UTILITIES DIVISION[199]

Regulatory Analysis

Notice of Intended Action to be published: Iowa Administrative Code 199—Chapter 10
"Intrastate Gas Pipelines Underground Gas Storage"

Iowa Code section(s) or chapter(s) authorizing rulemaking: 479

State or federal law(s) implemented by the rulemaking: Iowa Code sections 476.2, 479.5, 479.17, 479.23, 479.26, 479.42, 479.43, and 546.7

Public Hearing

A public hearing at which persons may present their views orally or in writing will be held as follows:

May 7, 2024 9 a.m.	Board Hearing Room 1375 East Court Avenue Des Moines, Iowa

Public Comment

Any interested person may submit written or oral comments concerning this Regulatory Analysis. Written or oral comments in response to this Regulatory Analysis must be received by the Iowa Utilities Board no later than 4:30 p.m. on the date of the public hearing. Comments should be directed to:

IT Support
Des Moines, Iowa 50319
Phone: 515.725.7300
Email: ITsupport@iub.iowa.gov

Purpose and Summary

The purpose of this proposed chapter is to establish procedures and filing requirements for a permit to construct, maintain, and operate an intrastate gas pipeline and to provide guidance on amendments for such existing permits. This chapter also provides requirements for permits for underground storage of natural gas.

Analysis of Impact

1. Persons affected by the proposed rulemaking:

- Classes of persons that will bear the costs of the proposed rulemaking:

The proposed rules apply to all persons requesting a Board-issued intrastate gas pipeline permit to construct, maintain, and operate a gas pipeline. While such persons may incur costs in the course of those proceedings, those costs are primarily caused by the underlying nature and course of the proceeding.

- Classes of persons that will benefit from the proposed rulemaking:

Entities wishing to apply for these permits will benefit, as will their customers, since these entities will have a standardized set of requirements and procedures to follow.

2. Impact of the proposed rulemaking, economic or otherwise, including the nature and amount of all the different kinds of costs that would be incurred:

- Quantitative description of impact:

The implementation of these rules is part of the everyday work of the Board, so there is no additional cost impact to the Board. The rules are intended to ensure that proceedings are fairly and efficiently conducted. Entities wishing to apply for a permit for an intrastate gas pipeline or storage system may have costs related to preparation of such filing, but there are no expected additional or significant cost to these entities that are outside expected expenses for such a project.

- Qualitative description of impact:

The qualitative impact of these rules is to ensure there is a process and procedure for entities wishing to apply for a permit to construct, maintain, or operate an intrastate gas pipeline or underground storage of natural gas. These proposed rules ensure that the public and interested parties are aware of the proceeding expectations and procedures.

3. Costs to the State:

- Implementation and enforcement costs borne by the agency or any other agency:

The Board incurs costs in conducting pipeline case proceedings; however, the requirement that the Board conduct these types of proceedings is provided in Iowa Code chapter 479. Board costs and expenses incurred in these proceedings may be assessed to the person requesting a permit under Iowa Code sections 476.10 and 479.13.

- Anticipated effect on state revenues:

There is no anticipated effect on state revenues.

4. Comparison of the costs and benefits of the proposed rulemaking to the costs and benefits of inaction:

Because these proposed rules provide the framework for the Board to issue pipeline permits for the construction, maintenance, and operation of an intrastate pipeline, and the public benefits from the availability of the information contained within the chapter, the benefits of providing the information outweigh the costs. Inaction is not advised because the public would not be aware of what is needed to initiate and participate in these proceedings.

5. Determination whether less costly methods or less intrusive methods exist for achieving the purpose of the proposed rulemaking:

Because this chapter imposes no direct costs, the Board does not believe there is a less costly or intrusive method.

6. Alternative methods considered by the agency:

- Description of any alternative methods that were seriously considered by the agency:

Inaction was considered.

- Reasons why alternative methods were rejected in favor of the proposed rulemaking:

Inaction is not advisable because there is value in providing clear and accurate rules for entities to follow when applying for a permit for the construction, maintenance, or operation of an intrastate gas pipeline or underground storage.

