

DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS

PUBLIC SERVICE COMMISSION

GAS SAFETY

Filed with the secretary of state on February 1, 2022

These rules become effective immediately upon filing with the secretary of state unless adopted under section 33, 44, 45a (9), or 48 of the administrative procedures act of 1969, 1969 PA 306, MCL 24.233, 24.244, 24.245a, or 24.248. Rules adopted under these sections become effective 7 days after filing with the secretary of state.

(By authority conferred on the public service commission by section 2 of 1969 PA 165, MCL 483.152, and section 231 of the executive reorganization act of 1965, 1965 PA 380, MCL 16.331, and Executive Reorganization Order Nos. 1996-2, 2003-1, 2008-4, 2011-4, and 2015-3, MCL 445.2001, 445.2011, 445.2025, 445.2030, and 460.21)

R 460.201104, R 460.20308, R 460.20311, R 460.20322, R 460.20329, R 460.20402, R 460.20405, R 460.20408, R 460.20501, R 460.20503, R 460.20504, R 460.20602, R 460.20603, and R 460.20606 of the Michigan Administrative Code are amended, as follows:

PART 1. GENERAL PROVISIONS

R 460.20104 Rescission.

Rule 104. R 460.14001 to R 460.14999 of the Michigan Administrative Code, noted on page 1027 of the 1997 Annual Supplement to the 1979 Michigan Administrative Code and appearing on pages 630 to 642 of the 1986 Annual Supplement to the Code, pages 900 to 917, 919 to 921, and 923 to 925 of the 1991 Annual Supplement to the Code, and pages 1175 to 1199 of the 1995 Annual Supplement to the Code, are rescinded.

PART 3. ADDITIONAL MINIMUM SAFETY STANDARDS

R 460.20308 Customer meters and regulators; location.

Rule 308. The requirements contained in 49 CFR 192.353, which is adopted by reference in R 460.20606, are superseded by all of the following provisions:

(a) An operator shall install a customer's meter and regulator outside the building, unless any of the following apply:

(i) The distribution system operates at 10 psig or less and an outside meter set assembly is not practical.

(ii) The building is a commercial building, industrial building, or apartment building and an outside meter set assembly is not practical.

(iii) The building is a row-type house or house where the proximity of adjoining buildings makes outside meter set assemblies impractical.

(b) A service line excluded under subdivision (a) of this rule must include an outside above grade riser, if practical.

(c) If an outside meter set assembly or an outside above grade riser is installed, then the above grade piping must be designed to prevent an external force applied to the service line from being transferred to and damaging the inside piping.

May 26, 2021

(d) An operator shall install a meter and service regulator, whether inside or outside of a building, in a readily accessible location and shall protect the meter and regulator from corrosion and other damage, including but not limited to, vehicular damage if installed outside a building. An operator shall not install a meter in a bedroom, closet, bathroom, under a combustible stairway, or in an unventilated or inaccessible place.

(e) An operator shall ensure that a service regulator installed inside a building is located as near as practical to the point of service line entrance.

(f) An operator shall ensure that a meter installed inside a building is located in a ventilated place not less than 3 feet from a source of ignition or heat that might damage the meter.

(g) An operator shall ensure that the upstream regulator in a series is located outside of a building unless it is located in a separate metering or regulating building.

R 460.20311 Test Requirements for pipelines operating below 100 psig.

Rule 311. The requirements contained in 49 CFR 192.509(b), which is adopted by reference in R 460.20606, are superseded by both of the following provisions:

(a) An operator shall ensure that all mains are to be pressured tested to at least 90 psig or 1 ½ times the proposed maximum allowable operating pressure, whichever is greater.

(b) An operator shall ensure that the test pressure is maintained at or above the test pressure requirement for the pipeline being tested for not less than 1 hour. However, the operator shall test a relatively short segment for not less than 30 minutes.

R 460.20322 Maximum allowable operating pressure of pipeline containing cast-iron pipe.

