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OPEN MEETING ITEM  
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MEMORANDUM

2000 DEC -1 P 1:51

Arizona Corporation Commission

TO: THE COMMISSION **DOCKETED**

AZ CORP COMMISSION  
DOCUMENT CONTROL

FROM: Utilities Division **DEC 01 2000**

DATE: December 1, 2000 **DOCKETED BY** JM

RE: NOTICE OF PROPOSED RULEMAKING IN THE MATTER OF THE PROPOSED AMENDMENTS TO R14-2-106 REGARDING COMMISSION COLOR CODE TO IDENTIFY LOCATION OF UNDERGROUND FACILITIES (DOCKET NO. RG-00000A-00-0683)

Staff is proposing amendments to R14-2-106, Commission Color Code to Identify Location of Underground Facilities. The amendments will update this rule to incorporate the most recent national industry standards and practices for marking reclaimed water systems. The amended rule clarifies specific underground facilities to be marked designated colors to include updated technology and terms thereof.

The proposed revision also includes addition of the color purple for reclaimed water systems as a separate, distinguishable underground facility to be marked in compliance with state laws.

Staff has recommended that the Commission direct the Hearing Division to issue a Procedural Order setting public comment period on the proposed rules and setting the dates for public comment hearing in Phoenix.

Staff also recommends that the requesting utility provide public notice of the hearing in this matter, as directed by the Hearing Division, and shall cause the notice to be published at least once in a newspaper of general circulation in each county.

Staff recommends that the proposed rule be forwarded to the Secretary of State for publication in the Register of the Notice of Proposed Rulemaking.

Deborah R. Scott  
Director  
Utilities Division

DRS:TLF:lh\RJM

ORIGINATOR: Terry Fronterhouse

1 **BEFORE THE ARIZONA CORPORATION COMMISSION**

2 CARL J. KUNASEK  
Chairman

3 JIM IRVIN  
Commissioner

4 WILLIAM A. MUNDELL  
Commissioner

5  
6 IN THE MATTER OF THE PROPOSED )  
AMENDMENTS TO R14-2-106 REGARDING )  
7 COMMISSION COLOR CODE TO IDENTIFY )  
LOCATION OF UNDERGROUND FACILITIES. )

DOCKET NO. RG-00000A-00-0683

DECISION NO. \_\_\_\_\_

ORDER

9 Open Meeting  
January 9 and 10, 2001  
10 Phoenix, Arizona

11 **BY THE COMMISSION:**

12 **FINDINGS OF FACT**

13 1. Staff is proposing amendments to R14-2-106, Commission color code to identify  
14 location of underground facilities. The amendments will update this rule to incorporate the most  
15 recent national industry standards and practices for marking reclaimed water systems.

16 2. The amended rule clarifies specific underground facilities to be marked designated  
17 colors to include updated technology and terms thereof.

18 3. The proposed revision also includes addition of the color purple for reclaimed water  
19 systems as a separate, distinguishable underground facility to be marked in compliance with state  
20 laws.

21 4. Staff has recommended that the Commission direct the Hearing Division to issue a  
22 Procedural Order setting public comment period on the proposed rules and setting the dates for  
23 public comment hearing in Phoenix.

24 5. Staff also recommends that the requesting utility provide public notice of the  
25 hearing in this matter, as directed by the Hearing Division, and shall cause the notice to be  
26 published at least once in a newspaper of general circulation in each county.

27 6. Staff has recommended that the Notice of Proposed Rulemaking (attached, Exhibit  
28 A) be forwarded to the Secretary of State.