Small Business Impact

If the rulemaking will have a substantial impact on small business, include a discussion of whether it would be feasible and practicable to do any of the following to reduce the impact of the rulemaking on small business:

- Establish less stringent compliance or reporting requirements in the rulemaking for small business.
- Establish less stringent schedules or deadlines in the rulemaking for compliance or reporting requirements for small business.
- Consolidate or simplify the rulemaking's compliance or reporting requirements for small business.
- Establish performance standards to replace design or operational standards in the rulemaking for small business.
- Exempt small business from any or all requirements of the rulemaking.

If legal and feasible, how does the rulemaking use a method discussed above to reduce the substantial impact on small business?

There is not a substantial impact on small business.

Text of Proposed Rulemaking

ITEM 1. Rescind 199—Chapter 10 and adopt the following **new** chapter in lieu thereof:

CHAPTER 10
INTRASTATE GAS PIPELINES AND UNDERGROUND GAS STORAGE

199—10.1(479) General information.

10.1(1) *Purpose and authority.* The purpose of this chapter is to implement the requirements in Iowa Code chapter 479 and to establish procedures and filing requirements for a permit to construct, maintain, and operate an intrastate gas pipeline; for an amendment to an existing permit; and for renewal of an existing permit. This chapter also implements the requirements in Iowa Code chapter 479 for permits for underground storage of natural gas.

10.1(2) *When a permit is required.* A pipeline permit is required for any pipeline that will operate at a pressure in excess of 150 pounds per square inch gauge (psig) or that, regardless of operating pressure, is a transmission line as defined in ASME B31.8 or 49 CFR 192.3.

10.1(3) *Definitions.* Technical terms not defined in this chapter are defined in the appropriate standard adopted in rule 199—10.9(479). For the administration and interpretation of this chapter, the following words and terms have the following meanings:

"Affected person" means any person with a legal right or recorded interest in the property, including but not limited to a landowner, a contract purchaser of record, a person possessing the property under a lease, a record lienholder, and a record encumbrancer of the property.

"Amendment of permit" means that changes to the pipeline permit or pipeline require the filing of a petition to amend an existing pipeline permit as described in rule 199—10.7(479).

"Approximate right angle" means within 5 degrees of a 90-degree angle.

"CFR" means the Code of Federal Regulations, which contains the general administrative rules adopted by federal departments and agencies, in effect as of December 22, 2021.

"County inspector" means a professional engineer licensed under Iowa Code chapter 542B who is familiar with agricultural and environmental inspection requirements and has been employed by a county board of supervisors to do an on-site inspection of a proposed pipeline for compliance with 199—Chapter 9 and Iowa Code chapter 479.

"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.

"Multiple line crossing" means a point at which a proposed pipeline will either cross over or under an existing pipeline.

"Negotiating" means contact between a pipeline company and a person with authority to negotiate an easement that involves the location, damages, compensation, or other matter that is prohibited by Iowa Code section 479.5(5). Contact for purposes of obtaining addresses and other contact information from a landowner or tenant is not considered negotiation.

"Permit" means a new, amended, or renewal permit issued by the board.

"Person" means an individual, corporation, limited liability company, government or governmental subdivision or agency, business trust, estate, trust, partnership or association, or any other legal entity.

10.1(4) *Railroad crossings.* Where these rules call for the consent or other showing of right from a railroad for a railroad crossing, an affidavit filed by a petitioner that states proper application for approval of railroad crossing has been made, a one-time crossing fee has been paid as provided for in 199—Chapter 42, and 35 days have passed since mailing of the application and payment with no claim of special circumstance or objection from the railroad will be accepted as a showing of consent for the crossing.

199—10.2(479) Informational meetings. A separate informational meeting shall be held in each county in which real property or property rights would be affected.

10.2(1) *Time frame for holding meeting.* Informational meetings shall be held not less than 30 days nor more than two years prior to the filing of the petition for pipeline permit.