Rule 322. The requirement contained in 49 CFR 192.621(a)(3), which is adopted by reference in R 460.20606, is superseded by the requirement that a person shall not operate any segment of a pipeline containing cast-iron pipe that has unreinforced bell and spigot joints at a pressure of more than 10 psig.

R 460.20329 Valve maintenance; distribution systems.

Rule 329. In addition to the requirements contained in 49 CFR 192.747, which is adopted by reference in R 460.20606, an operator shall partially operate a valve that may be necessary for the safe operation of a distribution system, other than plastic valves, at intervals of not more than 15 months, but at least each calendar year.

PART 4. SOUR GAS PIPELINES

R 460.20402 Materials for pipe and components; requirements.

Rule 402. In addition to the requirements in 49 CFR 192.55, which is adopted by reference in R 460.20606, metallic materials for pipe and other components used to transport sour gas must meet the requirements in the National Association of Corrosion Engineers international standard NACE MR0175/ISO 15156, which are adopted by reference in R 460.20605.

R 460.20405 Valves; qualification for sour gas.

Rule 405. An operator shall ensure that valves that are used for sour gas service are qualified for sour gas service in accordance with the National Association of Corrosion Engineers international standard MR-175/ISO 15156, which is adopted by reference in R 460.20605.

R 460.20408 Qualification of welding procedures.

Rule 408. In addition to the requirements 49 CFR 192.225, which is adopted by reference in

R 460.20606, an operator of pipeline facilities used in the transportation of sour gas shall use welding procedures that conform to the welding provisions of the National Association of Corrosion Engineers international standard NACE MR0175/ISO 15156, which is adopted by reference in R 460.20605.

PART 5. RECORDS AND REPORTS

R 460.20501 Records.

Rule 501. (1) An operator shall maintain the information generated by any recordkeeping requirement in these rules within the state at the operating headquarters office of each service area and shall make the information available to the commission and its staff for inspection and copying upon request.

(2) An operator shall maintain all of the following additional records:

(a) Maps and records showing the locations of pipelines and service lines, including lines that have been abandoned but not removed.

(b) An up-to-date schematic drawing of station piping, which must be available at each aboveground pressure-regulating station containing buried station components.

(3) In addition to the requirements contained in 49 CFR 192.603(b), which is adopted by reference in R 460.20606, an operator shall establish and maintain records, make reports, and record such information as may be reasonably required to demonstrate that the operator has acted or is acting in compliance with these rules and 49 CFR part 192. The operator shall maintain these records and reports for the time periods prescribed in 49 CFR Part 192; for a minimum of 2 inspection cycles, if applicable; or for a minimum of 5 years, whichever is longer.

(4) The specific record retention requirements for each rule or subrule, if required, are listed in Table 1, and are as follows:

TABLE 1 GAS SAFETY RECORD RETENTION SCHEDULES			
Rule	Record Required	Required Retention Time	Additional Instructions
<u>PART 1: GENERAL PROVISIONS</u>			
460.20101 (1)	No	N/A	None
460.20101 (2)	No	N/A	None
460.20101 (3)	No	N/A	None
460.20102 (a)	No	N/A	None
460.20102 (b)	No	N/A	None
460.20102 (c)	No	N/A	None
460.20102 (d)	No	N/A	None
460.20102 (e)	No	N/A	None
460.20102 (f)	No	N/A	None
460.20102 (g)	No	N/A	None
460.20102 (h)	No	N/A	None
460.20102 (i)	No	N/A	None

