted Accounting Principles
GCA –	Gas Cost Adjustment
GPP –	Gas Purchase Plan
GPR –	Gas Purchase Report
ITP –	Intrastate Transmission Pipeline
LDC –	Local Distribution Company
LNG –	Liquefied Natural Gas
MMO –	Master Meter Operator
NGA –	Natural Gas Act
OPS –	Office of Pipeline Safety (Federal DOT)
OCC -	Office of Consumer Counsel
<u>PHMSA -</u>	<u>Pipeline and Hazardous Materials Safety Administration</u>
P & P -	Practice and Procedure
SMYS –	Specified Minimum Yield Strength
UNCC –	Utility Notification Center of Colorado
U.S.C.-	United States Code
U.S. DOT –	United States Department of Transportation
USOA –	Uniform System of Accounts

Glossary of Gas Measurement Units:

Btu –	British Thermal Unit
MMBtu –	1,000,000 Btu (approximately one Mcf, depending on heat content of gas)
Dth –	Dekatherm or One MMBtu
Therm –	100,000 Btu (approximately one Ccf, depending on heat content of gas)
Scf -	Standard cubic feet
Ccf –	100 cubic feet (typically actual cf at meter, rather than Scf)
Mcf –	1,000 standard cubic feet
MMcf –	1,000,000 standard cubic feet
Bcf –	1,000,000,000 standard cubic feet
MMcfd –	One MMcf per day

[This page intentionally left blank]

COLORADO DEPARTMENT OF REGULATORY AGENCIES

Public Utilities Commission

4 CODE OF COLORADO REGULATIONS (CCR) 723-4

PART 4

RULES REGULATING GAS UTILITIES AND PIPELINE OPERATORS

BASIS, PURPOSE, AND STATUTORY AUTHORITY.	2
GAS PIPELINE SAFETY	3
General Provisions	3
4900. Scope and Applicability.	3
4901. Definitions.	3
4902. Incorporation by Reference.	7
4903. Conflict.	7
4904. Interpretation.....	7
4905. Special Permit.....	8
4906. Alert Notices.	10
4907. – 4909. [Reserved].....	10
Filing Incident, Safety-Related Condition, Major Project, Damage and Locate Summary , and Annual Reports	10
4910. Submission of Reports.	10
4911. Telephonic Reports.....	10
4912. Written Reports by Operators of Distribution Systems.....	11
4913. Written Reports by Operators of Transmission and Gathering Systems.	12
4914. Reports of Safety-Related Conditions.	12
4915. Reporting of Pipeline Damage and of Locate Information.	14
4916. Filing Notices of Major Project.....	16
4917. – 4929. [Reserved].....	16
Procedure For Enforcement.....	16
4930. Service.....	16
4931. Subpoenas.....	16
4932. Inspections and Testing.....	17

Safety Standards for Gas Transportation by Pipeline and Gas Pipeline Systems	17
4950. Compliance.....	17
4951. Conversion to Service.....	17
4952. Gathering Pipeline.	18
4953. Procedural Updates.	19
4954. Amendment of Plans or Procedures.....	19
4955. – 4959. [Reserved].....	20
Safety Standards for Liquefied Natural Gas Facilities	20
4960. Compliance.....	20
4961. – 4969. [Reserved].....	20
Drug and Alcohol Testing.....	20
4970. Compliance.....	20
4971. – 4975. [Reserved].....	20
4977. – 4999. [Reserved].....	20
GLOSSARY OF ACRONYMS.....	20
Glossary of Gas Measurement Units:	21

BASIS, PURPOSE, AND STATUTORY AUTHORITY.

The basis and purpose of these rules is to set forth rules describing the service to be provided by jurisdictional gas utilities and master meter operators to their customers and describing the manner of regulation over jurisdictional gas utilities, master meter operators, and the services they provide. These rules address a wide variety of subject areas including, but not limited to, service interruption, meter testing and accuracy, safety, customer information, customer deposits, rate schedules and tariffs, discontinuance of service, master meter operations, transportation service, flexible regulation, procedures for administering the Low-Income Energy Assistance Act, cost allocation between regulated and unregulated operations, recovery of gas costs, and appeals regarding local government land use decisions. The statutory authority for these rules can be found at §§ 29-20-108, 40-1-103.5, 40-2-108, 40-2-115, 40-3-102, 40-3-103, 40-3-104.3, 40-3-111, 40-3-114, 40-3-101, 40-4-101, 40-4-106, 40-4-108, 40-4-109, 40-5-103, 40-7-117, and 40-8.7-105(5), C.R.S.

* * *

[indicates omission of unaffected rules]

GAS PIPELINE SAFETY

General Provisions

4900. Scope and Applicability.

- (a) The gas pipeline safety rules prescribe requirements for construction, operation, and maintenance of pipeline facilities, and for reporting by operators. Pursuant to these rules, the Commission conducts its pipeline safety program activities under 49 U.S.C. § 60105 and § 40-2-101, C.R.S. The statutory authority permitting the Commission to enter into cooperative agreements with federal agencies, to adopt and to create rules to administer and to enforce 49 U.S.C. §§ 60101, et seq., can be found at §§ 40-2-115 and 40-7-117, C.R.S.
- (b) Rules 4900 through ~~4999~~ 4970 apply to, establish, and govern the:
 - (I) Reporting by operators of gas pipeline systems of incidents, gas related events, safety-related conditions, damage statistics, notice of major projects, and annual pipeline summary data. [rules 4910 through 4929].
 - (II) Enforcement by Staff of the Rules Regulating Gas Pipeline Safety [rules 4930 through 4949].
 - (III) Adoption of minimum safety standards for transportation of natural gas and other gas by pipeline, specific requirements for rural gathering, procedural updates, and amendment of plans or procedures, [rules 4950 through 4959].
 - (IV) Adoption of minimum safety standards for liquefied natural gas facilities [rules 4960 through 4969].
 - (V) Adoption and enforcement of a drug and alcohol-testing program [rules 4970 through 4999].
- (c) Nothing in these rules shall be construed to exempt interstate or gathering pipeline operators from complying with § 9-1.5-105, C.R.S.

4901. Definitions.

The following definitions apply to rules 4900 through 4999, except where a specific statute or rule provides otherwise or where the context otherwise indicates. In the event of a conflict between these definitions and a statutory definition, the statutory definition shall apply.

- (a) "Chief" means the program manager of the Gas Pipeline Safety Section of the Commission.
- (b) "Damage," when used in reference to a pipeline, means the penetration or destruction of any protective coating of an underground pipeline, the partial or complete severance of an underground pipeline, or the denting or puncturing of an underground pipeline.
- (c) "Damage prevention program" means an operator's written program to prevent damage to a pipeline by excavation, as defined in 49 C.F.R. § 192.614.

- (d) "Direct sales meter" means a meter that measures the transfer of gas to a direct sales customer purchasing gas for its own consumption.
- (e) "Direct sales pipeline" means a pipeline not under the jurisdiction of the Federal Energy Regulatory Commission and which runs from an intrastate or interstate transmission pipeline, a production facility, or a gathering pipeline to a direct sales meter ~~or to the direct sales customer's property line, pressure regulator, or emergency valve,~~ whichever is the furthest downstream.
- (f) "Distribution pipeline" means a pipeline other than a transmission pipeline or a gathering pipeline.
- ~~(g) "Emergency repair" means a pipeline repair requiring immediate action where either: (I) The pipeline is a transmission pipeline and the MAOP produces a hoop stress at or above 20 percent SMYS, or (II) The pipeline is a gathering pipeline that operates at or above 125 psig.~~
- ~~(h)~~ (g) "Excavation" means the moving or removing of earth by means of any tools, equipment, or explosives and includes (without limitation) auguring, boring, backfilling, ditching, drilling, grading, plowing-in, pulling-in, ripping, scraping, trenching, or tunneling.
- ~~(i)~~ (h) "Gas" means natural gas, flammable gas, toxic or corrosive gas, and petroleum gas.
- ~~(j)~~ (i) "Gathering pipeline" means a pipeline that transports gas from a current production facility to a transmission pipeline or main.
- ~~(k)~~ (j) "Hazardous facility" means a pipeline facility that, if allowed to go into operation or to remain in operation, would be hazardous to life and property.
- ~~(l)~~ (k) "Immediate repair" means a pipeline repair requiring immediate or emergency action where either: (I) the pipeline is a transmission pipeline and the MAOP produces a hoop stress at or above 20 percent SMYS, or (II) the pipeline is a gathering pipeline that operates at or above 125 psig.
- (l) "Incident" means a release of gas from a pipeline, or a release of liquefied natural gas or gas from ~~a~~ LNG facility, which results in any of the following:
- (I) Death or personal injury necessitating in-patient hospitalization.
- (II) Estimated property damage of \$50,000 or more, including loss to the operator and others, or both, but excluding cost of gas lost~~the cost of gas lost to the operator or others, or both, of \$50,000 or more.~~
- (III) An event that results in an emergency shutdown of ~~a~~ LNG facility.
- (IV) An unintentional event resulting in an estimated gas loss of three million cubic feet or more.
- ~~(V)~~ (V) An event that is significant, in the judgment of the operator, even though it does not meet the criteria of subparagraphs (I), (II), or (IV) of this paragraph.

