UTILITIES DIVISION[199]

Adopted and Filed

Pursuant to Iowa Code sections 17A.4, 476.2, 476.8, 478.19, and 479.4, the Utilities Board (Board) gives notice that on February 13, 2014, the Board issued an order in Docket No. RMU-2013-0001, In re: Updates and Corrections of Rules Establishing Natural Gas and Electric Safety Standards [199 IAC Chapters 10, 15, 19, 20, 25, and 45] and Amendment to Competitive Natural Gas Provider Rules to Address Compressed Natural Gas Providers [199 IAC 19.14], "Order Adopting Amendments to Natural Gas and Electric Safety Standards and Not Adopting Amendments to Competitive Natural Gas Provider Rules," adopting, with certain revisions, updates to the Board's natural gas and electric safety standards. In addition, the Board stated that it was not adopting the proposed amendments to the competitive natural gas vehicle fuel providers (VFPs). The amendments proposed by the Board were published in the Iowa Administrative Bulletin in Vol. XXXVI, No. 10 (11/13/13), p. 1244, as ARC 1169C.

The safety standards in 199 IAC Chapters 10, 15, 19, 20, 25, and 45 are designed to ensure natural gas and electric facilities under the Board's jurisdiction comply with federal statutes and regulations and other national standards addressing the safety of these facilities. Board Safety and Engineering Section staff periodically review the electric and gas technical standards that are incorporated by reference in the Board's rules and that Board staff use as standards when inspecting natural gas and electric facilities.

The federal regulations and national standards change periodically, and the Board is required to update the standards in the Board's rules to ensure that the Board's standards are consistent with those federal regulations and national standards. In most instances, the Board is adopting the most recent standards to the natural gas and electric safety standards that have been adopted since the Board last updated its rules. The changes are primarily updates of technical standards incorporated by reference.

Of particular importance is the renewal of the adoption date of the federal pipeline safety standards. Timely adoption of amendments to the federal standards is a factor in the U.S. Department of Transportation Pipeline and Hazardous Material Safety Administration (PHMSA) performance score upon which the Board's pipeline safety grant is based. For adoption of federal regulations, the proposed amendments provided for insertion of the latest possible date by which the amendments can become effective. This practice ensures the Board will adopt the most current amendments to federal standards.

In addition to updating natural gas safety standards, the Board is incorporating in 199 IAC 19.2(5)"g" the PHMSA reporting requirements in 49 CFR Parts 192 and 199 that are not currently included in this subrule. Since paragraph 199 IAC 19.2(5)"g" only applies to regulated utility companies, other natural gas pipeline operators subject to Board jurisdiction pursuant to Iowa Code chapter 479 have a similar reporting requirement in rule 199 IAC 10.17. However, the existing provision in 199 IAC 10.17 only addresses accident and incident reports required by 49 CFR Part 191. The Board is adopting additional reporting requirements in 199 IAC 10.17 required by 49 CFR Parts 192 and 199.

The Board is also adopting a requirement in 199 IAC 10.17 that nonutility pipeline operators file copies of any required federal report with the Board. This is particularly important because PHMSA expects that the Board will review these reports for completeness and accuracy as part of the Board's pipeline safety grant-funded activities. The Board is adopting an additional requirement in new subrule 199 IAC 10.17(4) that nonutility companies notify the Board's duty officer of reportable incidents.

As explained in the Notice of Intended Action, the Board opted not to propose adoption of the updated version of the American Society of Mechanical Engineers (ASME) standard in ASME B31.8, "Gas Transmission and Distribution Piping Systems." The federal listing of standards, which PHMSA incorporates by reference in its regulations, continues to use the 2007 edition. PHMSA has not adopted either the 2010 or 2012 edition, and the Board considers it important for these safety standards to be consistent with the standards adopted in the federal regulations.