## SERVICE LIST:

DOCKET NO. RG-00000A-00-0683

1		
2		
3	JOHN GILMARTIN	ALVIN ROBERTSON
4	AJO DOMESTIC WATER IMPROVEMENT	CITY OF CHANDLER, WASTE WATER
5	DISTRICT	COLLECTION
6	POST OFFICE BOX 1000	P O BOX 4008 MAIL STOP 908
7	AJO, AZ 85321	CHANDLER, AZ 85244-4008
8		
9	BILL ALLEN	BOB MACHEN
10	APACHE JUNCTION WATER CO.	PIMA COUNTY WASTE WATER
11	PO BOX 1211	1313 S MISSION ROAD
12	APACHE JUNCTION, AZ 85217	TUCSON, AZ 85713
13		
14	TIM WALLS	LEE CAREY
15	AVRA WATER CO-OP	CITY OF PRESCOTT, SEWER DEPARTMENT
16	11821 W PICTUREROCKS	430 N VIRGIN STREET
17	TUCSON, AZ 85743	PRESCOTT, AZ 86301
18		
19	KEVIN R. NIELSON	CRAIG DOTSETH
20	SALT RIVER PROJECT	CITY OF PRESCOTT, UTILITIES DIVISION
21	P O BOX 52025	430 N VIRGIN STREET
22	PHOENIX, AZ 85072-2025	PRESCOTT, AZ 86301
23		
24	SANDRA HOLMES	STEVEN DEVEREAUX
25	ARIZONA BLUE STAKE CENTER	ARIZONA ENVIRONMENTAL QUALITY
26	4415 S WENDLER DRIVE SUITE 105	400 W CONGRESS, SUITE 433
27	TEMPE, AZ 85282	TUCSON, AZ 85701
28		
29	BURT WILLIAMS	JACQUELINE E. SCHAFER
30	CITY OF MESA	ARIZONA ENVIRONMENTAL QUALITY
31	P O BOX 1466	3033 N CENTRAL AVE
32	MESA, AZ 85211-1466	PHOENIX, AZ 85012
33		
34	RON HUBER	STEVE BORST
35	FOUNTAIN HILLS SANITARY DISTRICT	ARIZONA ENVIRONMENTAL QUALITY
36	16941 E PEPPERWOOD CIRCLE	3033 N CENTRAL AVE
37	FOUNTAIN HILLS, AZ 85268	PHOENIX, AZ 85012
38		
39	SANDRA LAMBLY	RUDY RAMIREZ
40	COX COMMUNICATIONS	CITY OF PHOENIX, WATER
41	2615 S INDUSTRIAL PARK AVE	7617 N 21ST AVE
42	TEMPE, AZ 85282	PHOENIX, AZ 85021
43		
44	DAVID FERN	BLAINE ROBINSON
45	CITY OF CHANDLER, PUBLIC WORKS	CITY OF PHOENIX, WATER
46	P O BOX 4008 MALL STOP 411	BUILDING NO. 2
47	CHANDLER, AZ 85244-4008	6202 N 24TH STREET
48		PHOENIX, AZ 85016
49		
50	GILBERT MUNOZ	JOHN MANN
51	CITY OF CHANDLER	CITY OF TEMPE, WATER MANAGEMENT
52	P O BOX 4008 MAIL STOP 911	DIVISION
53	CHANDLER, AZ 85244-4008	P O BOX 5002
54		TEMPE, AZ 85280
55		
56		

1	RICHARD GONZALES SR ARIZONA DEPARTMENT OF TRANSPORTATION 1444 W GRANT TUCSON, AZ 85745	STAN FRANCOM CAREFREE WATER CO., INC. P O BOX 702 CAREFREE, AZ 85377
2		
3	SCOTT VOLLRATH ARIZONA DEPARTMENT OF TRANSPORTATION 2104 S 22 AVE 013R PHOENIX, AZ 85009	TARIA NUMMELA CAVE CREEK WATER COMPANY P O BOX 13507 SCOTTSDALE, AZ 852673507
4		
5		
6	LARRY BROOKS ARIZONA GOLF RESORT 425 S POWER RD MESA, AZ 85206	ROBERT BERMEA CITIZENS WATER RESOURCES 15626 N DEL WEBB BVD SUN CITY, AZ 85351
7		
8		
9	GUY CARPENTER PUBLIC WORKS 1025 S GILBERT RD GILBERT, AZ 85296	RICHARD SULLINS CITY OF AVONDALE 1211 S. 4 ST AVONDALE, AZ 85323
10		
11	MICHAEL MCDONALD ARIZONA PUBLIC SERVICE P O BOX 53933 PHOENIX, AZ 85072-3933	JOHN MORAN CITY OF BENSON P.O. BOX 2223 BENSON, AZ 85602
12		
13		
14	RICH SUAREZ CITY OF GLENDALE, UTILITIES DEPT 6210 W MYRTLE AVE SUITE 112 GLENDALE, AZ 85301-1700	DAVID GONZALES CITY OF DOUGLAS 425 10 ST DOUGLAS, AZ 85607
15		
16	DAVE PETTY CITY OF SCOTTSDALE, WATER OPERATIONS 9312 N 94TH STREET SCOTTSDALE, AZ 85258	MARY NAVARRO CITY OF EL MIRAGE 14405 PALM ST EL MIRAGE, AZ 85335
17		
18		
19	STEVE PAGEAU CITY OF TUCSON WATER DEPARTMENT P O BOX 27210 TUCSON, AZ 85726-7210	LORRAINE DEVRIENDT CITY OF ELOY 628 N MAIN ST ELOY, AZ 85231
20		
21	FRED S BINGHAM ARIZONA STATE UNIVERSITY FACILITIES MGMT P.O. BOX 872605 TEMPE, AZ 85287-2605	PAULA JARAMILLO CITY OF FLAGSTAFF 211 W ASPEN AVE FLAGSTAFF, AZ 86001
22		
23		
24	CHRIS OCHS ARIZONA WATER COMPANY 5850 W GLENDALE AVE GLENDALE, AZ 85301	PETER CORPUS CITY OF GLENDALE 6210 W MYRTLE GLENDALE, AZ 85301
25		
26	VICKI PHILLIPS BLACK CANYON WATER IMPROVEMENT DISTRICT P O BOX 1007 BLACK CANYON CITY, AZ 85324	JODI WHITE CITY OF GLOBE 150 N PINE ST GLOBE, AZ 85501
27		
28		
		LORENA A. VERONICA CITY OF GOODYEAR 119 N LITCHFIELD RD GOODYEAR, AZ 85338