- (m) "Liquefied Natural Gas" or "LNG" means natural gas or synthetic gas which has methane (CH₄) as its major constituent and which has been changed to a liquid.
- (n) "LNG facility" means a pipeline facility that is used for liquefying natural gas or synthetic gas or for transferring, storing, or vaporizing liquefied natural gas.
- (o) "Main" means a distribution line that serves, or is designed to serve, as a common source of supply for more than one service line.
- (p) "Major project" means the construction of any new pipeline facility, the repair, ~~integrity assessment~~, or upgrade of a pipeline segment, that originally is estimated to cost ~~one million five hundred thousand~~ dollars or more. As used in this rule, cost includes only the direct costs associated with the construction, repair, ~~integrity assessment~~, or upgrade.
- (q) "Master meter system" means a pipeline system for distributing gas within a definable area (for example, a mobile home park) where the operator or owner purchases gas from an outside source for delivery through a pipeline system to an end user.
- (r) "Municipality" means a city, town, or village in the State of Colorado.
- (s) "Natural Gas Pipeline Act" means the federal statute found at 49 U.S.C. §§ 60101, et seq., as amended.
- (t) "Operator" means a person who is engaged in the transportation of gas, or who has the right to bury underground pipeline, or who is both engaged in the transportation of gas and has the right to bury underground pipeline. "Operator" also may include an owner, such as a pipeline corporation.
- (u) "OPS" means the Office of Pipeline Safety, a unit of the Pipeline and Hazardous Materials Safety Administration (PHMSA) of the United States Department of Transportation.
- (v) "Person" means an individual, firm, joint venture, partnership, corporation, association, municipality, cooperative association, or joint stock association, and includes any trustee, receiver, assignee, or personal representative thereof.
- (w) "Pipeline" or "pipeline system" means all parts of those physical intrastate facilities through which gas moves in transportation, including, but not limited to, pipes, valves, and other appurtenances attached to pipes, compressor units, metering stations, regulator stations, delivery stations, holders, and fabricated assemblies.
- (x) "Pipeline facility" means new and existing intrastate pipelines, rights-of-way, and any equipment, facility, or building used in the transportation of gas or in the treatment of gas during the course of transportation.

- (y) "Production facility" means flowline and associated equipment used at a wellsite in producing, extracting, recovering, lifting, stabilizing, initial separating, and/or treating, initial dehydrating, disposal, and above ground storing of liquid hydrocarbons, associated liquids, and associated natural hydrocarbon gases. A production facility may include flowlines up to a central delivery point directly associated with a specific producing field. To be a production facility under this definition, a flowline must be used in the process of extracting hydrocarbons and associated liquids from the ground or from facilities where hydrocarbons are produced or must be used for disposal or injection in reservoir maintenance or recovery operations.
- (z) "Propane gas system" means a pipeline system serving ten or more structures from a single tank.
- (aa) "Roadway" means a main public artery, highway, or interstate highway.
- (bb) "Service line" means a distribution line that transports gas, or is designed to transport gas, from a common source of supply to an individual customer, to two adjacent or adjoining residential or small commercial customers, or to multiple residential or small commercial customers served through a single meter header or manifold. A service line ends at the outlet of the customer meter or at the connection to a customer's piping, whichever is furthest downstream, or at the connection to customer piping if there is no meter.
- (cc) "Service regulator" means the device on a service line that controls the pressure of gas delivered from a higher pressure to the pressure provided to the customer. A service regulator may serve one customer or multiple customers through a meter header or manifold.
- (dd) "Specified Minimum Yield Strength" or "SMYS" means:
 - (I) For steel pipe manufactured in accordance with a listed specification, the yield strength specified as a minimum in that specification.
 - (II) For steel pipe manufactured in accordance with an unknown or unlisted specification, the yield strength determined in accordance with 49 C.F.R. § 192.107(b).
- (ee) "Staff" means the Staff of the Gas Pipeline Safety Section of the Commission.
- (ff) "Transmission pipeline" means a pipeline, other than a gathering pipeline or distribution pipeline, that does one of the following:
 - (I) Transports gas from a gathering pipeline or storage facility to a distribution center, or storage facility.
 - (II) Operates at a hoop stress of 20 percent or more of SMYS.
 - (III) Transports gas within a storage field.
 - (IV) Is a direct sales pipeline serving a large volume customer not downstream of a distribution center, which may include, but not be limited to, factories and power plants.

- (gg) "Transportation of gas" means the gathering, transmission, distribution, or storage of gas within the State of Colorado that is not subject to the jurisdiction of the Federal Energy Regulatory Commission under the Natural Gas Act.

4902. Incorporation by Reference.

- (a) The Commission adopts by reference the minimum federal safety standards for the transportation of natural gas and other gas by pipeline of the OPS that are published in 49 C.F.R. Part 192 (October 1, 20~~1007~~). This incorporation by reference does not include later amendments to, or editions of, 49 C.F.R. Part 192.
- (b) The Commission adopts by reference the federal safety standards for liquefied natural gas facilities of the OPS that are published in 49 C.F.R. Part 193 (October 1, 20~~1007~~). This incorporation by reference does not include later amendments to, or editions of, 49 C.F.R. Part 193.
- (c) The Commission hereby adopts by reference the drug and alcohol testing program of the OPS published in 49 C.F.R. Parts 40 and 199 (October 1, 20~~1007~~). This incorporation by reference does not include later amendments to, or editions of, 49 C.F.R. Parts 40 and 199.
- (d) Any material incorporated by reference in this rule may be examined at the offices of the Commission, 1560 Broadway, Suite 250, Denver, Colorado 80202, during normal business hours, Monday through Friday, except when such days are state holidays. Certified copies of the incorporated standards shall be provided at cost upon request. The Director or the Director's designee will provide information regarding how the incorporated standards may be examined at any state public depository library.

4903. Conflict.

In the event of a conflict between the provisions of 49 C.F.R. Parts 40, 192, 193, or 199 and the rules 4900 through 4999 regarding the administrative, the enforcement, and the reporting requirements, the rules 4900 through 4999 shall apply.

4904. Interpretation.

- (a) An operator may request a regulatory interpretation of any of these rules by submitting a written request to the Chief. The requestor shall include his or her return address and the specific application and rule reference with the request.
- (b) After a request for interpretation is received, the Chief will notify the requestor of the disposition of the request and if additional information is required.
- (c) If the request is consistent with the state pipeline safety program and is justified, the Chief will provide the Federal Administrator for Pipeline Safety a written recommendation with terms and conditions as are appropriate.
- (d) The interpretation is effective upon approval by the Federal Administrator for Pipeline Safety or, no action is taken by the Federal Administrator for Pipeline Safety, 60 days after the receipt of the recommendations from the Chief.

4905. ~~Waiver~~Special Permit.

- (a) The Commission may grant a request for a special permit authorizing a variance from ~~waiver of~~ any of these rules in accordance with ~~§ 40-2-115, C.R.S.,~~ 49 U.S.C. § 60118(d), and the Commission's Rules Regulating of Practice and Procedure.
- (b) Under § 40-2-115, C.R.S. and 49 U.S.C. § 60118(~~ed~~) the ~~Public Utilities~~ Commission has the authority to grant special permits in emergency situations. An emergency special permit will be granted if it is in the public interest, is not inconsistent with pipeline safety, and is necessary to address an actual or impending emergency involving pipeline transportation, including an emergency caused by a natural or manmade disaster. An emergency pipeline special permit is an order by which the Commission may temporarily modify compliance with state pipeline regulations for affected pipeline owners or operators and the Commission may waive compliance with a safety regulation if, after receiving notice, the OPS concurs in the action.
 - (~~e~~i) The Commission will determine on a case-by-case basis what duration is necessary to address the emergency. However, as required by statute, no emergency special permit may be issued for a period of more than 60 days. Each emergency special permit will automatically expire on the date stated on the permit.
 - (~~d~~ii) Each request should include the following information:
 - (~~i~~A) Name of requestor and indication of whether requestor is an owner or operator;
 - (~~ii~~B) Duration of the emergency special permit;
 - (~~iii~~C) Specific regulations from which the owner or operator seeks relief;
 - (~~iv~~D) An explanation of the actual or impending emergency;
 - (~~v~~E) Specific reasons the special permit is necessary (e.g., lack of accessibility, damaged equipment, gas supply or temporary by-pass);
 - (~~v~~F) A description of the pipeline for which special permit is sought, including:
 - (~~A~~i) the mileage or footage of pipeline to be covered and the ~~c~~Counties in which it is located;
 - (~~B~~ii) the year the pipeline was installed;
 - (~~C~~iii) all pipeline facilities such as pump and compressor stations that this permit will affect, and;
 - (~~D~~iv) the material, thickness, diameter and operating pressure of the pipeline.
 - (~~vii~~G) A statement indicating whether and how operating the pipeline pursuant to an emergency special permit is in the public interest (e.g., continuity of service, service restoration);

- (~~VIII~~) Proposed alternatives to compliance with the regulation (e.g., additional inspections and tests, shortened reassessment intervals);
- (~~IX~~) Measures to be taken after the emergency situation or permit expires-whichever comes first--to confirm long-term operational reliability of the facility, and;
- (~~X~~) A certification that operation of the owner or operator's pipeline under the requested emergency special permit would not be inconsistent with pipeline safety.

(c) An operator may propose to deviate from the standards adopted by reference to part 192 and alter the frequency of periodic inspections and tests on the basis of an engineering analysis and risk assessment.

(I) An alternative frequency of inspections and tests required under part 192 will be granted if it is not inconsistent with pipeline safety. For intrastate facilities, an operator must submit its proposal to the Chief at least 120 days before the requested effective date. After receiving notice, the Chief will confer with the OPS on the action requested by the operator. The Chief may accept the proposal, with or without conditions and limitations, on a showing that the operator's proposal, which includes the adjusted interval, will provide an equal or greater overall level of safety.

(II) An operator may implement an approved reduction in the frequency of a periodic inspection or test only where the operator has developed and implemented an integrity management program that provides an equal or improved overall level of safety despite the reduced frequency of periodic inspections.

(III) Each request must include the following information:

(A) Name of the owner or operator;

(B) Duration of the deviation proposal;

(C) Specific regulations from which the owner or operator seeks relief;

(D) A description of the pipeline for which the deviation is sought, including:

(i) the mileage or footage of pipeline to be covered and the counties in which it is located;

(ii) the year the pipeline was installed;

(iii) all pipeline facilities that this request will affect, and;

(iv) the material, thickness, diameter and operating pressure of the pipeline.

(E) Proposed alternatives to compliance with the regulation (e.g., additional inspections and tests, shortened reassessment intervals); and

~~(F) A certification that operation of the owner or operator's pipeline under the requested alternative frequency of periodic inspections and tests would not be inconsistent with pipeline safety.~~

~~(d) Grants and denials. If the Chief determines that the permit to deviate complies with the requirements of this rule and that the deviation from the regulation or standard is not inconsistent with pipeline safety, the Chief may grant the request, in whole or in part, on a temporary or permanent basis. Conditions may be imposed on the request if the Chief concludes that they are necessary to assure safety, or are otherwise in the public interest. If the Chief determines that the application does not comply with the requirements of this rule or that a deviation is not justified, the request for deviation will be denied. Whenever the Chief grants or denies a request for deviation, the notice of the decision will be provided to the applicant. All special permits will be posted on the PUC website at <http://www.dora.state.co.us/puc/pipesafetymain.htm>.~~

4906. Alert ~~Notices~~Bulletins.

An alert or advisory ~~notice~~bulletin may be disseminated to an operator based on recommendations from the National Transportation Safety Board, the OPS, or as a result of a situation which may pose a threat to pipeline systems or the public. After receiving information concerning an alert or advisory ~~notice~~bulletin, an operator shall take appropriate action to review and to revise its design, installation, and/or its operating and maintenance procedures.