In 199 IAC 20.5(2) and 15.10(1)"c," Board rules refer to the 2008 edition of the National Fire Protection Association (NFPA) standards in NFPA 70, the National Electrical Code (NEC), which is

applicable to customer-owned wiring. The Iowa Electrical Licensing and Inspection Program, part of the State Fire Marshal's office, is responsible for inspection of customer-owned wiring. The Board is adopting the 2011 edition of the NFPA 70 since the State Fire Marshal has adopted that edition.

In 199 IAC Chapter 25, recent changes to the National Electrical Safety Code (NESC) have eliminated the need for the clarifying language in subparagraph (1) of 199 IAC 25.2(2)"a," and the Board is striking the subparagraph. Also, when the 2012 NESC was first released, it had errors in the drawings and formulas used to determine required clearances from grain bins, and a correction sheet was issued. Utilities frequently include those drawings and formulas in the annual grain bin public information campaigns required by 199 IAC 25.2(3). To prevent confusion or error, the Board is adopting an amendment that requires utilities to use the corrected versions of the NESC drawings and formulas.

The Board is also adopting revisions to its rules for the reporting of natural gas, electric and water incidents and outages. The revisions update the Board Duty Officer's e-mail address in 199 IAC 19.17(2), 20.19(2)"a," 21.9(476), and 25.5(3).

The Notice of Intended Action published in the Iowa Administrative Bulletin in Vol. XXXVI, No. 10 (11/13/13), p. 1244, as **ARC 1169C** included amendments to the Board's CNGP rules to address providers of natural gas as vehicle fuel. The amendments were designed to streamline the application process for the natural gas vehicle fuel providers. Based upon comments concerning the proposed amendments, the Board has decided that it will not adopt the proposed amendments to 199 IAC 19.14 but will commence a new rule making with a more comprehensive revision of the CNGP rules.

The order approving this Adopted and Filed rule making can be found on the Board's Electronic Filing System (EFS) Web site, http://efs.iowa.gov, in Docket No. RMU-2013-0001.

After analysis and review of this rule making, the Board tentatively concludes that the adopted amendments will have a beneficial effect on the safety and reliability of natural gas and electric service in Iowa. Safe and reliable natural gas and electric service is a necessity for economic development, so the adopted amendments will have a beneficial effect on jobs in Iowa, although that effect cannot be quantified.

These amendments are intended to implement Iowa Code sections 17A.4, 476.2, 476.8, 478.19, and 479.4.

These amendments will become effective April 9, 2014.

The following amendments are adopted.

ITEM 1. Amend subrule 10.12(1) as follows:

10.12(1) All pipelines, underground storage facilities, and equipment used in connection therewith shall be designed, constructed, operated, and maintained in accordance with the following standards:

a. 49 CFR Part 191, "Transportation of Natural and Other Gas by Pipeline; Annual Reports, Incident Reports, and Safety-Related Condition Reports," as amended through June 22, 2011 <u>April 9</u>, 2014.

b. 49 CFR Part 192, "Transportation of Natural and Other Gas by Pipeline: Minimum Federal Safety Standards," as amended through June 22, 2011 April 9, 2014.

c. 49 CFR Part 199, "Drug and Alcohol Testing," as amended through June 22, 2011 April 9, 2014.

d. ASME B31.8 - 2007, "Gas Transmission and Distribution Piping Systems."

e. 199—Chapter 9, "Restoration of Agricultural Lands During and After Pipeline Construction."

f. At railroad crossings, 199–42.7(476), "Engineering standards for pipelines."

Conflicts between the standards established in paragraphs 10.12(1) "*a*" through "*f*" or between the requirements of rule 199—10.12(479) and other requirements which are shown to exist by appropriate written documentation filed with the board shall be resolved by the board.