10.2(2) *Facilities.* A pipeline company shall be responsible for all negotiations and compensation for a suitable facility to be used for each informational meeting, including but not limited to a building or facility that is in substantial compliance with any applicable requirements of the Americans with Disabilities Act Standards for Accessible Design, including both the Title III regulations at 28 CFR Part 36, Subpart D, and the 2004 Americans with Disabilities Act Accessibility Guidelines at 36 CFR Part 1191, Appendices B and D, where such a building or facility is reasonably available.

10.2(3) *Location.* The informational meeting location shall be reasonably accessible to all persons who may be affected by the granting of a permit or who have an interest in the proposed pipeline.

10.2(4) *Board approval.* A pipeline company proposing to schedule an informational meeting shall file a request to schedule the informational meeting and include a proposed time and date for the informational meeting, an alternate time and date, and a description of the proposed project and route. The pipeline company shall be notified within ten days of the filing of the request whether the request is approved or alternate times and dates are required, or the board shall notify the pipeline company that additional time is needed. Once a date and time for the informational meeting have been approved, the pipeline company will file the location of the informational meeting and a copy of the pipeline company's presentation with the board.

10.2(5) *Notices.* Announcement by mailed and published notice of each informational meeting shall be given to persons as listed on the tax assessment rolls as responsible for payment of real estate taxes imposed on the property and those persons in possession of or residing on the property in the corridor in which the pipeline company intends to seek easements.

a. The notice includes the following:

(1) The name of the pipeline company;

(2) The pipeline company's principal place of business;

(3) The general description and purpose of the proposed project;

(4) The general nature of the right-of-way desired;

(5) The possibility that the right-of-way may be acquired by condemnation if approved by the board;

(6) A map showing the route of the proposed project;

(7) A description of the process used by the board in deciding whether to approve a permit, including the right to take property by eminent domain;

(8) That the landowner and any other affected person have a right to be present at the meeting and to file objections with the board;

(9) Designation of the time, date and place of the meeting;

(10) A copy of the statement of damage claims as required by subrule 10.3(3); and

(11) The following statement: Persons with disabilities requiring assistive services or devices to observe or participate should contact the Utilities Board at (515)725-7300 in advance of the scheduled date to request accommodations.

b. The pipeline company shall cause a written copy of the meeting notice to be served, by certified United States mail with return receipt requested, on all persons as listed on the tax assessment rolls as responsible for payment of real estate taxes imposed on the property and persons in possession of or residing on the property whose addresses are known.

c. The pipeline company shall cause the meeting notice, including the map, to be published once in a newspaper of general circulation in each county where the pipeline is proposed to be located at least one week and not more than three weeks prior to the date of the meeting. Publication shall be considered as notice to persons listed on the tax assessment rolls as responsible for paying the real estate taxes imposed on the property whose addresses are not known, provided a good-faith effort to obtain the addresses can be demonstrated by the pipeline company. The maps used in the published notice should clearly delineate the pipeline route.

d. The pipeline company shall file prior to the informational meeting an affidavit, signed by a corporate officer or an attorney representing the pipeline company, that describes the good-faith effort the pipeline company undertook to locate the addresses of all affected persons.

10.2(6) *Personnel.* The pipeline company shall provide qualified personnel to present the following information at the informational meeting:

a. Service requirements and planning that have resulted in the proposed project.

b. Proposed timeline for when the pipeline will be constructed.

c. In general terms, the elements involved in pipeline construction.

d. In general terms, the rights that the pipeline company will seek to acquire through easements.

e. Procedures to be followed in contacting the affected persons for specific negotiations in acquiring voluntary easements.

f. Methods and factors used in arriving at an offered price for voluntary easements, including the range of cash amount for each component.

g. Manner in which voluntary easement payments are made, including discussion of conditional easements, signing fees, and time of payment.

h. Other factors or damages not included in the easement for which compensation is made, including features of interest to affected persons but not limited to computation of amounts and manner of payment.