4907. – 4909. [Reserved].

Filing Incident, Safety-Related Condition, ~~Construction~~Major Project, Damage and Locate Summary, and Annual Reports

4910. ~~Written Submission of~~ Reports.

- (a) ~~Written~~An operator must submit reports required by these rules, except notices of major projects, and of pipeline damage and locate summary information~~reports, electronically to the OPS at <http://opsweb.phmsa.dot.gov> shall be filed with the Information Resources Manager, OPS.~~
- (b) A copy of each report ~~filed with the Information Resources Manager, submitted to the~~ OPS shall be furnished via U.S. mail, ~~or~~ emailed to the gas pipeline safety contact found on the Commission's PUC Pipeline Safety Web-site in a .pdf searchable document, or by a facsimile to (303) 894-2065. In lieu of sending a copy of an OPS report, operators may supply operator identification number and PIN number information to permit Staff access to the OPS reporting site.
- ~~(c) Copies of the prescribed reporting forms are available, without charge, upon request. Additional copies may be reproduced and used if on the same size and kind of paper.~~

4911. Telephonic Reports.

- (a) As soon as possible after discovery, but generally not to exceed two hours after discovery, an operator ~~shall~~must telephonically report any incident to the Staff at (303) 894-2854 and to the National Response Center of the U.S. Department of Transportation at (800) 424-8802 or electronically at <http://www.nrc.uscg.mil>.

- (b) The operator of a pipeline, including a gathering pipeline in a class 1, 2, 3, or 4 area ~~operating at or above 125 psig~~, of a LNG system, of a master meter system, or of a propane system, ~~shall~~ must telephonically report to the Staff at (303) 894-2854, within two hours after discovery, any of the following events:
- (I) An ~~emergency repair~~ immediate repair, as defined in paragraph 4901(~~gk~~).
 - (II) A gas leak ~~which that~~ occurs on ~~a the~~ pipeline, the LNG system, the master meter system, or the propane system and ~~which that~~ results in the evacuation of 50 or more people from a normally occupied building or property.
 - (III) A gas leak ~~which that~~ occurs on the pipeline, the LNG system, the master meter system, or the propane system and ~~which that~~ results in the closure of a roadway or railroad.
- (c) A telephonic report made pursuant to paragraphs (a) or (b) of this rule ~~shall~~ must include the following information:
- (I) The name and telephone number of the operator and the contact.
 - (II) The location of the incident or event.
 - (III) The date and time of the ~~beginning of the~~ incident or event.
 - ~~(IV) — The date and time of the ending of the incident or event, if appropriate.~~
 - ~~(V) — The date and time of the discovery of the incident or event.~~
 - ~~(VI)~~ The number of fatalities and personal injuries, if any.
 - ~~(VII)~~ All other significant facts that are known by the person making the report that are relevant to the cause of the incident or event and the extent of the damage.
 - ~~(VIII)~~ The National Response Center control number, if known.

4912. Written Reports by Operators of Distribution Systems.

- (a) Except as provided in paragraph (c) of this rule, an operator of a distribution pipeline system ~~shall file must submit OPS Form PHMSA F 7100.1 Incident Report: Gas Distribution System an incident report on a current U.S. DOT Form PHMSA F 7100.1 with the agencies listed in the manner required by in~~ rule 4910 as soon as possible after the ~~discovery detection~~ of an incident, but not later than 30 days after ~~discovery detection~~.
- (b) After ~~filing submitting~~ an incident report pursuant to paragraph (a) of this rule, an operator ~~shall must file submit~~ a supplemental report ~~with the agencies listed in in the manner required by~~ rule 4910 if the operator obtains additional, relevant information. The operator ~~shall must file submit~~ the supplemental report as soon as possible, but not more than 60 days after obtaining the additional information. ~~The supplemental report shall reference the original report by date and subject.~~

- (c) An operator of a master meter system or a propane gas system is not required to file an incident report.
- (d) Except as provided in paragraph (e) of this rule, an operator of a distribution pipeline system ~~shall~~ must file-submit an annual report for its intrastate pipeline system on OPS Form PHMSA F 7100.1-1 Distribution system: Annual Report on a current U.S. DOT Form PHMSA F 7100.1-1 with the agencies listed in in the manner required by rule 4910. This report shall be filed submitted annually by March 15 for the preceding calendar year.
- (e) An operator of a propane gas system which serves fewer than 100 customers from a single source, a master meter system, or a LNG facility is not required to ~~file-submit~~ an annual report.

4913. Written Reports by Operators of Transmission and Gathering Systems.

- (a) An operator of a transmission pipeline system or an OPS regulated type A ~~or Type B~~ gathering pipeline ~~system segment~~ as defined in 49 C.F.R Part 192 ~~shall file-must submit OPS Form PHMSA F 7100.2 Transmission and Gathering system: Incident Report an incident report on a current U.S. DOT Form PHMSA F 7100.2 with the agencies listed in in the manner required by~~ rule 4910 as soon as possible after the discovery-detection of an incident, but not later than 30 days after ~~discovery detection~~.
- (b) After ~~filing-submitting~~ an incident report pursuant to paragraph (a) of this rule, an operator ~~shall~~ must file-submit a supplemental report ~~with the agencies listed in in the manner required by~~ rule 4910 if the operator obtains additional, relevant information. The operator shall ~~file-submit~~ the supplemental report as soon as possible, but not more than 60 days after obtaining the additional information. The supplemental report shall reference the original report by date and subject.
- (c) An operator of a transmission pipeline system or an OPS regulated type A or type B gathering pipeline ~~segment(s) system~~ as defined in 49 C.F.R Part 192 ~~shall file-must submit OPS Form PHMSA F 7100.2.1 Transmission and Gathering system: Annual Report information an annual report for intrastate pipeline on a current U.S. DOT Form PHMSA 7100.2-1 with the agencies listed in in the manner required by~~ rule 4910. This report shall be filed submitted annually by March 15 for the preceding calendar year.

~~4914. Filing of Separate Reports.~~

- ~~(a) An operator which is primarily engaged in gas distribution and which also operates a gas transmission pipeline system or a regulated gathering pipeline system as defined in 49 C.F.R. Part 192 shall file separate reports for each pipeline system.~~
- ~~(b) An operator which is primarily engaged in gas transmission or regulated gathering pipeline system as defined in 49 C.F.R. Part 192 and which also operates a gas distribution pipeline system shall file separate reports for each pipeline system.~~

4915. Reports of Safety-Related Conditions.

- (a) Except as provided in paragraph (d) of this rule, an operator ~~shall-must file-submit~~ a written safety-related condition report in the manner required by rule 4910 on the existence of any of the following safety-related conditions with respect to a regulated pipeline in service:

- (I) In the case of a pipeline that operates at a hoop stress of 20 percent or more of its SMYS, (a) general corrosion that has reduced the wall thickness to less than that required for the maximum allowable operating pressure and (b) localized corrosion pitting to a degree where leakage might result.
 - (II) Unintended movement or abnormal loading by naturally-occurring environmental causes (for example, earthquakes, landslides, or floods) that impairs the serviceability or integrity of a pipeline.
 - (III) Any crack or other material defect that impairs the structural integrity or reliability of a LNG facility that contains, controls, or processes gas or LNG.
 - (IV) Any material defect or physical damage that impairs the serviceability of a pipeline that operates at a hoop stress of 20 percent or more of its SMYS.
 - (V) Any malfunction or operating error that causes the pressure of a pipeline or LNG facility that contains or processes gas or LNG to rise above its maximum allowable operating pressure (or working pressure for LNG facilities) plus the build-up allowed for operation of pressure limiting or control devices.
 - (VI) A leak in a pipeline or LNG facility that contains or processes gas or LNG that constitutes an emergency.
 - (VII) Inner tank leakage, ineffective insulation, or frost heave that impairs the structural integrity of a LNG storage tank.
 - (VIII) Any safety-related condition that could lead to an imminent hazard and that causes (either directly or indirectly by remedial action of the operator), for purposes other than abandonment, a 20 percent or more reduction in operating pressure or shutdown of operation of a pipeline or a LNG facility that contains or processes gas or LNG.
- (b) A ~~written~~ report of a safety-related condition ~~shall must be filed submitted with the Associate Administrator, Office of Pipeline Safety in the manner required by rule 4910,~~ within five business days (not including Saturday, Sunday, or federal or State holidays) after the day on which the operator or its representative first determines that a safety-related condition exists. The report shall not be ~~filed submitted~~ later than ten business days after the day an operator or its representative discovers the condition. Separate conditions may be reported in a single report if they are closely related. ~~On the same day that the report is filed with the Associate Administrator, Office of Pipeline Safety, the operator shall provide to Staff a copy of the report filed with the Associate Administrator, Office of Pipeline Safety. Reports may be filed with the U.S. DOT and the Staff by facsimile.~~
- (c) The ~~written~~ report shall be headed "Safety-Related Condition Report" and ~~shall must~~ provide the following information:
- (I) Name and principal address of operator.
 - (II) Date of report.

