

UTILITIES DIVISION[199]

Adopted and Filed

Rule making related to natural gas gathering lines

The Utilities Board hereby amends Chapter 10, “Intrastate Gas Pipelines and Underground Gas Storage,” Iowa Administrative Code.

Legal Authority for Rule Making

This rule making is adopted under the authority provided in Iowa Code section 479.17.

State or Federal Law Implemented

This rule making implements, in whole or in part, Iowa Code chapter 479.

Purpose and Summary

This rule making relates to gathering lines that transport renewable natural gas from an anaerobic digester to a transmission line or main. Under an existing contract with the federal Pipeline and Hazardous Materials Safety Administration (PHMSA), the Board is required to inspect such gathering lines to determine compliance with PHMSA safety standards. Because the Board is otherwise unaware of the construction of a gathering line, this rule making was initiated to identify a reporting mechanism to notify the Board of the existence of a gathering line that would allow the Board to inspect the gathering line prior to the conclusion of the construction (i.e., before the gathering line is fully underground).

The amendment and new rule being adopted by the Board require companies to provide notice of construction of a gathering line to the Board at least 30 days prior to the commencement of construction. Upon receipt of the notice, the Board can schedule an inspection to ensure the gathering line meets federal and Board safety standards and land restoration standards.

On April 21, 2023, the Board issued an order adopting amendments concerning this rule making. The order is available on the Board’s electronic filing system, efs.iowa.gov, under Docket No. RMU-2022-0010.

Public Comment and Changes to Rule Making

Notice of Intended Action for this rule making was published in the Iowa Administrative Bulletin on October 19, 2022, as **ARC 6595C**. A public hearing was held on December 16, 2022, at 1:30 p.m. in the Board Hearing Room, 1375 East Court Avenue, Des Moines, Iowa.

At the public hearing, comments were made by the Office of the Consumer Advocate (OCA), a division of the Iowa Department of Justice; rate-regulated utilities, including MidAmerican Energy Company (MidAmerican), Interstate Power and Light Company (IPL), and Black Hills/Iowa Gas Utility Company, LLC, d/b/a Black Hills Energy (Black Hills); the Iowa Farm Bureau Federation (Farm Bureau); and a renewable natural gas group (RNG Group) comprised of Monarch Bioenergy, LLC, Roeslein Alternative Energy Services, LLC, Roeslein Alternative Energy, LLC, Horizon II, LLC, and Sievers Family Farms, LLC.

In comments made before and during the public hearing, industry members expressed concern that the permitting requirements contained in the Notice would create regulatory burdens that would impede the development of renewable natural gas facilities in Iowa.

Following the public hearing, the Board prepared a draft rule making that replaced the permitting requirement with a preconstruction notice requirement. On March 23, 2023, the Board shared the draft rule making with stakeholders and invited additional comments. The OCA filed a written comment indicating that it has no objection to the revised amendments. MidAmerican, IPL, and Black Hills filed a joint comment indicating that they are satisfied with the resulting amendments. Farm Bureau filed a

comment indicating that the draft rule making is narrowly tailored to fulfill the Board’s responsibilities and, consequently, Farm Bureau supports the draft rule making. Finally, the RNG Group filed a comment indicating that it has no objection to the draft rule making. The Board has adopted this version.

Based on stakeholder opposition to the proposed permitting requirement for gathering lines as set forth in the Notice, the Board collaborated with stakeholders in drafting rule language that replaced the permitting requirement with the preconstruction notice language contained in this rule making.

Adoption of Rule Making

This rule making was adopted by the Board on April 21, 2023.

Fiscal Impact

This rule making has no fiscal impact to the State of Iowa.

Jobs Impact

After analysis and review of this rule making, no impact on jobs has been found.

Waivers

No waiver provision is included in the proposed amendments because the Board has a general waiver provision in rule 199—1.3(17A,474,476) that provides procedures for requesting a waiver of the rules in this chapter.

Review by Administrative Rules Review Committee

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rule making by executive branch agencies, may, on its own motion or on written request by any individual or group, review this rule making at its [regular monthly meeting](#) or at a special meeting. The Committee’s meetings are open to the public, and interested persons may be heard as provided in Iowa Code section 17A.8(6).

Effective Date

This rule making will become effective on June 21, 2023.

The following rule-making actions are adopted:

ITEM 1. Adopt the following **new** definition of “Gathering line” in subrule **10.1(3)**:
“Gathering line” means a natural gas pipeline that transports gas from a current production facility to a transmission line or main as interpreted by 49 CFR 192.8.

ITEM 2. Adopt the following **new** rule 199—10.19(479):

199—10.19(479) Gathering line filing requirements.

10.19(1) Filing requirements. Notice of the proposed construction of a gathering line as defined in subrule 10.1(3) is required 30 days prior to the commencement of construction. The notice shall include:

- a. The name of the pipeline company proposing to construct the gathering line and evidence of authority from the Iowa secretary of state showing the company is authorized to conduct business in Iowa.
- b. The purpose of the proposed gathering line.
- c. A map of the proposed route of the gathering line, similar to the map required in paragraph 10.3(1)“b.”
- d. The design of the proposed gathering line, similar to the information required in paragraph 10.3(1)“c.”
- e. The approximate date that construction will begin.

f. A list of the permissions or approvals of other state or local regulatory agencies required for construction of the gathering line.

If construction is on agricultural land, an agricultural mitigation plan as required in 199—Chapter 9 or a written agreement with the landowner is to be provided to the county inspector.

10.19(2) Reporting requirements. A copy of any incident, annual report, or other report filed with the Pipeline and Hazardous Materials Safety Administration pursuant to 49 CFR Part 191 by the owner or operator of a gathering line located in Iowa shall be filed with the board at the same time it is filed with the Pipeline and Hazardous Materials Safety Administration.

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EDITOR'S NOTE: For replacement pages for IAC, see IAC Supplement 5/17/23.