10.2(7) *Notice to county board of supervisors.* The pipeline company shall send notice of the request for an informational meeting to the county board of supervisors in each county where the pipeline is proposed to be located. The pipeline company shall request from the board of supervisors the name of the county inspector, a professional engineer who conducts the on-site inspection required in Iowa Code section 479.29(2). The pipeline company shall provide the name and contact information of the county inspector to the landowners and other affected persons at the meeting, if known.

199—10.3(479) Petition for permit.

10.3(1) A petition for a permit shall be filed with the board upon the form prescribed and include all required exhibits. The petition shall be considered filed with the board on the date accepted by the board's electronic filing system as provided for in 199—Chapter 14. The petition shall be attested to by an officer, official, or attorney with authority to represent the pipeline company. Required exhibits shall be consistent with each other and in the following form:

a. Exhibit A. A legal description showing at a minimum:

(1) The beginning and ending points of the proposed pipeline.

(2) The general direction of the proposed route through each quarter section of land to be crossed, including township and range.

(3) Whether the proposed pipeline will be located on private or public property, public highway, or railroad right-of-way.

(4) Other pertinent information.

(5) When the route is in or adjacent to the right-of-way of a named road or a railroad, specific identification of the road or railroad by name.

b. Exhibit B. Maps showing the proposed routing of the pipeline. The maps may be to any scale appropriate for the level of detail to be shown, but not smaller than one inch to the mile, and shall be legible when printed on paper no larger than 11 × 17 inches. Maps based on satellite imagery are preferred. An electronic file such as a KMZ file or other format identified by the board depicting the entire route and a map of the entire route, if the route is located in more than one county or there is more than one map for a county, shall be filed in this exhibit without regard to scale. The maps will provide the following minimum information:

(1) The route of the pipeline that is the subject of the petition, including the starting and ending points, and when paralleling a road or railroad, which side it is on. Multiple pipelines on the same right-of-way shall be indicated, and the distance between paralleling pipelines shall be shown.

(2) The name of the county, county lines, section lines, section numbers, township numbers, and range numbers.

(3) The location and identity of adjacent or crossed public roads, railroads, named streams or bodies of water, and other pertinent natural or man-made features influencing the route.

(4) The name and corporate limits of cities, and the name and boundaries of any public lands or parks.

(5) Other pipelines and the identity of the owner.

(6) Any buildings or places of public assembly within the potential impact radius of the transmission pipeline as defined in 49 CFR 192.903.

c. Exhibit C. A showing of engineering specifications covering the engineering features, materials and manner of construction of the proposed pipeline, its approximate length, diameter, maximum and normal operating pressure, and the name and location of each railroad and primary highway and the number of secondary highways to be crossed, if any, and such other information as may be deemed pertinent on forms prescribed by the board, which are located on the board's website.

d. Exhibit D. Satisfactory proof of solvency and financial ability to pay damages in the sum of $250,000 or more; or surety bond satisfactory to the board in the penal sum of $250,000 with surety approved by the board, conditioned that the pipeline company will pay any and all damages legally recovered against it growing out of the construction and operation of its pipeline or gas storage facilities in the state of Iowa; security satisfactory to the board as a guarantee for the payment of damages in the sum of $250,000; or satisfactory proofs that the pipeline company has property subject to execution within this state, other than pipelines, of a value in excess of $250,000. The board may require additional surety or insurance policies to ensure the payment of damages growing out of the construction and operation of a transmission pipeline that will be constructed in more than one county.

e. Exhibit E.

(1) Consent or documentation of appropriate public highway authorities, or railroad companies, where the pipeline will be placed longitudinally on, over or under, or at other than an approximate right angle to railroad tracks or highway, when such consent is obtained prior to filing of the petition, shall be filed with the petition.

(2) If any consent is not obtained at the time the petition is filed, the pipeline company shall file a statement that it will obtain all necessary consents or file other documentation of the right to commence construction prior to commencement of construction of the pipeline. A pipeline company may request board approval to begin construction on a segment of a pipeline prior to obtaining all necessary consents for construction of the entire pipeline.

