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SOUTHWEST GAS CORPORATION

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AZ CORP COMMISSION
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January 29, 2007

Docket Control
Arizona Corporation Commission
Utilities Division
1200 West Washington Street
Phoenix, AZ 85007

Subject: Docket Nos. RG-00000A-06-0648

Please accept for filing an original and thirteen (13) copies of Southwest Gas Corporation's Comments in the Matter of the Proposed Amendments to Pipeline Safety Rules R14-5-202, R14-5-203, R14-5-204 and R14-5-205.

If you have any questions or comments, please do not hesitate to contact me at 702-876-7163.

Respectfully submitted,

Debra S. Jacobson, Director
Government & State Regulatory Affairs

Enclosures

Arizona Corporation Commission
DOCKETED
JAN 30 2007

DOCKETED BY

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BEFORE THE ARIZONA CORPORATION COMMISSION

IN THE MATTER OF THE PROPOSED)
AMENDMENTS TO PIPELINE SAFETY RULES)
R14-5-202, R14-5-203, R14-5-204 AND R14-5-205.)

Docket No. RG-00000A-06-0648

COMMENTS OF SOUTHWEST GAS CORPORATION

Southwest Gas Corporation ("Southwest") respectfully submits comments to the proposed amendments to A.A.C. R14-5-202, R14-5-203, R14-5-204 and R14-5-205 in the above captioned matter.

Southwest supports the efforts of the Staff of the Safety Division ("Staff") of the Arizona Corporation Commission to update the state pipeline safety regulations to be consistent with the federal pipeline safety regulations. Specifically, Southwest supports the Staff's proposed amendments to R14-5-202 and R14-5-205. However, Southwest submits alternative amendments to R14-5-203 and R14-5-204 as attached in the Appendix to these comments. Southwest generally adopts the Staff's proposed amendments and adds additional amendments to account for the updates that were made to the forms that are drafted by the U.S. Department of Transportation.

Respectfully submitted this 29 day of January, 2007.

SOUTHWEST GAS CORPORATION



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1 **R14-5-203. Pipeline Incident Reports and Investigations**

2 **A.** Applicability. This rule applies to all intrastate pipeline systems.

3 **B.** Required incident reports by telephone:

4 1. Operators of an intrastate pipeline transporting LNG, natural gas or other
5 gas will notify by telephone the Office of Pipeline Safety immediately upon
6 discovery of the occurrence of any of the following:

7 a. The release of natural gas, other gas or liquefied natural gas (LNG) from
8 a pipeline or LNG facility, when any of the following results:

9 i. Death or personal injury requiring hospitalization.

10 ii. An explosion or fire not intentionally set by the operator.

11 iii. Property damage, including the value of the gas lost,
12 estimated in excess of \$5,000.

13 b. Emergency transmission pipeline shutdown.

14 c. News media inquiry.

15 d. Overpressure of a pipeline system where a pipeline operating at less
16 than 12 PSIG exceeds MAOP by 50%, where a pipeline operating
17 between 12 PSIG and 60 PSIG exceeds MAOP by 6 PSIG or where a
18 pipeline operating over 60 PSIG exceeds MAOP plus 10%.

19 e. Permanent or temporary discontinuance of gas service to a master meter
20 system or when assisting with the isolation of any portion of a gas
21 master meter system due to a failure of a leak test.

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- 1 f. Emergency shutdown of a LNG process or storage facility.
- 2 2. Operators of an intrastate pipeline transporting hazardous liquid will notify
- 3 by telephone the Office of Pipeline Safety immediately upon discovery of
- 4 the occurrence of any of the following:
- 5 a. Death or personal injury requiring hospitalization.
- 6 b. An explosion or fire not intentionally set by the operator.
- 7 c. Property damage estimated in excess of \$5,000.
- 8 d. Pollution of any land, stream, river, lake, reservoir, or other body of
- 9 water that violates applicable environmental quality, water quality
- 10 standards, causes a discoloration of the surface of the water or adjoining
- 11 shoreline, or deposits sludge or emulsion beneath the surface of the
- 12 water or upon adjoining shorelines.
- 13 e. News media inquiry.
- 14 f. Release of 5 gallons (19 liters) or more of hazardous liquid or carbon
- 15 dioxide, except that no report is required for a release of less than 5
- 16 barrels (0.8 cubic meters) resulting from a pipeline maintenance activity
- 17 if the release is:
- 18 i. Not otherwise reportable under this Section;
- 19 ii. Not one described in 49 CFR 195.52(a)(4) (1994 revision
- 20 and no future revisions), incorporated by reference and copies

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1 available from the Office of Pipeline Safety, 2200 North Central
2 Avenue, Suite 300, Phoenix, Arizona 85004;

3 iii. Confined to company property or pipeline right-of-way;
4 and

5 iv. Cleaned up promptly.

