



Common Sense Initiative

Mike DeWine, Governor
Jon Husted, Lt. Governor

Sean McCullough, Director

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MEMORANDUM

TO: Angela Hawkins, Public Utilities Commission of Ohio

FROM: Ethan Wittkorn, Regulatory Policy Advocate

DATE: May 13, 2021

RE: CSI Review – Gas Pipeline Safety (OAC4901:1-16-01, 4901:1-16-02, 4901:1-16-03, 4901:1-16-04, 4901:1-16-05, 4901:1-16-06, 4901:1-16-07, 4901:1-16-08, 4901:1-16-09, 4901:1-16-10, 4901:1-16-11, 4901:1-16-12, 4901:1-16-13, 4901:1-16-14, and 4901:1-16-15)

On behalf of Lt. Governor Jon Husted, and pursuant to the authority granted to the Common Sense Initiative (CSI) Office under Ohio Revised Code (ORC) section 107.54, the CSI Office has reviewed the abovementioned administrative rule package and associated Business Impact Analysis (BIA). This memo represents the CSI Office's comments to the Commission as provided for in ORC 107.54.

Analysis

This Public Utilities Commission of Ohio (Commission) rule package consists of nine no change and six amended rules. The rules were submitted to the CSI Office as part of a statutorily required five-year review on August 14, 2019, and the public comment period was open through September 30, 2019. Unless otherwise noted below, this recommendation reflects the version of the proposed rules filed with the CSI Office on August 14, 2019.

The proposed rules include requirements to ensure gas pipeline safety, including staff enforcement of the safety code, investigations, compliance orders, and operator standards. Amendments to the rules include updates to references, the inclusion of requirements regarding operators dealing with abandoned service lines, the reporting of the total mileage of gas gathering pipeline and their counties of operation, the removal of submissions of incomplete additions from the previous year on construction reports, and the addition of electronic mail as a means to make service upon an operator.

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During the early stakeholder outreach period, the Commission conducted a workshop to garner input on potential rule proposals. Notice of the workshop was provided to all of Ohio's gas and pipeline companies, the Ohio Consumers' Counsel, the Ohio Gas Association, the Ohio Oil and Gas Association, the Ohio Petroleum Council, and the American Petroleum Institute. Additionally, notice was given to all those that have requested inclusion on the Commission's gas-pipeline notification list. During this workshop, Columbia Gas made suggestions which led to amendments in the proposed rules. As a result of comments during the CSI public comment period, the Commission provided clarification on the meaning of "below grade hazardous leak," updated language to allow operators 12 months (beginning 48 months after the rule's effective date) to abandon inactive service lines that are determined to not have a reasonable prospect for reuse. The proposed 48-month delay was added after stakeholders requested a five-year delay, with the intention that it will provide operators with adequate time to implement the proposed rule amendments.

Gas pipeline operators may be adversely impacted as a result of the rules. Potential adverse impacts may include costs related to assessing service lines, abandoning unsafe inactive service lines, and addressing public safety issues and property damage that may result from incidents caused at vacant or abandoned properties. Additional impacts may include costs related to record keeping requirements, complying with Commission inspections, submitting construction reports, and potential disciplinary actions following noncompliance with Commission rules. The proposed rules serve to keep Ohio's gas infrastructure operational, and at a safe level, while protecting Ohioans.

Recommendations

Based on the information above, the CSI Office has no recommendations on this rule package.

Conclusion

The CSI Office concludes that the Commission should proceed in filing the proposed rules with the Joint Committee on Agency Rule Review.