(3) Whether there are permits that will be required from other state agencies for construction of the pipeline and, if so, a description of the permit required and whether the permit has been obtained.

f. Exhibit F. This exhibit contains the following:

(1) A statement of the purpose of the project and a description of how the services rendered by the pipeline will promote the public convenience and necessity.

(2) A general statement covering each of the following topics:

1. The nature of the lands, waters, and public or private facilities to be crossed;
2. The possible use of alternative routes;
3. The relationship of the proposed pipeline to present and future land use and zoning ordinances; and
4. The inconvenience or undue injury that may result to property owners as a result of the proposed project.

(3) For an existing pipeline, the year of original construction and a description of any amendments or reportable changes since the permit or latest renewal permit was issued.

g. Exhibit G. If informational meetings were required, an affidavit that such meetings were held in each county affected by the proposed project and the time and place of each meeting. Copies of the mailed notice letter, the corridor map, and the published notice(s) of the informational meeting shall be attached to the affidavit.

h. Exhibit H. This exhibit is required only if the petition requests the right of eminent domain. The extent of the eminent domain request may be uncertain at the time the petition is filed. However, this exhibit must be in final form before a hearing is scheduled. It shall consist of a map and a KMZ file of the route showing the location of each property for which the right of eminent domain is sought and for each property:

(1) The legal description of the property.

(2) The legal description of the desired easement.

(3) A specific description of the easement rights being sought.

(4) The names and addresses of all affected persons based upon a title search conducted for the property over which eminent domain is requested.

(5) A map drawn to an appropriate scale showing the boundaries of the property, the boundaries and dimensions of the proposed easement, the location of pipelines or pipeline facilities within the proposed easement, the location of and distance to any building within 300 feet of the proposed pipeline, and any other features pertinent to the location of the pipeline to the rights being sought.

(6) An overview map showing the location of the property over which eminent domain is requested, filed with the unique identification number that follows a linearly sequential pattern on each parcel for which eminent domain is sought.

i. Exhibit I. If pipeline construction on agricultural land as defined in 199—Chapter 9 is proposed, a land restoration plan shall be prepared and filed as provided in 199—Chapter 9. The name and contact information of each county inspector designated by county boards of supervisors pursuant to Iowa Code section 479.29(2) shall be included in the land restoration plan, if known.

j. Exhibit K. The pipeline company shall file additional information as follows:

(1) An affidavit affirming that the company undertook a review of land records to determine all affected persons for all parcels over which the pipeline is proposed to be located before easements were signed or eminent domain requested.

(2) Whether any private easements will be required for the proposed pipeline and, if a private easement is anticipated to be required, when the easement negotiations will be completed and whether all affected persons associated with the property have been notified.

(3) Whether there are any agreements or additional facilities that need to be constructed to receive natural gas.

(4) Projected date when construction of the pipeline will begin.

(5) Whether the pipeline will have pressure-relieving or pressure-limiting devices that meet the requirements of 49 CFR 192.199 and 192.201.

k. Other exhibits. The board may require filing of additional exhibits if further information on a particular project is deemed necessary.

10.3(2) Construction on an existing easement. Petitions proposing new pipeline construction on an existing easement where the pipeline company has previously constructed a pipeline shall include a statement indicating whether any unresolved damage claims remain from the previous pipeline construction and, if so, provide the name of each landowner or tenant, a legal description of the property involved, and the status of proceedings to settle the claim.

10.3(3) Statement of damage claims.

a. The statement shall contain the following information: the type of damages that will be compensated for, how the amount of damages will be determined, the procedures by which disputes may be resolved, the manner of payment, and the procedures that the affected person is required to follow to obtain a determination of damages by a county compensation commission.

b. The statement shall be amended as necessary to reflect changes in the law, company policy, or the needs of a specific project.

c. A copy of this statement shall be mailed with the notice of informational meeting as provided for in Iowa Code section 479.5. Where no informational meeting is required, a copy shall be provided to each affected person prior to entering into negotiations for payment of damages.

d. Nothing in this rule prevents a person from negotiating with the pipeline company for terms different from, more specific than, or in addition to the statement filed with the board.