- (III) Name, job title, and business telephone number of the person submitting the report.
 - (IV) Name, job title, and business telephone number of the person who determined that the condition exists.
 - (V) Date the condition was discovered and, if different, date condition was first determined to exist.
 - (VI) Location of the condition. This requires identification of the town, city, or county in which the condition exists and, as appropriate, the nearest street address, milepost, or landmark; and the name of pipeline.
 - (VII) Description of the condition, of the circumstances leading to its discovery, of any significant effects the condition has on safety, and of the type of gas transported or stored.
 - (VIII) Description of the corrective action taken (including reduction of pressure or shutdown) before the report was submitted.
 - (IX) Description of any planned future follow-up or corrective action, including the anticipated schedule for starting and concluding such action.
- (d) A written report need not be made for any safety-related condition that:
- (I) Exists on a regulated gathering system as defined by 49 C.F.R. Part 192 and where a MAOP produces a hoop stress less than 20 percent of SMYS, a master meter system, a propane gas system, or a customer-owned service line.
 - (II) Is an event or results in an event which occurs before a permanent repair or replacement pertaining to an already-reported incident can be completed.
 - (III) Exists on a pipeline (other than a LNG pipeline) that is more than 220 yards from any building intended for human occupancy or outdoor place of assembly, except that reports are required for conditions within the right-of-way of an active railroad or roadway.
 - (IV) Is corrected by permanent repair or replacement in accordance with applicable safety standards within five business days of the day on which the operator first determines that the condition exists, but not later than ten business days after an operator or its representative discovers the condition. This subparagraph does not apply to localized corrosion pitting on an effectively coated and cathodically protected pipeline.

49156. Reporting of Pipeline Damage and of Locate Information.

- (a) An operator of a local distribution company ~~or municipal operated system serving greater than 50,000 customers shall must~~ file with the Commission information concerning ~~general known~~ pipeline damage and ~~general~~ pipeline locate information annually, by March 15. This report applies to damage to underground pipelines, excluding any damage to electrically conductive tracer wire.

(b) Each report shall include the following pipeline information:

- (I) Total number of facility locates transmitted from the Utility Notification Center of Colorado (UNCC);
- (II) Total number of excavation related damages to mains;
- (III) Total number of excavation related damages to services;
- (IV) Total number of excavation related damages to transmission pipelines;
- (V) Total number of excavation damage due to excavation practice being insufficient;
- (VI) Total number of excavation damage due to operator locator practice being insufficient;
- (VII) Total number of excavation damage due to contract locator practice being insufficient;
- (VIII) Total number of excavation damage due to no facility locate requested; and
- (IX) Total number of excavation damage due to other reasons. A root cause explanation must be included with each reported damage under this category.

~~(b) The specific damage information shall contain, at a minimum, the following:~~

- ~~(I) The location of the damaged pipeline by city and county.~~
- ~~(II) The type of facility locate request (normal or emergency); the date of facility locate request; the date the facility was located; the date the facility was relocated, if applicable; the date the facility damage occurred, if known.~~
- ~~(III) The name of the excavation company and the type of equipment causing the damage (for example, track hoe, backhoe, trencher, directional bore, shovel). If a homeowner caused the damage, the term "homeowner" will suffice for excavation company name.~~
- ~~(IV) The reason for the excavation (for example, communications, sewer, water, electric, ditch maintenance, road maintenance, pipeline, landscaping, homeowner).~~
- ~~(V) The type of pipeline damaged (service, main, or transmission).~~
- ~~(VI) The damage resulting from locator error or excavator error, if applicable.~~

(c) Pipeline operators are required to be Tier 1 members and report underground facility damages to the Utility Notification Center of Colorado (UNCC-Colorado 811) "Colorado Damage Reporting Tool DIRT" at <https://www.damagereporting.org/uncc>.

(d) Additional specific damage information may be requested under paragraph 4932(c).

~~(e) The report of general facility locate information shall contain the following:-~~

~~(I) The number of monthly facility locate requests.~~

~~(II) The number of monthly facility locates performed by the operator.~~

~~(III) The number of monthly facility locates performed by the operator's contract facility locator.~~

491~~67~~. Filing Notices of Major Project.

- (a) Written notice of a major project ~~shall~~ must be submitted to the Staff not later than 20 business days prior to the scheduled commencement date of the project, if practicable.
- (b) The notice shall contain the following information:
 - (I) The type of construction or repair.
 - (II) The date of commencement.
 - (III) The estimated period of construction or repair.
 - (IV) Pipeline design specifications, and The test medium (for example, gas, inert gas, water).
 - (V) The location of the construction or repair.
 - (VI) The estimated cost of the construction or repair project.

491~~78~~. – 4929. [Reserved].

Procedure For Enforcement

4930. Service.

- (a) An order, notice, complaint or other document required to be served under these rules shall be served personally or by registered or certified mail.
- (b) Service upon an operator's authorized representative or agent constitutes service upon that operator.
- (c) Service by registered or certified mail is complete upon mailing. An official U.S. Postal Service receipt evidencing a registered or certified mailing constitutes prima facie evidence of service.

4931. Subpoenas.

- (a) The Commission, an Administrative Law Judge, or the Director may issue a subpoena in accordance with rule 1406.
- (b) Rule 45 of the Colorado Rules of Civil Procedure, except as provided in rule 1406 and §§ 40-6-102 and 103, C.R.S., shall govern a subpoena issued under this rule.

- (c) A subpoena issued under this rule may be enforced in the district court, as provided by § 40-6-103(2), C.R.S.

4932. Inspections and Testing.

- (a) ~~Upon presentation of Commission credentials, Staff As~~ authorized by the Chief, ~~Staff are authorized to may~~ enter upon, to inspect, and to examine, at reasonable times, an operator's ~~records, right of way or easement, new and existing piping, valves, and other above ground appurtenances attached to pipes, pipeline facility,~~ or, upon request of the OPS, ~~an~~ interstate pipeline to determine compliance with 49 U.S.C. §§ 60101 et seq., with these rules, with Commission orders, or with orders issued pursuant to these rules. ~~If requested, Staff shall present Commission credentials at the time of the inspection.~~
- (b) Staff may require testing of an operator's pipeline. Staff shall make every effort to negotiate with the operator of the pipeline a mutually-acceptable testing plan before performing such tests.
- (c) If information is needed, the Chief may send the operator a request for specific information to be answered within 45 days after receipt of the request.
- (d) When information obtained from an inspection, testing, a request for specific information, or other sources indicates that enforcement action is warranted, the Chief may do one of the following:
- (I) Serve on the operator a Warning Letter pursuant to rule 4933 or a Notice of Probable Violation pursuant to rule 4934.
 - (II) File a formal complaint with the Commission requesting a Hazardous Facilities Order pursuant to rule 4940.

* * *

[indicates omission of unaffected rules]

Safety Standards for Gas Transportation by Pipeline and Gas Pipeline Systems

4950. Compliance.

An operator shall comply with these rules and the minimum safety standards for the transportation of natural gas and other gas by pipeline which are incorporated by reference in rule 4902(a).

4951. Conversion to Service.

A pipeline previously used in service not subject to 49 C.F.R. Part 192 qualifies for service subject to 49 C.F.R. Part 192 if the operator prepares and follows a written procedure addressing the requirements of

49 C.F.R. § 192.14. The operator shall make its written procedures and applicable records available to Staff upon request.

4952. Gathering Pipeline.

- (a) In addition to 49 C.F.R. § 192.9, ~~effective April 14, 2006, all gathering pipeline operators must report underground facility damages to the Utility Notification Center of Colorado (UNCC-Colorado 811) "Colorado Damage Reporting Tool DIRT" at <https://www.damagereporting.org/uncc>.~~
- (ab) Type A regulated gathering lines: An operator of metallic gathering lines where the MAOP produces a hoop stress of 20 percent or more of SMYS or non-metallic lines where the MAOP is more than 125 psig and located in a class 2, 3, or 4 location as defined in part § 192.5 shall follow the requirements of part 192 applicable to transmission pipelines, except the requirements in §192.150 and in subpart O of §192. However, an operator of a Type A gathering pipeline located in a class 2 location may demonstrate compliance with subpart N by describing the processes it uses to determine the qualifications of persons performing operation and maintenance tasks.
- (bc) Type B regulated gathering lines: An operator of metallic gathering lines where the MAOP produces a hoop stress less than 20 percent of SMYS or non-metallic lines and the MAOP is at 125 psig or less, and located in a class 2, 3, or 4 location as determined by using one of three methods found in part § 192.8, must comply with the following requirements:

 - (I) If a line is new, replaced, relocated, or otherwise changed, the design, installation, construction, initial inspection, and initial testing must be in accordance with requirements of part 192 applicable to transmission lines;
 - (II) If the pipeline is metallic, control corrosion according to requirements of subpart I of part 192 applicable to transmission lines;
 - (III) Carry out a damage prevention program under § 192.614;
 - (IV) Establish a public education program under § 192.616;
 - (V) Establish the MAOP of the line under § 192.619;
 - (VI) Install and maintain line markers according to the requirements for transmission lines in § 192.707;
 - (VII) Carry out a leakage control program according to § 192.723(b);
 - (VIII) At a minimum, prepare a Procedural Manual addressing the above maintenance and operations items, and;
 - (IX) Report any incident, or events as described in 4911(b), to Staff. Any hazardous leakage or conditions which may lead to a hazardous facility order shall be promptly repaired and documented.

- (e) (d) Type C gathering lines: An operator of gathering lines located in a class 1 location as defined in § 192.5 or type B gathering lines located in class 2 areas that the operator determines does not meet Area 2 dwelling density in §192.8, must comply with the following requirements:
- (I) Telephonically report any incident, or events as described in 4911(b) to Staff. Any hazardous leakage or conditions which may lead to an ~~an hazardous facility order immediate repair~~ shall be promptly repaired and documented;
 - (II) Tier 1 Member at the Utility Notification Center of Colorado if the pipeline system is located in any public road or railroad right-of-way, and;
 - (III) Install and maintain pipeline markers at each crossing of a public road or railroad right-of-way, and labeled according to § 192.707(d).

4953. Procedural Updates.

As soon after the end of an incident, an ~~emergency-immediate~~ repair, a safety-related condition, or an abnormal operating condition as defined in 49 C.F.R. § 192.803 as possible, each operator shall investigate, and shall make applicable changes to the operator qualification program, and the written procedural manual(s) used for conducting operations, for maintenance, and for emergencies. At a minimum, the operator shall review (and update, if necessary) applicable plans or procedural manual(s) at intervals not exceeding 15 months, but at least once each calendar year.