460.20102 (j)	No	N/A	None
460.20103 (1)	No	N/A	None
460.20103 (2)	No	N/A	None
460.20103 (3)	No	N/A	None
460.20103 (4)	No	N/A	None
460.20104	No	N/A	None
<u>PART 2: SAFETY STANDARDS AND TESTING REQUIREMENTS</u>			
460.20201 (1)	No	N/A	None
460.20201 (2)	No	N/A	None
460.20201 (3)	No	N/A	None
460.20202 (1)	No	N/A	None
460.20202 (2)	No	N/A	None
460.20202 (3)	No	N/A	None
<u>PART 3: ADDITIONAL MINIMUM SAFETY STANDARDS</u>			
460.20301 (1)	No	N/A	None
460.20301 (2)	No	N/A	None
460.20302 (1)	No	N/A	None
460.20302 (2)	No	N/A	None
460.20302 (3)	No	N/A	None
460.20302 (4)	No	N/A	None
460.20303	No	N/A	None
460.20304 (a)	Yes	5 year minimum (See additional instructions.)	Consideration shall be given by the operators to maintain these records for the life of the pipeline.
460.20304 (b)	Yes	5 year minimum (See additional instructions.)	Consideration shall be given by the operators to maintain these records for the life of the pipeline.
460.20304 (c)	No	N/A	None
460.20305	Yes	5 year minimum (See additional instructions.)	Operators shall maintain records demonstrating that welders welding pursuant to 49 CFR 192.229(a) have maintained their qualification back to their last destructive test, if longer than 5 years.
460.20306 (1)	Yes	Life of pipeline	None
460.20306 (2)	Yes	Life of pipeline	None
460.20307	No	N/A	None
460.20308 (a)	No	N/A	None
460.20308 (b)	No	N/A	None
460.20308 (c)	No	N/A	None
460.20308 (d)	No	N/A	None
460.20308 (e)	No	N/A	None
460.20308 (f)	No	N/A	None

460.20308 (g)	No	N/A	None
460.20309 (1)	No	N/A	None
460.20309 (2)	No	N/A	None
460.20309 (3)	No	N/A	None
460.20310 (1)	No	N/A	None
460.20310 (2)	No	N/A	None
460.20311 (a)	Yes	5 year minimum	None
460.20311 (b)	Yes	5 year minimum	None
460.20311 (c)	Yes	5 year minimum	None
460.20311 (d)	Yes	5 year minimum	None
460.20312	Yes	5 year minimum (See additional instructions.)	Except that each segment of a steel service line stressed to 20% or more of specified minimum yield strength must be tested pursuant to 49 CFR 192.507. This record must be retained for the life of the facility (49 CFR 192.517(a)).
460.20313 (a)	Yes	5 year minimum	None
460.20313 (b)	Yes	5 year minimum	None
460.20314 (a)	Yes	Life of pipeline	None
460.20314 (b)	Yes	Life of pipeline	None
460.20314 (c)	Yes	Life of pipeline	None
460.20315 (1)	Yes	Life of pipeline	None
460.20315 (2)	Yes	Life of pipeline	None
460.20316 (1)	Yes	Life of pipeline	None
460.20316 (2)	Yes	Life of pipeline	None
460.20317		RESCINDED	
460.20318 (1)	Yes	5 year minimum	None
460.20318 (2)	Yes	5 year minimum	None
460.20318 (3)	Yes	5 year minimum	None
460.20319	No	N/A (See additional instructions.)	Consideration shall be given by the operators to maintain the most current submission of this record to the commission.
460.20320		RESCINDED	
460.20321		RESCINDED	
460.20322	No	N/A	None
460.20323	Yes	5 year minimum	None
460.20324	No	N/A	None
460.20325	Yes	5 year minimum	None
460.20326 (1)	No	N/A	None
460.20326 (2)	No	N/A	None
460.20327 (a)	Yes	5 year minimum	None