10.3(4) Negotiation of easements. The pipeline company is not prohibited from responding to inquiries concerning existing or future easements or from requesting and collecting tenant and affected person information, provided that the pipeline company is not "negotiating" as defined in subrule 10.3(1).

199—10.4(479) Notice of hearing.

10.4(1) When a petition for permit is filed with the board, the petition is reviewed by board staff for compliance with applicable laws and regulations. Once board staff has completed the review and filed a report regarding the proposed pipeline and petition, the petition is set for hearing. This subrule does not apply to renewal petitions filed pursuant to rule 199—10.6(479) that do not require a hearing.

10.4(2) The pipeline company is furnished copies of the official notice of hearing, which the pipeline company shall cause to be published once each week for two consecutive weeks in a newspaper of general circulation in each county in or through which construction is proposed. The second publication shall be not less than 10 nor more than 30 days prior to the date of the hearing. Proof of such publication shall be filed prior to the hearing.

10.4(3) The published notice shall include a map showing either the pipeline route or the area affected by underground gas storage, or a telephone number and an address through which interested persons may obtain a copy of a map from the pipeline company at no charge. If a map other than that filed as Exhibit B will be published or provided, a copy shall be filed with the petition.

10.4(4) If a petition for permit seeks the right of eminent domain, the pipeline company shall, in addition to the published notice of hearing, serve a copy of the notice of hearing on the landowners and any affected person with interest in the property over which eminent domain is sought. A copy of the Exhibit H filed with the board for the affected property shall accompany the notice. Service shall be by certified United States mail, return receipt requested, addressed to the person's last-known address, and mailed no later than the first day of publication of the official notice of hearing on the petition. Not less than five days prior to the date of the hearing, the petitioner shall file with the board a certificate of service showing all persons and addresses to which notice was sent by certified mail and the date of the mailing, and an affidavit that all affected persons as defined in subrule 10.3(1) were served.

10.4(5) If a petition does not seek the right of eminent domain but all required interests in private property have not yet been obtained at the time the petition is filed, a copy of the notice of hearing shall be served upon any affected person as defined in subrule 10.3(1). Service shall be by ordinary mail, addressed to the last-known address, mailed no later than the first day of publication of the official notice. A copy of each letter of notification, or one copy of the letter accompanied by a written statement listing all persons to which the notice was mailed, the date of mailing, and an affidavit that all affected persons were served, shall be filed with the board not less than five days prior to the hearing.

199—10.5(479) Pipeline permit.

10.5(1) A pipeline permit shall be issued once an order granting the permit is final and all the compliance requirements have been met. A pipeline company may request board approval to delay obtaining consent to cross railroad right-of-way until after the pipeline permit is issued.

10.5(2) The issuance of the permit authorizes construction on the route or location as approved by the board, subject to deviation within the permanent route easement right-of-way. If a deviation outside of the permanent route easement right-of-way becomes necessary, construction of the pipeline in that location shall be suspended and the pipeline company shall follow the procedures for filing of a petition for amendment of a permit, except that the pipeline company need only file Exhibits A, B, E, and F reflecting the proposed deviation. In case of any deviation from the approved permanent route easement, the pipeline company shall secure the necessary easements before construction may commence on the altered route. The right of eminent domain shall not be used to acquire any such easement except as specifically approved by the board, and a hearing will not be required unless the board determines a hearing is necessary to complete review of the petition for amendment.

10.5(3) If the construction of facilities authorized by a permit is not commenced within two years of the date the permit is granted, or within two years after final disposition of judicial review of a permit order or of condemnation proceedings, the permit is forfeited unless the board grants an extension of the permit filed prior to the expiration of the two-year period.

10.5(4) Upon completion of the proposed construction, maps accurately showing the final routing of the pipeline, in compliance with 199—Chapter 9 and revised Exhibits A, B, and C, shall be filed with the board.

199—10.6(479) Renewal permits.