6 g. Any release of hazardous liquid or carbon dioxide, that was significant
7 in the judgment of the operator even though it did not meet the criteria
8 of this subsection.

9 3. Telephone incident reports will include the following information:

- 10 a. Name of the pipeline system operator,
11 b. Name of the reporting party,
12 c. Job title of the reporting party,
13 d. The reporting party's telephone number,
14 e. Location of the incident,
15 f. Time of the incident, and
16 g. Fatalities and injuries, if any.

17 C. Require written incident report:

- 18 1. Operators of an intrastate pipeline transporting natural gas, LNG or other
19 gases will file a written incident report when an incident occurs involving a
20 natural gas or other gas pipeline that results in any of the following:
21 a. An explosion or fire not intentionally set by the operator.

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- 1 b. Injury to a person that results in one or more of the following:
- 2 i. Death.
- 3 ii. Loss of consciousness.
- 4 iii. Need for medical treatment requiring hospitalization.
- 5 c. Property damage, including the value of the lost gas, estimated in excess
- 6 of \$5,000.
- 7 d. Emergency transmission pipeline shutdown.
- 8 e. Overpressure of a pipeline system where a pipeline operating at less
- 9 than 12 PSIG exceeds MAOP by 50%, where a pipeline operating
- 10 between 12 PSIG and 60 PSIG exceeds MAOP by 6 PSIG or where a
- 11 pipeline operating over 60 PSIG exceeds MAOP plus 10%.
- 12 f. Emergency shutdown of a LNG process or storage facility.
- 13 2. Written incident reports concerning natural gas or other gas pipeline
- 14 systems will be in the following form:
- 15 a. **RSPA PHMSA** F7100.1 - Distribution System: Incident Report,
- 16 (March 2004 Revision and no future revisions) incorporated by
- 17 reference and copies available from the Office of Pipeline Safety, 2200
- 18 North Central Avenue, Suite 300, Phoenix, Arizona 85004.
- 19 b. **RSPA PHMSA** F7100.2 - Transmission and Gathering System:
- 20 Incident Report, (January 2002 Revision and no future revisions)
- 21 incorporated by reference and copies available from the Office of

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1 Pipeline Safety, 2200 North Central Avenue, Suite 300, Phoenix,
2 Arizona 85004.

3 c. Written incident reports with respect to LNG facilities will be in an
4 investigative form defining the incident and corrective action taken to
5 prevent a reoccurrence.

6 3. Operators of an intrastate pipeline transporting hazardous liquid will make
7 a written incident report on ~~RSPA~~ PHMSA F 7000-1, (January 2001
8 Revision and no future revisions), incorporated by reference, and copies
9 available from the Office of Pipeline Safety, 2200 North Central Avenue,
10 Suite 300, Phoenix, Arizona 85004, when there is a release of hazardous
11 liquid which results in any of the following:

12 a. An explosion or fire not intentionally set by the operator.

13 b. Injury to a person that results in one or more of the following:

14 i. Death.

15 ii. Loss of consciousness.

16 iii. Inability to leave the scene of the incident unassisted.

17 iv. Need for medical treatment.

18 v. Disability which interferes with a person's normal daily
19 activities beyond the date of the incident.

20 c. Release of 5 gallons (19 liters) or more of hazardous liquid or carbon
21 dioxide, except that no report is required for a release of less than 5

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1 barrels (0.8 cubic meters) resulting from a pipeline maintenance activity

2 if the release is:

3 i. Not otherwise reportable under this Section;

4 ii. Not one described in 49 CFR 195.52 (a)(4) (1994 revision
5 and no future revisions), incorporated by reference and copies
6 available from the Office of Pipeline Safety, 2200 North Central
7 Avenue, Suite 300, Phoenix, Arizona 85004;

8 iii. Confined to company property or pipeline right-of-way;

9 and

10 iv. Cleaned up promptly.

11 d. Estimated property damage, including cost of clean-up and recovery,
12 value of lost product, and damage to the property of the operator or
13 others, or both, exceeding \$5,000.

14 e. News media inquiry.

15 4. Written incident reports as required in this Section will be filed with the
16 Office of Pipeline Safety, within the time specified below:

17 a. Natural gas, LNG or other gas - within 20 days after detection.

18 b. Hazardous liquids - within 15 days after detection.

19 5. The Operators shall also file a copy of all DOT required written incident
20 reports with the Information Resources Manager, Office of Pipeline Safety,

21 ~~Research and Special Programs Administration~~ Pipeline and

1 **Hazardous Materials Safety Administration, Room 7128, 400 Seventh**
2 **Street, S.W.**, U.S. Department of Transportation, Washington, DC 20590.

3 6. Operators of a natural gas or other gas pipeline system will request a
4 clearance from the Office of Pipeline Safety prior to turning on or
5 reinstating service to a master meter operator.

6 **D. Investigations by the Commission:**

7 1. The Office of Pipeline Safety will investigate the cause of incidents
8 resulting in death or serious injury.