460.20327 (b)	Yes	5 year minimum	None
460.20327 (c)	Yes	5 year minimum	None
460.20328	No	N/A	None
460.20329	Yes	5 year minimum	None
460.20330	No	N/A	None
460.20331 (a)	Yes	Life of pipeline	None
460.20332 (1)	Yes	5 year minimum	None
460.20332 (2)	Yes	5 year minimum	None
460.20335 (1)	No	N/A	None
460.20335 (2)	No	N/A	None
460.20335 (3)	No	N/A	None
460.20335 (4)	No	N/A (See additional instructions.)	Consideration shall be given by the operators to maintain the most current submission of this record to the commission.
460.20335 (5)	No	N/A (See additional instructions.)	Consideration shall be given by the operators to maintain the most current submission of this record to the commission.
460.20338 (1)	No	N/A	None
460.20338 (2)	No	N/A	None
460.20338 (3)	No	N/A	None
460.20338 (4)	No	N/A (See additional instructions.)	Consideration shall be given by the operators to maintain the most current submission of this record to the commission.
<u>PART 4: SOUR GAS PIPELINES</u>			
460.20401 (1)	No	N/A	None
460.20401 (2)	No	N/A	None
460.20401 (3)	Yes	Life of pipeline	None
460.20402	No	N/A	None
460.20403	Yes	Life of pipeline	None
460.20404 (a)	No	N/A (See additional instructions.)	Consideration shall be given by the operators to maintain this record for the duration of the work requiring the procedure.
460.20404 (b)	No	N/A (See additional instructions.)	Consideration shall be given by the operators to maintain this record for the duration of the work requiring the procedure.
460.20405	No	N/A	None
460.20406	No	N/A	None
460.20407 (a)	No	N/A	None

460.20407 (b)	No	N/A	None
460.20407 (c)	No	N/A	None
460.20407 (d)	No	N/A	None
460.20407 (e)	No	N/A	None
460.20408	Yes	5 year minimum (See additional instructions.)	Consideration shall be given by the operators to maintain these records for the life of the pipeline.
460.20409	Yes	Life of pipeline	None
460.20410	No	N/A	None
460.20411	No	N/A	None
460.20412	Yes	Life of pipeline	None
460.20413	No	N/A	None
460.20414 (a)	No	N/A	None
460.20414 (b)	No	N/A	None
460.20414 (c)	No	N/A	None
460.20415 (a)	No	N/A	None
460.20415 (b)	No	N/A	None
460.20416	Yes	Life of pipeline	None
460.20417	Yes	5 year minimum	None
460.20418	Yes	5 year minimum (See additional instructions.)	For transmission lines, repair records must be maintained pursuant to 49 CFR 192.709.
460.20419	No	N/A (See additional instructions.)	Consideration shall be given by the operators to maintain the most current submission of this record to the commission.
460.20420	No	N/A (See additional instructions.)	Consideration shall be given by the operators to maintain the most current submission of this record to the commission.
460.20421 (a)	Yes	5 year minimum	None
460.20421 (b)	Yes	5 year minimum	None
460.20422	No	N/A (See additional instructions.)	Consideration shall be given by the operators to maintain the most current submission of this record to the commission.
460.20423 (a)	No	N/A (See additional instructions.)	Consideration shall be given by the operators to maintain the most current submission of this record to the commission.
460.20423 (b)	No	N/A (See additional instructions.)	Consideration shall be given by the operators to maintain the most current submission of this record to

			the commission.
460.20424	Yes	5 year minimum	None
460.20425	Yes	5 year minimum	None
460.20426	Yes	5 year minimum	None
460.20427 (a)	No	N/A	None
460.20427 (b)	No	N/A	None
460.20428 (1)	Yes	5 year minimum (See additional instructions.)	For transmission lines, repair records must be maintained pursuant to 49 CFR 192.709.
460.20428 (2)	Yes	5 year minimum (See additional instructions.)	For transmission lines, repair records must be maintained pursuant to 49 CFR 192.709.
460.20429	Yes	5 year minimum (See additional instructions.)	For transmission lines, repair records must be maintained pursuant to 49 CFR 192.709.
460.20430	Yes	5 year minimum	None
460.20431	Yes	5 year minimum	None
<u>PART 5: RECORDS AND REPORTS</u>			
460.20501 (1)	No	N/A	None
460.20501 (2)(a)	Yes	Life of pipeline (See additional instructions.)	This record must be maintained for pipelines that are abandoned and not removed.
460.20501 (2)(b)	No	N/A	None
460.20501 (3)	No	N/A (See additional instructions)	Requires an operator to maintain records as may be reasonably required to demonstrate compliance with these rules and 49 CFR part 192. Records shall be maintained for a minimum of 2 inspection cycles or 5 years, whichever is longer; or as otherwise directed on this table.
460.20502 (1)	No	N/A (See additional instructions.)	Consideration shall be given by the operators to maintain this record for the duration of the project.
460.20502 (2)	No	N/A (See additional instructions.)	Consideration shall be given by the operators to maintain this record for the duration of the project.
460.20502 (3)	No	N/A (See additional instructions.)	Consideration shall be given by the operators to maintain this record for the duration of the project.
460.20502 (4)	No	N/A (See additional instructions.)	Consideration shall be given by the operators to maintain this record for the duration of the project.
460.20502 (5)	No	N/A	None