4954. Amendment of Plans or Procedures.

- (a) If the Chief determines that an operator's plans or procedures required by rules 4900 through 4999 are inadequate to assure safe operation of a pipeline facility or a LNG facility, the Chief shall issue a notice of amendment to initiate a proceeding to determine whether the plans or procedures are inadequate. The notice of amendment shall:
 - (I) Provide an opportunity for a hearing pursuant to rule 4935.
 - (II) Specify the alleged inadequacies and the proposed action for revision of the plans or procedures.
 - (III) Allow the operator 30 days after receipt of the notice to submit written comments pursuant to rule 4935 or to request a hearing.
- (b) In determining the adequacy of an operator's plans or procedures, the Chief shall consider the following:
 - (I) Relevant available pipeline safety data.
 - (II) Whether the plans or procedures are appropriate for the particular type of pipeline transportation or facility and for the location of the facility.
 - (III) The reasonableness of the plans or procedures.
 - (IV) The extent to which the plans or procedures contribute to public safety.

- (c) Amendment of an operator's plans or procedures as prescribed in paragraph (a) of this rule is in addition to, and may be used in conjunction with, other enforcement action.

4955. – 4959. [Reserved].

Safety Standards for Liquefied Natural Gas Facilities

4960. Compliance.

An operator shall comply with the safety standards for liquefied natural gas facilities which are incorporated by reference in rule 4902(b).

4961. – 4969. [Reserved].

Drug and Alcohol Testing

4970. Compliance.

An operator shall comply with the drug and alcohol testing program which is incorporated by reference in rule 4902(c) applicable to 49 C.F.R. Part 192 pipeline systems.

4971. – ~~4975~~4974. [Reserved].

~~**4975. [Emergency regulation expired 04/21/2010.]**~~

* * *

[indicates omission of unaffected rules]

4977. – 4999. [Reserved].

GLOSSARY OF ACRONYMS.

CAAM –	Cost Allocation and Assignment Manual
CCR –	Colorado Code of Regulations
C.F.R. –	Code of Federal Regulations
CPCN -	Certificate of Public Convenience and Necessity
CRCP –	Colorado Rules of Civil Procedure
C.R.S. -	Colorado Revised Statutes
EAO –	Energy Assistance Organization
e-mail -	Electronic mail
FDC -	Fully Distributed Cost

FERC –	Federal Energy Regulatory Commission
GAAP –	Generally Accepted Accounting Principles
GCA –	Gas Cost Adjustment
GPP –	Gas Purchase Plan
GPR –	Gas Purchase Report
ITP –	Intrastate Transmission Pipeline
LDC –	Local Distribution Company
LNG –	Liquefied Natural Gas
MMO –	Master Meter Operator
NGA –	Natural Gas Act
OPS –	Office of Pipeline Safety (Federal DOT)
OCC –	Office of Consumer Counsel
<u>PHMSA –</u>	<u>Pipeline and Hazardous Materials Safety Administration</u>
P & P –	Practice and Procedure
SMYS –	Specified Minimum Yield Strength
UNCC –	Utility Notification Center of Colorado
U.S.C.-	United States Code
U.S. DOT –	United States Department of Transportation
USOA –	Uniform System of Accounts

Glossary of Gas Measurement Units:

Btu –	British Thermal Unit
MMBtu –	1,000,000 Btu (approximately one Mcf, depending on heat content of gas)
Dth –	Dekatherm or One MMBtu
Therm –	100,000 Btu (approximately one Ccf, depending on heat content of gas)
Scf –	Standard cubic feet
Ccf –	100 cubic feet (typically actual cf at meter, rather than Scf)
Mcf –	1,000 standard cubic feet
MMcf –	1,000,000 standard cubic feet
Bcf –	1,000,000,000 standard cubic feet
MMcfd –	One MMcf per day

[This page intentionally left blank]

COLORADO DEPARTMENT OF REGULATORY AGENCIES

Public Utilities Commission

4 CODE OF COLORADO REGULATIONS (CCR) 723-4

PART 4

RULES REGULATING GAS UTILITIES AND PIPELINE OPERATORS

BASIS, PURPOSE, AND STATUTORY AUTHORITY.	2
GAS PIPELINE SAFETY	3
General Provisions	3
4900. Scope and Applicability.	3
4901. Definitions.	3
4902. Incorporation by Reference.	6
4903. Conflict.	7
4904. Interpretation.....	7
4905. Special Permit.....	7
4906. Alert Notices.	10
4907. – 4909. [Reserved].....	10
Filing Incident, Safety-Related Condition, Major Project, Damage and Locate Summary , and Annual Reports	10
4910. Submission of Reports.	10
4911. Telephonic Reports.....	10
4912. Written Reports by Operators of Distribution Systems.....	11
4913. Written Reports by Operators of Transmission and Gathering Systems.	11
4914. Reports of Safety-Related Conditions.	12
4915. Reporting of Pipeline Damage and of Locate Information.	14
4916. Filing Notices of Major Project.....	14
4917. – 4929. [Reserved].....	15
Procedure For Enforcement.....	15
4930. Service.....	15
4931. Subpoenas.....	15
4932. Inspections and Testing.....	15

Safety Standards for Gas Transportation by Pipeline and Gas Pipeline Systems	16
4950. Compliance.....	16
4951. Conversion to Service.....	16
4952. Gathering Pipeline.	16
4953. Procedural Updates.	18
4954. Amendment of Plans or Procedures.....	18
4955. – 4959. [Reserved].....	18
Safety Standards for Liquefied Natural Gas Facilities	18
4960. Compliance.....	18
4961. – 4969. [Reserved].....	18
Drug and Alcohol Testing.....	19
4970. Compliance.....	19
4971. – 4975. [Reserved].....	19
4977. – 4999. [Reserved].....	19
GLOSSARY OF ACRONYMS.....	19
Glossary of Gas Measurement Units:	20

BASIS, PURPOSE, AND STATUTORY AUTHORITY.

The basis and purpose of these rules is to set forth rules describing the service to be provided by jurisdictional gas utilities and master meter operators to their customers and describing the manner of regulation over jurisdictional gas utilities, master meter operators, and the services they provide. These rules address a wide variety of subject areas including, but not limited to, service interruption, meter testing and accuracy, safety, customer information, customer deposits, rate schedules and tariffs, discontinuance of service, master meter operations, transportation service, flexible regulation, procedures for administering the Low-Income Energy Assistance Act, cost allocation between regulated and unregulated operations, recovery of gas costs, and appeals regarding local government land use decisions. The statutory authority for these rules can be found at §§ 29-20-108, 40-1-103.5, 40-2-108, 40-2-115, 40-3-102, 40-3-103, 40-3-104.3, 40-3-111, 40-3-114, 40-3-101, 40-4-101, 40-4-106, 40-4-108, 40-4-109, 40-5-103, 40-7-117, and 40-8.7-105(5), C.R.S.

* * *

[indicates omission of unaffected rules]

GAS PIPELINE SAFETY

General Provisions

4900. Scope and Applicability.

- (a) The gas pipeline safety rules prescribe requirements for construction, operation, and maintenance of pipeline facilities, and for reporting by operators. Pursuant to these rules, the Commission conducts its pipeline safety program activities under 49 U.S.C. § 60105 and § 40-2-101, C.R.S. The statutory authority permitting the Commission to enter into cooperative agreements with federal agencies, to adopt and to create rules to administer and to enforce 49 U.S.C. §§ 60101, et seq., can be found at §§ 40-2-115 and 40-7-117, C.R.S.
- (b) Rules 4900 through 4970 apply to, establish, and govern the:
 - (I) Reporting by operators of gas pipeline systems of incidents, gas related events, safety-related conditions, damage statistics, notice of major projects, and annual pipeline summary data. [rules 4910 through 4929].
 - (II) Enforcement by Staff of the Rules Regulating Gas Pipeline Safety [rules 4930 through 4949].
 - (III) Adoption of minimum safety standards for transportation of natural gas and other gas by pipeline, specific requirements for rural gathering, procedural updates, and amendment of plans or procedures, [rules 4950 through 4959].
 - (IV) Adoption of minimum safety standards for liquefied natural gas facilities [rules 4960 through 4969].
 - (V) Adoption and enforcement of a drug and alcohol-testing program [rules 4970 through 4999].
- (c) Nothing in these rules shall be construed to exempt interstate or gathering pipeline operators from complying with § 9-1.5-105, C.R.S.

4901. Definitions.

The following definitions apply to rules 4900 through 4999, except where a specific statute or rule provides otherwise or where the context otherwise indicates. In the event of a conflict between these definitions and a statutory definition, the statutory definition shall apply.

- (a) "Chief" means the program manager of the Gas Pipeline Safety Section of the Commission.
- (b) "Damage," when used in reference to a pipeline, means the penetration or destruction of any protective coating of an underground pipeline, the partial or complete severance of an underground pipeline, or the denting or puncturing of an underground pipeline.
- (c) "Damage prevention program" means an operator's written program to prevent damage to a pipeline by excavation, as defined in 49 C.F.R. § 192.614.

- (d) "Direct sales meter" means a meter that measures the transfer of gas to a direct sales customer purchasing gas for its own consumption.
- (e) "Direct sales pipeline" means a pipeline not under the jurisdiction of the Federal Energy Regulatory Commission and which runs from an intrastate or interstate transmission pipeline, a production facility, or a gathering pipeline to a direct sales meter, pressure regulator, or emergency valve, whichever is the furthest downstream.
- (f) "Distribution pipeline" means a pipeline other than a transmission pipeline or a gathering pipeline.
- (g) "Excavation" means the moving or removing of earth by means of any tools, equipment, or explosives and includes (without limitation) auguring, boring, backfilling, ditching, drilling, grading, plowing-in, pulling-in, ripping, scraping, trenching, or tunneling.
- (h) "Gas" means natural gas, flammable gas, toxic or corrosive gas, and petroleum gas.
- (i) "Gathering pipeline" means a pipeline that transports gas from a current production facility to a transmission pipeline or main.
- (j) "Hazardous facility" means a pipeline facility that, if allowed to go into operation or to remain in operation, would be hazardous to life and property.
- (k) "Immediate repair" means a pipeline repair requiring immediate or emergency action where either: (I) the pipeline is a transmission pipeline and the MAOP produces a hoop stress at or above 20 percent SMYS, or (II) the pipeline is a gathering pipeline that operates at or above 125 psig.
- (l) "Incident" means a release of gas from a pipeline, or a release of liquefied natural gas or gas from a LNG facility, which results in any of the following:
 - (I) Death or personal injury necessitating in-patient hospitalization.
 - (II) Estimated property damage of \$50,000 or more, including loss to the operator and others, or both, but excluding cost of gas lost.
 - (III) An event that results in an emergency shutdown of a LNG facility.
 - (IV) An unintentional event resulting in an estimated gas loss of three million cubic feet or more.
 - (V) An event that is significant, in the judgment of the operator, even though it does not meet the criteria of subparagraphs (I), (II), (III), or (IV) of this paragraph.
- (m) "Liquefied Natural Gas" or "LNG" means natural gas or synthetic gas which has methane (CH₄) as its major constituent and which has been changed to a liquid.
- (n) "LNG facility" means a pipeline facility that is used for liquefying natural gas or synthetic gas or for transferring, storing, or vaporizing liquefied natural gas.