10.6(1) A petition for renewal of an original or previously renewed pipeline permit shall be filed at least one year, and no more than five years, prior to the expiration of the permit. The petition shall be made on the form prescribed by the board. Instructions for the petition are included as a part of the form, and the form is available on the board's website. The petition shall include the name of the pipeline company requesting renewal of the permit, the pipeline company's principal office and place of business, a description of any amendment or reportable change since the permit or previous renewal permit was issued, and the updated exhibits as required for a new permit, as applicable. The petition shall be considered filed with the board on the date accepted into the board's electronic filing system as provided for in 199—Chapter 14. The petition shall be attested to by an officer, official, or attorney with authority to represent the pipeline company.

10.6(2) The procedure for petition for permit shall be followed with respect to publication of notice, objections, and assessment of costs.

10.6(3) If there are unresolved issues of fact or law, or if an objection is filed within 20 days of the second publication of the published notice, the board shall set the matter for hearing. If a hearing is not required, and the petition satisfies the requirements of this rule, a renewal permit will be issued upon the filing of the proof of publication required by rule 199—10.4(479). The board chair may authorize the execution of a renewal permit by any employee of the board so designated.

199—10.7(479) Amendment of permits.

10.7(1) An amendment of a pipeline permit by the board is required in any of the following circumstances:

a. Construction of an additional pipeline paralleling all or part of an existing pipeline of the pipeline company.

b. Extension of an existing pipeline of the pipeline company outside of the permit easement.

c. Relocation or replacement of an existing pipeline of the pipeline company outside of the permit easement approved by the board. If the relocation or replacement is for five miles or more of pipe to be operated at over 150 psig, an informational meeting as provided for by rule 199—10.2(479) shall be held for these relocations and replacements.

d. Contiguous extension of an underground storage area of the pipeline company.

e. Modification of any condition or limitation placed on the construction or operation of the pipeline in the final order granting the pipeline permit or previous renewal of the permit.

10.7(2) Petition for amendment.

a. The petition for amendment of an original or renewed pipeline permit shall include the docket number and issue date of the permit for which amendment is sought and clearly state the purpose of the petition. If the petition is for construction of additional pipeline facilities or expansion of an underground storage area, the same exhibits as required for a petition for permit shall be attached.

b. The applicable procedures for a petition for permit, including hearing, shall be followed. Upon appropriate determination by the board, an amendment to the permit shall be issued. Such amendment is subject to the same conditions with respect to commencement of construction within two years and the filing of final routing maps as required for pipeline permits for the portion of the pipeline subject to the amendment. The board chair may authorize the execution of a permit amendment by any employee of the board so designated.

199—10.8(479) Inspections. The board shall examine the construction, maintenance, and condition of pipelines, underground storage facilities, and equipment used in connection with pipelines and facilities in the state of Iowa to determine whether they comply with the appropriate standards of pipeline safety. One or more members of the board, or one or more duly appointed representatives of the board, may enter upon the premises of any pipeline company within the state of Iowa for the purpose of making the inspections.

199—10.9(479) Standards for construction, operation, and maintenance.

10.9(1) All pipelines, underground storage facilities, and equipment 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, Incident, and Other Reporting."

b. 49 CFR Part 192, "Transportation of Natural and Other Gas by Pipeline: Minimum Federal Safety Standards."

c. 49 CFR Part 199, "Drug and Alcohol Testing."

d. ASME B31.8 - 2022, "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 10.9(1)*"a"* through *"f"* or between the requirements of rule 199—10.9(479) and other requirements that are shown to exist by appropriate written documentation filed with the board shall be resolved by the board.

10.9(2) If review of Exhibit C, or inspection of facilities that are the subject of a permit petition, finds noncompliance with the standards adopted in this rule, the pipeline company shall provide satisfactory evidence showing the noncompliance has been corrected prior to the board taking final action on the petition or will be corrected as a result of the board taking final action on the petition.

10.9(3) Pipelines in tilled agricultural land shall be installed with a minimum cover of 48 inches.

199—10.10(479) Crossings of highways, railroads, and rivers.