460.20502 (6)	No	N/A	None
460.20503 (1)	No	N/A (See additional instructions.)	Consideration shall be given by the operators to maintain this record for the duration of the incident investigation.
460.20503 (2)	No	N/A (See additional instructions.)	Consideration shall be given by the operators to maintain this record for the duration of the incident investigation.
460.20503 (3)	Yes	5 year minimum	None
460.20504 (1)	No	N/A (See additional instructions.)	Consideration shall be given by the operators to maintain the most current submission of this record to the commission.
460.20504 (2)	No	N/A (See additional instructions.)	Consideration shall be given by the operators to maintain the most current submission of this record to the commission.
<u>PART 6: ADOPTION OF STANDARDS</u>			
460.20601 (1)	No	N/A	None
460.20601 (2)	No	N/A	None
460.20602 (a)	No	N/A	None
460.20602 (b)	No	N/A	None
460.20602 (c)	No	N/A	None
460.20602 (d)	No	N/A	None
460.20603	No	N/A	None
460.20604	No	N/A	None
460.20605	No	N/A	None
460.20606 (1)	No	N/A	None
460.20606 (2)	No	N/A	None

R 460.20503 Reports of incidents; telephonic notice to the commission staff.

Rule 503. (1) At the earliest practicable moment following discovery, an operator shall notify the commission staff of any of the following situations:

(a) An incident that is reportable pursuant to 49 CFR 191.5, which is adopted by reference in R 460.20606.

(b) An event resulting in estimated property damage of \$10,000.00 or more including loss to the operator and others, or both, but excluding the cost of gas lost. As used in this subdivision, an "event" means on or relating to an operator's facilities that may or may not involve a release of gas.

(c) An event resulting in the loss of service to more than 100 customers.

(d) An event involving a customer's gas facility that results in a fatality or an explosion causing structural damage.

(e) An event resulting in an unintentional release of gas estimated by the operator to be 1 million cubic feet or more or an unintentional activation of an emergency shutdown system of any portion of a compressor station involving a release of gas.

(f) An event that causes the pressure of any portion of a pipeline system to rise above its maximum allowable operating pressure plus the build-up allowed for operation of pressure limiting or control devices.

(g) An event that receives or is likely to receive extensive news coverage or is significant in the judgment of the operator, even though it did not meet the criteria of subdivision (a), (b), (c), (d), (e) or (f) of this subrule. This subdivision is not subject to the penalty provisions of section 11 of 1969 PA 165, MCL 483.161.

(2) If additional information is received by the operator after the initial report that indicates a different cause, more serious injury, or more serious property damage than was initially reported, then the operator shall make a supplemental telephone report to the commission staff as soon as practicable.

(3) When requested by the commission staff, an operator shall supplement a report made in accordance with subrule (1) of this rule within a reasonable time, with a written report giving full details, such as the cause of the incident or occurrence, the extent of injuries or damage, and the steps taken, if any, to prevent a recurrence of the incident or occurrence.

R 460.20504 Reports.

Rule 504. (1) An operator shall concurrently submit a written report that is required to be filed with any federal agency by 49 CFR part 191, which is adopted by reference in R 460.20606, to the commission at P.O. Box 30221, Lansing, Michigan 48909-0221 or as directed by the commission staff.