ITEM 2. Amend rule 199—10.17(479) as follows:

199—10.17(479) Accidents and incidents. Reports to federal agencies. Any pipeline incident or accident which is reportable to the U.S. Department of Transportation under 49 CFR Part 191 as amended

through June 22, 2011, shall also be reported to the board, except that the minimum economic threshold of damage required for reporting to the board is \$15,000. Duplicate copies of any written accident reports and safety-related condition reports submitted to the U.S. Department of Transportation shall be provided to the board.

<u>10.17(1)</u> Upon submission of any incident, annual, or other report to the U.S. Department of Transportation pursuant to 49 CFR Part 191, Part 192, or Part 199, a copy of the report shall be filed with the board. The board shall also be advised of any telephonic incident report made.

10.17(2) In addition to incident reports required by 49 CFR Part 191, the board shall be notified of any incident or accident where the economic damage exceeds \$15,000 or which results in loss of service to 50 or more customers.

10.17(3) Utilities operating in other states shall provide to the board data for Iowa only.

10.17(4) The board shall be notified, as soon as practical, of any reportable incident by calling the board duty officer at (515)745-2332 or by e-mail to dutyofficer@iub.iowa.gov.

ITEM 3. Amend subrule 15.10(1) as follows:

15.10(1) Acceptable standards. The interconnection of qualifying facilities and AEP facilities and associated interconnection equipment to an electric utility system shall meet the applicable provisions of the publications listed below:

a. Standard for Interconnecting Distributed Resources with Electric Power Systems, ANSI/IEEE Standard 1547-2003. For guidance in applying IEEE Standard 1547, the utility may refer to:

(1) IEEE Recommended Practices and Requirements for Harmonic Control in Electrical Power Systems—IEEE Standard 519-1992; and

(2) IEC/TR3 61000-3-7 Assessment of Emission Limits for Fluctuating Loads in MV and HV Power Systems.

b. Iowa Electrical Safety Code, as defined in 199—Chapter 25.

c. National Electrical Code, ANSI/NFPA 70-2008 2011.

ITEM 4. Amend paragraph **19.2(5)**"g" as follows:

g. Reports to federal agencies. Copies of reports submitted to the U.S. Department of Transportation pursuant to 49 CFR Part 191, Part 192, or Part 199, as amended through June 22, 2011 April 9, 2014, "Transportation of Natural and Other Gas by Pipeline; Annual Reports, Incident Reports, and Safety-Related Condition Reports," shall be filed with the board. Utilities operating in other states shall provide to the board data for Iowa only.

ITEM 5. Amend subrule 19.5(2) as follows:

19.5(2) *Standards incorporated by reference.*

a. The design, construction, operation, and maintenance of gas systems and liquefied natural gas facilities shall be in accordance with the following standards where applicable:

(1) 49 CFR Part 191, "Transportation of Natural and Other Gas by Pipeline; Annual Reports, Incident Reports, and Safety-Related Condition Reports," as amended through June 22, 2011 April 9, 2014.

(2) 49 CFR Part 192, "Transportation of Natural and Other Gas by Pipeline: Minimum Federal Safety Standards," as amended through June 22, 2011 April 9, 2014.

(3) 49 CFR Part 193, "Liquefied Natural Gas Facilities: Federal Safety Standards," as amended through June 22, 2011 April 9, 2014.

(4) 49 CFR Part 199, "Drug and Alcohol Testing," as amended through June 22, 2011 April 9, 2014.

(5) ASME B31.8 - 2007, "Gas Transmission and Distribution Piping Systems."

(6) NFPA 59-2008, "Utility LP-Gas Plant Code."

(7) At railroad crossings, 199–42.7(476), "Engineering standards for pipelines."

b. The following publications are adopted as standards of accepted good practice for gas utilities:

(1) ANSI Z223.1/NFPA 54-2009 2012, "National Fuel Gas Code."

(2) NFPA 501A-2009 2013, "Standard for Fire Safety Criteria for Manufactured Home Installations, Sites, and Communities."