9 2. Pursuant to an investigation under this rule, the Commission, or an
10 authorized agent thereof, may:

11 a. Inspect all plant and facilities of a pipeline system.

12 b. Inspect all other property, books, papers, business methods, and affairs
13 of a pipeline system.

14 c. Make inquiries and interview persons having knowledge of facts
15 surrounding an incident.

16 d. Attend, as an observer, hearings and formal investigations concerning
17 pipeline system operators.

18 e. Schedule and conduct a public hearing into an incident.

19 3. The Commission may issue subpoenas to compel the production of records
20 and the taking of testimony.

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- 1 4. Incidents not reported in accordance with the provisions of this rule will be
- 2 investigated by the Office of Pipeline Safety.
- 3 5. Incidents referred to in incomplete or inaccurate reports will be investigated
- 4 by the Office of Pipeline Safety.
- 5 6. Late filed incident reports will be accompanied by a letter of explanation.
- 6 Incidents referred to in late filed reports may be investigated by the Office
- 7 of Pipeline Safety.

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1 **R14-5-204. Annual Reports**

2 **A.** Except for operators of an intrastate pipeline transporting LNG, all other
3 intrastate pipeline operators will file with the Office of Pipeline Safety, not
4 later than March 15, for the preceding calendar year, the following appropriate
5 report(s):

6 1. ~~RSPA PHMSA~~ F 7000-1.1 (~~February 2004 April 2006~~ Edition and no
7 future editions) – “Annual Report for calendar year 20__ , hazardous liquid
8 or carbon dioxide systems” and “Instructions for completing ~~RSPA Form~~
9 PHMSA F 7000-1.1 (Rev. 04-2006), Annual Report for calendar year ~~20__~~
10 20XX hazardous liquid or carbon dioxide systems”, incorporated by
11 reference, and copies available from the Office of Pipeline Safety, 2200
12 North Central Avenue, Suite 300, Phoenix, Arizona 85004 and the
13 Information Resources Manager, Office of Pipeline Safety, Pipeline and
14 Hazardous Materials Safety Administration, U.S. Department of
15 Transportation, Room ~~2335~~ 7128, 400 Seventh Street, S.W., Washington,
16 DC 20590.

17 2. ~~RSPA PHMSA~~ F7100.1-1 (~~November 1985 Edition for use in 2004;~~
18 ~~March 2005 December 2005~~ Edition and no future editions, ~~which can be~~
19 ~~used in 2004 but will become mandatory starting in 2005~~) - “Annual
20 Report for Calendar Year 20__ , Gas Distribution System” and
21 “Instructions for Completing ~~RSPA~~ Form PHMSA F7100.1-1, Annual

1 Report for Calendar Year ~~20__~~ 2005, Gas Distribution System”,
2 incorporated by reference, and copies available from the Office of Pipeline
3 Safety, 2200 North Central Avenue, Suite 300, Phoenix, Arizona 85004 and
4 the Information Resources Manager, Office of Pipeline Safety, ~~Research~~
5 ~~and Special Programs Administration~~ Pipeline and Hazardous
6 Materials Safety Administration, U.S. Department of Transportation,
7 Room ~~8417~~ 7128, 400 Seventh Street, S.W., Washington, D.C. 20590.

- 8 3. ~~RSPA~~ PHMSA F7100.2-1 (December ~~2003~~ 2005 Edition and no future
9 editions) - “Annual Report for Calendar Year 20__, Gas Transmission and
10 Gathering Systems” and “Instructions for Completing Form ~~RSPA~~
11 PHMSA F7100.2-1 (Rev. 12/05), Annual Report for Calendar Year ~~20__~~
12 2005, Gas Transmission and Gathering Systems”, incorporated by
13 reference, and copies available from the Office of Pipeline Safety, 2200
14 North Central Avenue, Suite 300, Phoenix, Arizona 85004 and the
15 Information Resources Manager, Office of Pipeline Safety, ~~Research and~~
16 ~~Special Programs Administration~~ Pipeline and Hazardous Materials
17 Safety Administration, U.S. Department of Transportation, Room ~~8417~~
18 7128, 400 Seventh Street, S.W., Washington, D.C. 20590.

- 19 B. The operator will also file a copy of all required annual reports by March 15 to
20 the Information Resources Manager, Office of Pipeline Safety, ~~Research and~~
21 ~~Special Programs Administration~~ Pipeline and Hazardous Materials

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1 **Safety Administration**, U.S. Department of Transportation, **Room 7128**, 400

2 Seventh Street S.W., Washington, D.C. 20590-0001.

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CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing **COMMENTS OF SOUTHWEST GAS CORPORATION** by mailing a copy, properly addressed, with postage prepaid, to each of the following individuals:

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Dated at this 29th day of January, 2007.


An employee of SOUTHWEST GAS CORPORATION