- (o) "Main" means a distribution line that serves, or is designed to serve, as a common source of supply for more than one service line.
- (p) "Major project" means the construction of any new pipeline facility, the repair, or upgrade of a pipeline segment, that originally is estimated to cost five hundred thousand dollars or more. As used in this rule, cost includes only the direct costs associated with the construction, repair, or upgrade.
- (q) "Master meter system" means a pipeline system for distributing gas within a definable area (for example, a mobile home park) where the operator or owner purchases gas from an outside source for delivery through a pipeline system to an end user.
- (r) "Municipality" means a city, town, or village in the State of Colorado.
- (s) "Natural Gas Pipeline Act" means the federal statute found at 49 U.S.C. §§ 60101, et seq., as amended.
- (t) "Operator" means a person who is engaged in the transportation of gas, or who has the right to bury underground pipeline, or who is both engaged in the transportation of gas and has the right to bury underground pipeline. "Operator" also may include an owner, such as a pipeline corporation.
- (u) "OPS" means the Office of Pipeline Safety, a unit of the Pipeline and Hazardous Materials Safety Administration (PHMSA) of the United States Department of Transportation.
- (v) "Person" means an individual, firm, joint venture, partnership, corporation, association, municipality, cooperative association, or joint stock association, and includes any trustee, receiver, assignee, or personal representative thereof.
- (w) "Pipeline" or "pipeline system" means all parts of those physical intrastate facilities through which gas moves in transportation, including, but not limited to, pipes, valves, and other appurtenances attached to pipes, compressor units, metering stations, regulator stations, delivery stations, holders, and fabricated assemblies.
- (x) "Pipeline facility" means new and existing intrastate pipelines, rights-of-way, and any equipment, facility, or building used in the transportation of gas or in the treatment of gas during the course of transportation.
- (y) "Production facility" means flowline and associated equipment used at a wellsite in producing, extracting, recovering, lifting, stabilizing, initial separating and/or treating, initial dehydrating, disposal, and above ground storing of liquid hydrocarbons, associated liquids, and associated natural hydrocarbon gases. A production facility may include flowlines up to a central delivery point directly associated with a specific producing field. To be a production facility under this definition, a flowline must be used in the process of extracting hydrocarbons and associated liquids from the ground or from facilities where hydrocarbons are produced or must be used for disposal or injection in reservoir maintenance or recovery operations.
- (z) "Propane gas system" means a pipeline system serving ten or more structures from a single tank.

- (aa) "Roadway" means a main public artery, highway, or interstate highway.
- (bb) "Service line" means a distribution line that transports gas, or is designed to transport gas, from a common source of supply to an individual customer, to two adjacent or adjoining residential or small commercial customers, or to multiple residential or small commercial customers served through a single meter header or manifold. A service line ends at the outlet of the customer meter or at the connection to a customer's piping, whichever is furthest downstream, or at the connection to customer piping if there is no meter.
- (cc) "Service regulator" means the device on a service line that controls the pressure of gas delivered from a higher pressure to the pressure provided to the customer. A service regulator may serve one customer or multiple customers through a meter header or manifold.
- (dd) "Specified Minimum Yield Strength" or "SMYS" means:
 - (I) For steel pipe manufactured in accordance with a listed specification, the yield strength specified as a minimum in that specification.
 - (II) For steel pipe manufactured in accordance with an unknown or unlisted specification, the yield strength determined in accordance with 49 C.F.R. § 192.107(b).
- (ee) "Staff" means the Staff of the Gas Pipeline Safety Section of the Commission.
- (ff) "Transmission pipeline" means a pipeline, other than a gathering pipeline or distribution pipeline, that does one of the following:
 - (I) Transports gas from a gathering pipeline or storage facility to a distribution center, or storage facility.
 - (II) Operates at a hoop stress of 20 percent or more of SMYS.
 - (III) Transports gas within a storage field.
 - (IV) Is a direct sales pipeline serving a large volume customer not downstream of a distribution center, which may include, but not be limited to, factories and power plants.
- (gg) "Transportation of gas" means the gathering, transmission, distribution, or storage of gas within the State of Colorado that is not subject to the jurisdiction of the Federal Energy Regulatory Commission under the Natural Gas Act.

4902. Incorporation by Reference.

- (a) The Commission adopts by reference the minimum federal safety standards for the transportation of natural gas and other gas by pipeline of the OPS that are published in 49 C.F.R. Part 192 (October 1, 2010). This incorporation by reference does not include later amendments to, or editions of, 49 C.F.R. Part 192.
- (b) The Commission adopts by reference the federal safety standards for liquefied natural gas facilities of the OPS that are published in 49 C.F.R. Part 193 (October 1, 2010).

This incorporation by reference does not include later amendments to, or editions of, 49 C.F.R. Part 193.

- (c) The Commission hereby adopts by reference the drug and alcohol testing program of the OPS published in 49 C.F.R. Parts 40 and 199 (October 1, 2010). This incorporation by reference does not include later amendments to, or editions of, 49 C.F.R. Parts 40 and 199.
- (d) Any material incorporated by reference in this rule may be examined at the offices of the Commission, 1560 Broadway, Suite 250, Denver, Colorado 80202, during normal business hours, Monday through Friday, except when such days are state holidays. Certified copies of the incorporated standards shall be provided at cost upon request. The Director or the Director's designee will provide information regarding how the incorporated standards may be examined at any state public depository library.

4903. Conflict.

In the event of a conflict between the provisions of 49 C.F.R. Parts 40, 192, 193, or 199 and the rules 4900 through 4999 regarding the administrative, the enforcement, and the reporting requirements, the rules 4900 through 4999 shall apply.

4904. Interpretation.

- (a) An operator may request a regulatory interpretation of any of these rules by submitting a written request to the Chief. The requestor shall include his or her return address and the specific application and rule reference with the request.
- (b) After a request for interpretation is received, the Chief will notify the requestor of the disposition of the request and if additional information is required.
- (c) If the request is consistent with the state pipeline safety program and is justified, the Chief will provide the Federal Administrator for Pipeline Safety a written recommendation with terms and conditions as are appropriate.
- (d) The interpretation is effective upon approval by the Federal Administrator for Pipeline Safety or, no action is taken by the Federal Administrator for Pipeline Safety, 60 days after the receipt of the recommendations from the Chief.

4905. Special Permit.

- (a) The Commission may grant a request for a special permit authorizing a variance from any of these rules in accordance with § 40-2-115, C.R.S., 49 U.S.C. § 60118(d), and the Commission's Rules of Practice and Procedure.
- (b) Under § 40-2-115, C.R.S. and 49 U.S.C. § 60118(d) the Commission has the authority to grant special permits in emergency situations. An emergency special permit will be granted if it is in the public interest, is not inconsistent with pipeline safety, and is necessary to address an actual or impending emergency involving pipeline transportation, including an emergency caused by a natural or manmade disaster. An emergency pipeline special permit is an order by which the Commission may temporarily modify compliance with state pipeline regulations for affected

pipeline owners or operators and the Commission may waive compliance with a safety regulation if, after receiving notice, the OPS concurs in the action.

- (I) The Commission will determine on a case-by-case basis what duration is necessary to address the emergency. However, as required by statute, no emergency special permit may be issued for a period of more than 60 days. Each emergency special permit will automatically expire on the date stated on the permit.
- (II) Each request should include the following information:
 - (A) Name of requestor and indication of whether requestor is an owner or operator;
 - (B) Duration of the emergency special permit;
 - (C) Specific regulations from which the owner or operator seeks relief;
 - (D) An explanation of the actual or impending emergency;
 - (E) Specific reasons the special permit is necessary (e.g., lack of accessibility, damaged equipment, gas supply or temporary by-pass);
 - (F) A description of the pipeline for which special permit is sought, including:
 - (i) the mileage or footage of pipeline to be covered and the counties in which it is located;
 - (ii) the year the pipeline was installed;
 - (iii) all pipeline facilities such as pump and compressor stations that this permit will affect, and;
 - (iv) the material, thickness, diameter and operating pressure of the pipeline.
 - (G) A statement indicating whether and how operating the pipeline pursuant to an emergency special permit is in the public interest (e.g., continuity of service, service restoration);
 - (H) Proposed alternatives to compliance with the regulation (e.g., additional inspections and tests, shortened reassessment intervals);
 - (I) Measures to be taken after the emergency situation or permit expires-which ever comes first--to confirm long-term operational reliability of the facility, and;
 - (J) A certification that operation of the owner or operator's pipeline under the requested emergency special permit would not be inconsistent with pipeline safety.

- (c) An operator may propose to deviate from the standards adopted by reference to part 192 and alter the frequency of periodic inspections and tests on the basis of an engineering analysis and risk assessment.
- (I) An alternative frequency of inspections and tests required under part 192 will be granted if it is not inconsistent with pipeline safety. For intrastate facilities, an operator must submit its proposal to the Chief at least 120 days before the requested effective date. After receiving notice, the Chief will confer with the OPS on the action requested by the operator. The Chief may accept the proposal, with or without conditions and limitations, on a showing that the operator's proposal, which includes the adjusted interval, will provide an equal or greater overall level of safety.
 - (II) An operator may implement an approved reduction in the frequency of a periodic inspection or test only where the operator has developed and implemented an integrity management program that provides an equal or improved overall level of safety despite the reduced frequency of periodic inspections.
 - (III) Each request must include the following information:
 - (A) Name of the owner or operator;
 - (B) Duration of the deviation proposal;
 - (C) Specific regulations from which the owner or operator seeks relief;
 - (D) A description of the pipeline for which the deviation is sought, including:
 - (i) the mileage or footage of pipeline to be covered and the counties in which it is located;
 - (ii) the year the pipeline was installed;
 - (iii) all pipeline facilities that this request will affect, and;
 - (iv) the material, thickness, diameter and operating pressure of the pipeline.
 - (E) Proposed alternatives to compliance with the regulation (e.g., additional inspections and tests, shortened reassessment intervals); and
 - (F) A certification that operation of the owner or operator's pipeline under the requested alternative frequency of periodic inspections and tests would not be inconsistent with pipeline safety.
- (d) Grants and denials. If the Chief determines that the permit to deviate complies with the requirements of this rule and that the deviation from the regulation or standard is not inconsistent with pipeline safety, the Chief may grant the request, in whole or in part, on a temporary or permanent basis. Conditions may be imposed on the request if the Chief concludes that they are necessary to assure safety, or are otherwise in the public interest. If the Chief determines that the application does not comply with the requirements of this rule or that a deviation is

not justified, the request for deviation will be denied. Whenever the Chief grants or denies a request for deviation, the notice of the decision will be provided to the applicant. All special permits will be posted on the PUC website at <http://www.dora.state.co.us/puc/pipesafetymain.htm>.