ITEM 6. Amend subrule 19.17(2) as follows:

19.17(2) Information required. The utility shall notify the board by telephone, as soon as practical, of any reportable incident by calling the board duty officer at (515)745-2332 or by e-mail at iubdutyofficer@iub.iowa gov dutyofficer@iub.iowa.gov. The caller shall leave a call-back number for a person who can provide the following information:

a. to h. No change.

ITEM 7. Amend subrule 20.5(2) as follows:

20.5(2) Standards incorporated by reference. The utility shall use the applicable provisions in the publications listed below as standards of accepted good practice unless otherwise ordered by the board. Iowa Electrical Safety Code, as defined in 199—Chapter 25.

а.

b. National Electrical Code, ANSI/NFPA 70-2008 2011.

c. American National Standard Requirements for Instrument Transformers, ANSI/IEEE C57.13.1-2006; and C57.13.3-2005.

d. American National Standard for Electric Power Systems and Equipment Voltage Ratings (60 Hertz), ANSI C84.1-2006 2011.

e. to h. No change.

ITEM 8. Amend paragraph 20.19(2)"a" as follows:

Notification shall be provided regarding outages that meet the requirements of subrule 20.19(1) a. by notifying the board duty officer by e-mail at iubdutyofficer@iub.iowa.gov dutyofficer@iub.iowa.gov or by telephone at (515)745-2332. Notification shall be made at the earliest possible time after it is determined the event may be reportable and should include the following information, as available:

(1) to (5) No change.

The notice should be supplemented as more complete or accurate information is available.

ITEM 9. Amend rule 199—21.9(476) as follows:

199–21.9(476) Incident reports. A regulated public water utility shall notify the board when it notifies the Iowa department of natural resources or the local county health department about an incident involving: (1) an occurrence of waterborne emergency (e.g., treatment process malfunction, chemical/biological spill in the water supply, contamination event in the distribution system, emergency that has the potential for drinking water contamination); (2) a boil water advisory and contamination event; or (3) a low-pressure event (less than 20 psi) affecting a widespread area of the system. Notification shall be made to the board by calling the board duty officer at (515)745-2332 or by e-mail at dutyofficer@iub.iowa.gov. The caller shall leave a call-back number for a person knowledgeable about the incident. The utility shall report to the board when the incident has ended and normal water service has been restored.

ITEM 10. Amend subrule 25.2(1) as follows:

25.2(1) National Electrical Safety Code. The American National Standards Institute (ANSI) C2-2007 "National Electrical Safety Code" (NESC) as ultimately conformed to the ANSI-approved draft by correction of publishing errors through issuance of printed corrections is adopted as part of the Iowa electrical safety code, except Part 4, "Rules for Operation of Electric Supply and Communications Lines and Equipment," which is not adopted by the board. The American National Standards Institute (ANSI) C2-2012, "National Electrical Safety Code" (NESC), including issued Correction Sheets, is adopted as part of the Iowa electrical safety code, except Part 4, "Rules for Operation of Electric Supply and Communications Lines and Equipment," which is not adopted by the board.

ITEM 11. Amend paragraph 25.2(2)"a" as follows:

Introduction to the National Electrical Safety Code. а.

(1) The following paragraph replaces NESC 011B: "The National Electrical Safety Code (NESC) covers utility facilities and functions from the point of generation by the utility, or delivery from another entity, of electricity or communications signals through the utility system to the point of delivery to a customer's facilities."

(2) NESC 013A2 is modified to read as follows: "Types of construction and methods of installation other than those specified in the rules may be used experimentally to obtain information, if done where:

"1. Qualified supervision is provided,

"2. Equivalent safety is provided,

"3. On joint-use facilities, all affected parties agree all joint users are notified in a timely manner, and

"4. Prior approval is obtained from the Iowa utilities board."