(2) An operator required to submit an annual report in accordance with 49 CFR 191.11 and 49 CFR 191.17, which are adopted by reference in R 460.20606 of these rules, shall also submit a supplemental report to the commission staff. In the supplemental report, the operator shall subdivide the information in the reports required under 49 CFR 191.11 and 49 CFR 191.17 into specific regions identified by the commission staff. The staff shall identify and communicate these regions to the operator by the end of the calendar year for which the reports are being submitted. As used in this rule, "regions" means geographical, operational, or functional areas of the operator's system. These supplemental reports are to be submitted no later than the dates required in 49 CFR 191.11 and 49 CFR 191.17 and in a similar format.

PART 6. ADOPTION OF STANDARDS

R 460.20602 Names, addresses, and phone numbers of organizations.

Rule 602. The names, addresses, and phone numbers of organizations that sponsor or publish documents that have been adopted by reference in these rules are as follows:

(a) American Petroleum Institute (API), 200 Massachusetts Avenue, Washington, D.C. 20001-5571, (Phone number: 202-682-8000).

(b) American Society of Mechanical Engineers (ASME), Two Park Avenue, New York, New York 10016-5990, (Phone number: 800-843-2763), or contact its publishing division, 22 Law Drive, P.O. Box 2900, Fairfield, New Jersey 07007, (Phone number: 973-882-1167).

(c) National Association of Corrosion Engineers International (NACE), 15385 Park Ten Place, Houston, Texas 77084, (Phone number: 281-228-6200) or (Phone number: 800-797-6223).

(d) U.S. Department of Transportation Pipeline and Hazardous Materials Safety Administration (PHMSA), East Building, 2nd Floor, 1200 New Jersey Avenue, SE, Washington, D.C. 20590, (Phone number: 202-366-0656) or (Phone number: 800-467-4922). To order a standard published in the Code of Federal Regulations (CFR), contact the Government Publishing Office, Superintendent of Documents, Attention: New Orders, P.O. Box 371954, Pittsburgh, Pennsylvania 15250-7954, (202-512-1803), or visit the website at <http://bookstore.gpo.gov>.

R 460.20603 American petroleum institute standard; adoption by reference.

Rule 603. The following American Petroleum Institute standard is adopted by reference in these rules and is available at the price listed:

API standard 1104 titled “Welding of Pipelines and Related Facilities,” (20th edition, October 2005, including errata 1 (2007) and errata 2 (2008)), at a cost as of the time of adoption of these rules of \$304.00. Registered and authorized representatives of regulated pipeline operators may also view this edition of API standard 1104 without charge on the API website at www.api.org.

R 460.20606 Pipeline and hazardous materials safety administration standards; adoption by reference.

Rule 606. (1) The following pipeline and hazardous materials safety administration standard is adopted by reference in these rules and may be ordered from the U.S. Government Publishing Office via the internet at <http://bookstore.gpo.gov/products/cfr-title-49-pt-1-99-code-federal-regulationspaper2020> at a cost at the time of adoption of these rules of \$66.00. The standard is also available for public inspection and distribution at the price listed from the Michigan Public Service Commission, 7109 W. Saginaw Highway, Lansing, Michigan 48917: 49 CFR part 40 entitled “Procedures for Transportation Workplace Drug and Alcohol Testing Programs,” (October 1, 2020 edition), at a cost as of the time of adoption of these rules of \$66.00.

(2) The following Office of Pipeline and Hazardous Materials Safety Administration standards are adopted by reference in these rules and may be ordered from the U.S. Government Publishing Office via the internet at <http://bookstore.gpo.gov/products/cfr-title-49-pt-178-199-code-federal-regulationspaper2020> at a cost at the time of adoption of these rules of \$60.00 for a single volume that contains all of the standards. The standards are also available for public inspection and distribution at the price listed from the Michigan Public Service Commission, 7109 W. Saginaw Highway, Lansing, MI 48917:

(a) 49 CFR part 191 entitled “Transportation of Natural and Other Gas by Pipeline: Annual

Reports, Incident Reports, and Safety-related Condition Reports,” (October 1, 2020 edition).

(b) 49 CFR part 192 entitled “Transportation of Natural and Other Gas by Pipeline: Minimum Federal Safety Standards,” (October 1, 2020 edition).

(c) 49 CFR part 199 entitled “Drug and Alcohol Testing,” (October 1, 2020 edition).