4906. Alert Bulletins.

An alert or advisory bulletin may be disseminated to an operator based on recommendations from the National Transportation Safety Board, the OPS, or as a result of a situation which may pose a threat to pipeline systems or the public. After receiving information concerning an alert or advisory bulletin, an operator shall take appropriate action to review and to revise its design, installation, and/or its operating and maintenance procedures.

4907. – 4909. [Reserved].

Filing Incident, Safety-Related Condition, Major Project, Damage and Locate Summary , and Annual Reports

4910. Submission of Reports.

- (a) An operator must submit reports required by these rules, except notices of major projects, and of pipeline damage and locate summary information, electronically to the OPS at <http://opsweb.phmsa.dot.gov>.
- (b) A copy of each report submitted to the OPS shall be furnished via U.S. mail, emailed to the gas pipeline safety contact found on the Commission's Pipeline Safety Website in a .pdf searchable document, or by a facsimile to (303) 894-2065. In lieu of sending a copy of an OPS report, operators may supply operator identification number and PIN number information to permit Staff access to the OPS reporting site.

4911. Telephonic Reports.

- (a) As soon as possible after discovery, but generally not to exceed two hours after discovery, an operator must telephonically report any incident to the Staff at (303) 894-2854 and to the National Response Center of the U.S. Department of Transportation at (800) 424-8802 or electronically at <http://www.nrc.uscg.mil>.
- (b) The operator of a pipeline, including a gathering pipeline in a class 1, 2, 3, or 4 area, of a LNG system, of a master meter system, or of a propane system, must telephonically report to the Staff at (303) 894-2854, within two hours after discovery, any of the following events:
 - (I) An immediate repair, as defined in paragraph 4901(k).
 - (II) A gas leak that occurs on the pipeline, the LNG system, the master meter system, or the propane system and that results in the evacuation of 50 or more people from a normally occupied building or property.
 - (III) A gas leak that occurs on the pipeline, the LNG system, the master meter system, or the propane system and that results in the closure of a roadway or railroad.

- (c) A telephonic report made pursuant to paragraphs (a) or (b) of this rule must include the following information:
- (I) The name and telephone number of the operator and the contact.
 - (II) The location of the incident or event.
 - (III) The date and time of the incident or event.
 - (IV) The number of fatalities and personal injuries, if any.
 - (V) All other significant facts that are known by the person making the report that are relevant to the cause of the incident or event and the extent of the damage.
 - (VIII) The National Response Center control number, if known.

4912. Written Reports by Operators of Distribution Systems.

- (a) Except as provided in paragraph (c) of this rule, an operator of a distribution pipeline system must submit OPS Form PHMSA F 7100.1 Incident Report: Gas Distribution System in the manner required by rule 4910 as soon as possible after the detection of an incident, but not later than 30 days after detection.
- (b) After submitting an incident report pursuant to paragraph (a) of this rule, an operator must submit a supplemental report in the manner required by rule 4910 if the operator obtains additional, relevant information. The operator must submit the supplemental report as soon as possible, but not more than 60 days after obtaining the additional information.
- (c) An operator of a master meter system or a propane gas system is not required to file an incident report.
- (d) Except as provided in paragraph (e) of this rule, an operator of a distribution pipeline system must submit an annual report for its intrastate pipeline system on OPS Form PHMSA F 7100.1-1 Distribution system: Annual Report in the manner required by rule 4910. This report shall be submitted annually by March 15 for the preceding calendar year.
- (e) An operator of a propane gas system which serves fewer than 100 customers from a single source, a master meter system, or a LNG facility is not required to submit an annual report.

4913. Written Reports by Operators of Transmission and Gathering Systems.

- (a) An operator of a transmission pipeline system or an OPS regulated type A or type B gathering pipeline segment as defined in 49 C.F.R. Part 192 must submit OPS Form PHMSA F 7100.2 Transmission and Gathering system: Incident Report in the manner required by rule 4910 as soon as possible after the detection of an incident, but not later than 30 days after detection.
- (b) After submitting an incident report pursuant to paragraph (a) of this rule, an operator must submit a supplemental report in the manner required by rule 4910 if the operator obtains additional, relevant information. The operator shall submit the supplemental report as soon as possible,

but not more than 60 days after obtaining the additional information. The supplemental report shall reference the original report by date and subject.

- (c) An operator of a transmission pipeline system or an OPS regulated type A or type B gathering pipeline segment(s) as defined in 49 C.F.R. Part 192 must submit OPS Form PHMSA F 7100.2.1 Transmission and Gathering system: Annual Report information in the manner required by rule 4910. This report shall be submitted annually by March 15 for the preceding calendar year.

4914. Reports of Safety-Related Conditions.

- (a) Except as provided in paragraph (d) of this rule, an operator must submit a safety-related condition report in the manner required by rule 4910 on the existence of any of the following safety-related conditions with respect to a regulated pipeline in service:
 - (I) In the case of a pipeline that operates at a hoop stress of 20 percent or more of its SMYS, (a) general corrosion that has reduced the wall thickness to less than that required for the maximum allowable operating pressure and (b) localized corrosion pitting to a degree where leakage might result.
 - (II) Unintended movement or abnormal loading by naturally-occurring environmental causes (for example, earthquakes, landslides, or floods) that impairs the serviceability or integrity of a pipeline.
 - (III) Any crack or other material defect that impairs the structural integrity or reliability of a LNG facility that contains, controls, or processes gas or LNG.
 - (IV) Any material defect or physical damage that impairs the serviceability of a pipeline that operates at a hoop stress of 20 percent or more of its SMYS.
 - (V) Any malfunction or operating error that causes the pressure of a pipeline or LNG facility that contains or processes gas or LNG to rise above its maximum allowable operating pressure (or working pressure for LNG facilities) plus the build-up allowed for operation of pressure limiting or control devices.
 - (VI) A leak in a pipeline or LNG facility that contains or processes gas or LNG that constitutes an emergency.
 - (VII) Inner tank leakage, ineffective insulation, or frost heave that impairs the structural integrity of a LNG storage tank.
 - (VIII) Any safety-related condition that could lead to an imminent hazard and that causes (either directly or indirectly by remedial action of the operator), for purposes other than abandonment, a 20 percent or more reduction in operating pressure or shutdown of operation of a pipeline or a LNG facility that contains or processes gas or LNG.
- (b) A report of a safety-related condition must be submitted in the manner required by rule 4910, within five business days (not including Saturday, Sunday, or federal or State holidays) after the day on which the operator or its representative first determines that a safety-related condition

exists. The report shall not be submitted later than ten business days after the day an operator or its representative discovers the condition. Separate conditions may be reported in a single report if they are closely related.

- (c) The report shall be headed "Safety-Related Condition Report" and must provide the following information:
 - (I) Name and principal address of operator.
 - (II) Date of report.
 - (III) Name, job title, and business telephone number of the person submitting the report.
 - (IV) Name, job title, and business telephone number of the person who determined that the condition exists.
 - (V) Date the condition was discovered and, if different, date condition was first determined to exist.
 - (VI) Location of the condition. This requires identification of the town, city, or county in which the condition exists and, as appropriate, the nearest street address, milepost, or landmark; and the name of pipeline.
 - (VII) Description of the condition, of the circumstances leading to its discovery, of any significant effects the condition has on safety, and of the type of gas transported or stored.
 - (VIII) Description of the corrective action taken (including reduction of pressure or shutdown) before the report was submitted.
 - (IX) Description of any planned future follow-up or corrective action, including the anticipated schedule for starting and concluding such action.
- (d) A written report need not be made for any safety-related condition that:
 - (I) Exists on a regulated gathering system as defined by 49 C.F.R. Part 192 and where a MAOP produces a hoop stress less than 20 percent of SMYS, a master meter system, a propane gas system, or a customer-owned service line.
 - (II) Is an event or results in an event which occurs before a permanent repair or replacement pertaining to an already-reported incident can be completed.
 - (III) Exists on a pipeline (other than a LNG pipeline) that is more than 220 yards from any building intended for human occupancy or outdoor place of assembly, except that reports are required for conditions within the right-of-way of an active railroad or roadway.
 - (IV) Is corrected by permanent repair or replacement in accordance with applicable safety standards within five business days of the day on which the operator first determines that the condition exists, but not later than ten business days after an operator or its

representative discovers the condition. This subparagraph does not apply to localized corrosion pitting on an effectively coated and cathodically protected pipeline.

4915. Reporting of Pipeline Damage and of Locate Information.

- (a) An operator of a local distribution company or municipal operated system must file with the Commission information concerning general pipeline damage and pipeline locate information annually, by March 15. This report applies to damage to underground pipelines, excluding any damage to electrically conductive tracer wire.
- (b) Each report shall include the following pipeline information:
 - (I) Total number of facility locates transmitted from the Utility Notification Center of Colorado (UNCC);
 - (II) Total number of excavation related damages to mains;
 - (III) Total number of excavation related damages to services;
 - (IV) Total number of excavation related damages to transmission pipelines;
 - (V) Total number of excavation damage due to excavation practice being insufficient;
 - (VI) Total number of excavation damage due to operator locator practice being insufficient;
 - (VII) Total number of excavation damage due to contract locator practice being insufficient;
 - (VIII) Total number of excavation damage due to no facility locate requested; and
 - (IX) Total number of excavation damage due to other reasons. A root cause explanation must be included with each reported damage under this category.
- (c) Pipeline operators are required to be Tier 1 members and report underground facility damages to the Utility Notification Center of Colorado (UNCC-Colorado 811) "Colorado Damage Reporting Tool DIRT" at <https://www.damagereporting.org/uncc>.
- (d) Additional specific damage information may be requested under paragraph 4932(c).