ITEM 12. Amend subparagraph **25.2(2)"b"(4)** as follows:

(4) Except for clearances near grain bins, for measurements made under field conditions, the board will consider compliance with the overhead vertical line clearance requirements of Subsection 232 and Table 232-1 of the 1987 NESC indicative of compliance with the 1990 through 2007 2012 editions of the NESC. (For an explanation of the differences between 1987 and subsequent code edition clearances, see Appendix A of the 1990 through 2007 2012 editions of the NESC.)

ITEM 13. Amend subrule 25.2(3) as follows:

25.2(3) Grain bins.

a. Electric utilities shall conduct annual public information campaigns to inform farmers, farm lenders, grain bin merchants, and city and county zoning officials of the hazards of and standards for construction of grain bins near power lines. Where drawings and formulas from the NESC are used as part of public information campaigns, they are to be based on the "Errata to 2012 Edition National Electrical Safety Code" Correction Sheet issued February 6, 2012.

b. An electric utility may refuse to provide electric service to any grain bin built near an existing electric line which does not provide the clearances required by the American National Standards Institute (ANSI) C2-2007 2012 "National Electrical Safety Code," Rule 234F. This paragraph "*b*" shall apply only to grain bins loaded by portable augers, conveyors or elevators and built after September 9, 1992, or to grain bins loaded by permanently installed augers, conveyors, or elevator systems installed after December 24, 1997.

ITEM 14. Amend subrule 25.2(5) as follows:

25.2(5) Other references adopted.

a. The "National Electrical Code," ANSI/NFPA 70-2008 2011, is adopted as a standard of accepted good practice for customer-owned electrical facilities beyond the utility point of delivery, except for installations subject to the provisions of the state fire marshal standards in $\frac{661 \text{ --IAC}}{661 \text{ ---504.1}(103)}$.

b. "The Lineman's and Cableman's Handbook," <u>Eleventh Twelfth</u> Edition; Shoemaker, Thomas M. and Mack, James E.; New York, McGraw-Hill Book Co., is adopted as a recommended guideline to implement the "National Electrical Safety Code" or "National Electrical Code," and for developing the inspection and maintenance plans required by 199 IAC 199–25.3(476,478).

ITEM 15. Amend subrule 25.3(5) as follows:

25.3(5) *Guidelines.* Applicable portions of Rural Utilities Service (RUS) Bulletins 1730-1, 1730B-121, and 1724E-300 and "The Lineman's and Cableman's Handbook" are suggested as guidelines for the development and implementation of an inspection plan. ANSI A300 (Part 1)-2001 2013, "Pruning," and Section 35 of "The Lineman's and Cableman's Handbook" are suggested as guides for tree trimming practices.

ITEM 16. Amend subrule 25.5(3) as follows:

25.5(3) The board shall be notified by telephone immediately, or as soon as practical thereafter, by calling the board duty officer at (515)745-2332 or by e-mail to <u>iubdutyofficer@iub.iowa.gov</u> <u>dutyofficer@iub.iowa.gov</u>. The caller shall leave a telephone number of a person who can provide the following information:

a. to *g*. No change.

ITEM 17. Amend rule **199—45.1(476)**, definitions of "Nationally recognized testing laboratory" and "UL Standard 1741," as follows:

"Nationally recognized testing laboratory" or "NRTL" means a qualified private organization that meets the requirements of the Occupational Safety and Health Administration's (OSHA) regulations. See 29 CFR 1910.7 (July 31, 2000) as amended through April 9, 2014. NRTLs perform independent safety testing and product certification. Each NRTL shall meet the requirements as set forth by OSHA in its NRTL program.

"UL Standard 1741" means the standard titled "Inverters, Converters, and Controllers for Use in Independent Power Systems," November 7, 2005 January 28, 2010, edition, Underwriters Laboratories Inc., 333 Pfingsten Road, Northbrook, IL 60062-2096.

[Filed 2/13/14, effective 4/9/14] [Published 3/5/14] EDITOR'S NOTE: For replacement pages for IAC, see IAC Supplement 3/5/14.