10.10(1) Approval of other authorities need not be obtained prior to petitioning the board for a pipeline permit. It is recommended that the appropriate other authorities be contacted to determine what restrictions or conditions may be placed on the crossing by those authorities and to obtain information on any proposed reconstruction or relocation of existing facilities that may impact the routing of the pipeline. Approvals and any restrictions, conditions, or relocations of existing facilities shall be filed with the board prior to the granting of the permit. A pipeline company may request board approval to begin construction on a segment of a pipeline prior to obtaining all necessary consents for construction of the entire pipeline.

10.10(2) Pipeline routes that include crossings of highway or railroad right-of-way longitudinally on such right-of-way are not to be constructed unless a showing of consent by the appropriate authority has been provided by the pipeline company as required in paragraph 10.3(1)*"e."*

199—10.11(479) Transmission line factors. Factors considered by the board in determining whether a pipeline is a transmission line and is, therefore, required to have a permit include but are not limited to:

1. The definitions of a transmission line in ASME B31.8 and 49 CFR 192.3.
2. Pipeline and Hazardous Materials Safety Administration interpretations.
3. The location of a distribution center.
4. Interconnection with an interstate pipeline.
5. Location of distribution regulator stations downstream of a proposed distribution center.
6. Whether a proposed distribution center has more than one source of supply and the type of pipeline that provides the supply.
7. Transfer of ownership of gas.
8. Reduction in pressure of pipeline at a meter.
9. No resale of gas downstream of a distribution center.

199—10.12(479) Reports to federal agencies.

10.12(1) Upon submission of any incident, annual, or other report to the U.S. Department of Transportation pursuant to 49 CFR Part 191 or Part 192, a pipeline company shall file a copy of the report with the board. The board shall also be advised of any telephonic incident report made by the pipeline company.

10.12(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 that results in loss of service to 50 or more customers. The pipeline company shall notify the board, as soon as possible, of any incident by emailing the duty officer at dutyofficer@iub.iowa.gov or, if email is not available, by calling the board duty officer at 515.745.2332. The cost of gas lost due to the incident shall not be considered in calculating the economic damage of the incident.

10.12(3) Utilities operating in other states shall provide to the board data for Iowa only.

199—10.13(479) Reportable changes to pipelines under permit.

10.13(1) A pipeline company shall file prior notice with the board of any of the following actions affecting a pipeline under permit:

a. Abandonment or removal from service. The pipeline company shall notify the landowners prior to the abandonment or removal of the pipeline from service.

b. Pressure test or increase in maximum allowable or normal operating pressure.

c. Replacement of a pipeline or significant portion thereof, not including short repair sections of pipe at least as strong as the original pipe.

10.13(2) The notice shall include the docket and permit numbers of the pipeline, the location involved, a description of the proposed activity, anticipated dates of commencement and completion, revised maps and KMZ files and technical specifications, where appropriate, and the name and telephone number of a person to contact for additional information.

199—10.14(479) Sale or transfer of permit.

10.14(1) No permit shall be sold or transferred without written approval of the board. A petition for approval of the sale or transfer shall:

a. Be jointly filed by the buyer, or transferee, and the seller, or transferor,

b. Include assurances that the buyer, or transferee, is:

(1) Authorized to transact business in the state of Iowa,

(2) Willing and able to construct, operate, and maintain the pipeline in accordance with these rules, and

(3) If the sale, or transfer, is prior to completion of construction of the pipeline, able to prove the financial ability to pay up to $250,000 in damages associated with construction or operation of the pipeline, or any other amount the board has determined is necessary when granting the permit.

10.14(2) For purposes of this rule, reassignment of a pipeline permit as part of a corporate restructuring, with no change in pipeline operating personnel or procedures, is considered a transfer and requires prior board approval.

199—10.15(479) Termination of petition for pipeline permit proceedings. If a pipeline company fails to publish the official notice within 90 days after the official notice is provided by the board, the board may dismiss the petition.

199—10.16(479) Gathering line filing requirements.

10.16(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.

10.16(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.

These rules are intended to implement Iowa Code sections 476.2, 479.5, 479.17, 479.23, 479.26, 479.42, 479.43 and 546.7.