4916. Filing Notices of Major Project.

- (a) Written notice of a major project must be submitted to the Staff not later than 20 business days prior to the scheduled commencement date of the project, if practicable.
- (b) The notice shall contain the following information:
 - (I) The type of construction or repair.
 - (II) The date of commencement.

- (III) The estimated period of construction or repair.
- (IV) Pipeline design specifications, and the test medium (for example, gas, inert gas, water).
- (V) The location of the construction or repair.
- (VI) The estimated cost of the construction or repair project.

4917. – 4929. [Reserved].

Procedure For Enforcement

4930. Service.

- (a) An order, notice, complaint or other document required to be served under these rules shall be served personally or by registered or certified mail.
- (b) Service upon an operator's authorized representative or agent constitutes service upon that operator.
- (c) Service by registered or certified mail is complete upon mailing. An official U.S. Postal Service receipt evidencing a registered or certified mailing constitutes prima facie evidence of service.

4931. Subpoenas.

- (a) The Commission, an Administrative Law Judge, or the Director may issue a subpoena in accordance with rule 1406.
- (b) Rule 45 of the Colorado Rules of Civil Procedure, except as provided in rule 1406 and §§ 40-6-102 and 103, C.R.S., shall govern a subpoena issued under this rule.
- (c) A subpoena issued under this rule may be enforced in the district court, as provided by § 40-6-103(2), C.R.S.

4932. Inspections and Testing.

- (a) As authorized by the Chief, Staff may enter upon, to inspect, and to examine, at reasonable times, an operator's right of way or easement, new and existing piping, valves, and other above ground appurtenances attached to pipes, or, upon request of the OPS, an interstate pipeline to determine compliance with 49 U.S.C. §§ 60101 et seq., with these rules, with Commission orders, or with orders issued pursuant to these rules. If requested, Staff shall present Commission credentials at the time of the inspection.
- (b) Staff may require testing of an operator's pipeline. Staff shall make every effort to negotiate with the operator of the pipeline a mutually-acceptable testing plan before performing such tests.
- (c) If information is needed, the Chief may send the operator a request for specific information to be answered within 45 days after receipt of the request.

- (d) When information obtained from an inspection, testing, a request for specific information, or other sources indicates that enforcement action is warranted, the Chief may do one of the following:
 - (I) Serve on the operator a Warning Letter pursuant to rule 4933 or a Notice of Probable Violation pursuant to rule 4934.
 - (II) File a formal complaint with the Commission requesting a Hazardous Facilities Order pursuant to rule 4940.

* * *

[indicates omission of unaffected rules]

Safety Standards for Gas Transportation by Pipeline and Gas Pipeline Systems

4950. Compliance.

An operator shall comply with these rules and the minimum safety standards for the transportation of natural gas and other gas by pipeline which are incorporated by reference in rule 4902(a).

4951. Conversion to Service.

A pipeline previously used in service not subject to 49 C.F.R. Part 192 qualifies for service subject to 49 C.F.R. Part 192 if the operator prepares and follows a written procedure addressing the requirements of 49 C.F.R. § 192.14. The operator shall make its written procedures and applicable records available to Staff upon request.

4952. Gathering Pipeline.

- (a) In addition to 49 C.F.R. § 192.9, all gathering pipeline operators must report underground facility damages to the Utility Notification Center of Colorado (UNCC-Colorado 811) "Colorado Damage Reporting Tool DIRT" at <https://www.damagereporting.org/uncc>.
- (b) Type A regulated gathering lines: An operator of metallic gathering lines where the MAOP produces a hoop stress of 20 percent or more of SMYS or non-metallic lines where the MAOP is more than 125 psig and located in a class 2, 3, or 4 location as defined in part § 192.5 shall follow the requirements of part 192 applicable to transmission pipelines, except the requirements in §192.150 and in subpart O of §192. However, an operator of a Type A gathering pipeline located in a class 2 location may demonstrate compliance with subpart N by describing the processes it uses to determine the qualifications of persons performing operation and maintenance tasks.

- (c) Type B regulated gathering lines: An operator of metallic gathering lines where the MAOP produces a hoop stress less than 20 percent of SMYS or non-metallic lines and the MAOP is at 125 psig or less, and located in a class 2, 3, or 4 location as determined by using one of three methods found in part § 192.8, must comply with the following requirements:
- (I) If a line is new, replaced, relocated, or otherwise changed, the design, installation, construction, initial inspection, and initial testing must be in accordance with requirements of part 192 applicable to transmission lines;
 - (II) If the pipeline is metallic, control corrosion according to requirements of subpart I of part 192 applicable to transmission lines;
 - (III) Carry out a damage prevention program under § 192.614;
 - (IV) Establish a public education program under § 192.616;
 - (V) Establish the MAOP of the line under § 192.619;
 - (VI) Install and maintain line markers according to the requirements for transmission lines in § 192.707;
 - (VII) Carry out a leakage control program according to § 192.723(b);
 - (VIII) At a minimum, prepare a Procedural Manual addressing the above maintenance and operations items, and;
 - (IX) Report any incident, or events as described in 4911(b), to Staff. Any hazardous leakage or conditions which may lead to a hazardous facility order shall be promptly repaired and documented.
- (d) Type C gathering lines: An operator of gathering lines located in a class 1 location as defined in § 192.5 or type B gathering lines located in class 2 areas that the operator determines does not meet Area 2 dwelling density in §192.8, must comply with the following requirements:
- (I) Telephonically report any incident, or events as described in 4911(b) to Staff. Any hazardous leakage or conditions which may lead to an immediate repair shall be promptly repaired and documented;
 - (II) Tier 1 Member at the Utility Notification Center of Colorado if the pipeline system is located in any public road or railroad right-of-way, and;
 - (III) Install and maintain pipeline markers at each crossing of a public road or railroad right-of-way, and labeled according to § 192.707(d).

4953. Procedural Updates.

As soon after the end of an incident, an immediate repair, a safety-related condition, or an abnormal operating condition as defined in 49 C.F.R. § 192.803 as possible, each operator shall investigate, and shall make applicable changes to the operator qualification program, and the written procedural manual(s) used for conducting operations, for maintenance, and for emergencies. At a minimum, the operator shall review (and update, if necessary) applicable plans or procedural manual(s) at intervals not exceeding 15 months, but at least once each calendar year.

4954. Amendment of Plans or Procedures.

- (a) If the Chief determines that an operator's plans or procedures required by rules 4900 through 4999 are inadequate to assure safe operation of a pipeline facility or a LNG facility, the Chief shall issue a notice of amendment to initiate a proceeding to determine whether the plans or procedures are inadequate. The notice of amendment shall:
 - (I) Provide an opportunity for a hearing pursuant to rule 4935.
 - (II) Specify the alleged inadequacies and the proposed action for revision of the plans or procedures.
 - (III) Allow the operator 30 days after receipt of the notice to submit written comments pursuant to rule 4935 or to request a hearing.
- (b) In determining the adequacy of an operator's plans or procedures, the Chief shall consider the following:
 - (I) Relevant available pipeline safety data.
 - (II) Whether the plans or procedures are appropriate for the particular type of pipeline transportation or facility and for the location of the facility.
 - (III) The reasonableness of the plans or procedures.
 - (IV) The extent to which the plans or procedures contribute to public safety.
- (c) Amendment of an operator's plans or procedures as prescribed in paragraph (a) of this rule is in addition to, and may be used in conjunction with, other enforcement action.

4955. – 4959. [Reserved].

Safety Standards for Liquefied Natural Gas Facilities

4960. Compliance.

An operator shall comply with the safety standards for liquefied natural gas facilities which are incorporated by reference in rule 4902(b).

4961. – 4969. [Reserved].

Drug and Alcohol Testing

4970. Compliance.

An operator shall comply with the drug and alcohol testing program which is incorporated by reference in rule 4902(c) applicable to 49 C.F.R. Part 192 pipeline systems.

4971. – 4975. [Reserved].

* * *

[indicates omission of unaffected rules]

4977. – 4999. [Reserved].

GLOSSARY OF ACRONYMS.

CAAM –	Cost Allocation and Assignment Manual
CCR –	Colorado Code of Regulations
C.F.R. –	Code of Federal Regulations
CPCN -	Certificate of Public Convenience and Necessity
CRCP –	Colorado Rules of Civil Procedure
C.R.S. -	Colorado Revised Statutes
EAO –	Energy Assistance Organization
e-mail -	Electronic mail
FDC -	Fully Distributed Cost
FERC –	Federal Energy Regulatory Commission
GAAP -	Generally Accepted Accounting Principles
GCA –	Gas Cost Adjustment
GPP –	Gas Purchase Plan
GPR –	Gas Purchase Report
ITP –	Intrastate Transmission Pipeline
LDC –	Local Distribution Company
LNG –	Liquefied Natural Gas
MMO –	Master Meter Operator
NGA –	Natural Gas Act
OPS –	Office of Pipeline Safety (Federal DOT)
OCC -	Office of Consumer Counsel
PHMSA -	Pipeline and Hazardous Materials Safety Administration
P & P -	Practice and Procedure
SMYS –	Specified Minimum Yield Strength
UNCC –	Utility Notification Center of Colorado
U.S.C.-	United States Code
U.S. DOT –	United States Department of Transportation
USOA –	Uniform System of Accounts

Glossary of Gas Measurement Units:

Btu –	British Thermal Unit
MMBtu –	1,000,000 Btu (approximately one Mcf, depending on heat content of gas)
Dth –	Dekatherm or One MMBtu
Therm –	100,000 Btu (approximately one Ccf, depending on heat content of gas)
Scf -	Standard cubic feet
Ccf –	100 cubic feet (typically actual cf at meter, rather than Scf)
Mcf –	1,000 standard cubic feet
MMcf –	1,000,000 standard cubic feet
Bcf –	1,000,000,000 standard cubic feet
MMcfd –	One MMcf per day