1	M. BROOKS CITY OF HOLBROOK 364 ALDEN RD KEARNY, AZ 85237	ALEX GRADILLAS CITY OF TOMBSTONE 315 EAST FREEMONT TOMBSTONE, AZ 85638
2		
3	BOB STEELE CITY OF KINGMAN 3700 E. ANDY DEVINE KINGMAN, AZ 86401	LINDA STODDARD CITY OF WILLCOX 151 W. MALEY WILLCOX, AZ 85643
4		
5	FRANK CAMACHO CITY OF NOGALES 1450 N HOHOKAM DR NOGALES, AZ 85621	JOE ARMENTA CITY OF WILLIAMS 113 S 1 ST WILLIAMS, AZ 86046
6		
7		
8	BOB ZUFELT CITY OF PAGE P.O. DRAWER HH PAGE, AZ 86040	GREG FRECH CITY OF WINSLOW 600 E NORTH RD WINSLOW, AZ 86047
9		
10	DAVE ORTIZ CITY OF PEORIA 8850 N 79 AVE PEORIA, AZ 85345	HANK BAER CITY OF YUMA AZ 155 WEST 14 <sup>th</sup> STREET YUMA, ARIZONA 85364
11		
12		
13	OLIVIA JENKINS CITY OF SAN LUIS P.O.BOX 3750 SAN LUIS, AZ 85349	ROGER WAGNER COLDWATER CANYON WATER CO. POST OFFICE BOX 637 BLACK CANYON CITY, AZ 85324
14		
15	JIM ENGLAND CITY OF SHOW LOW 1281 E THORNTON SHOW LOW, AZ 85901	NORRIS WEST COMMUNITY WATER COMPANY OF GREEN VALLEY PO BOX 1078 GREEN VALLEY, AZ 85622
16		
17	JERRY WHELAN CITY OF SIERRA VISTA 1224 NORTH AVENUE SIERRA VISTA, AZ 85635	ROBERT CONDIT CORTARO MARANA IRRIGATION DISTRICT 12253 WEST GRIER ROAD MARANA, AZ 85653
18		
19		
20	ROSA RUIZ CITY OF SOMERTON 110 N STATE AVE SOMERTON, AZ 85350	HARRY LAUBENTHAL COUNTRY CLUB WATER COMPANY PO BOX 770 WICKENBURG, AZ 85358
21		
22	WILLIAM POWE CITY OF SOUTH TUCSON 1601 S 6 AVE SOUTH TUCSON, AZ 85713	BETTY BRANNON FOUNTAIN HILLS PERMIT DEPARTMENT P.O. BOX 17958 FOUNTAIN HILLS, AZ 85269
23		
24		
25	BEVERLY WAITE CITY OF ST JOHN P.O. BOX 455 ST JOHNS, AZ 85936	TAWNA DE SPAIN GILA RESOURCES PO BOX 272 SAFFORD, AZ 85548
26		
27	MARIA ESCOBEDO CITY OF TOLLESON 9555 W VAN BUREN TOLLESON, AZ 85353	
28		

1	LARRY PLUMLEY GOLDEN VALLEY WATER IMPROVEMENT DISTRICT 1	RAMON BAZURTO NORTHERN ARIZONA UNIVERSITY PO BOX 6016 FLAGSTAFF, AZ 86011
2	3675 E. ANDY DEVINE STREET, STE. C KINGMAN, AZ 86401	
3		DEANNA BROWNING NORTHERN GILA COUNTY SANITARY DIST. PO BOX 591 PAYSON, AZ 85547
4	JOANN HAUTEN GREEN VALLEY WATER COMPANY 3290S CAMINO DEL SOL GREEN VALLEY, AZ 85614	
5		JOHN FOWLER PAPAGO BUTTE IRRIGATION DISTRICT P O BOX 746 CHANDLER, AZ 85224 LEE HUDDLESTON PARADISE VALLEY WATER COMPANY 6250 N 66TH ST PARADISE VALLEY, AZ 85253
6	STEVE WILSON HAVASU HEIGHTS WATER DISTRICT 7845 SKYVIEW DR LAKE HAVASU CITY, AZ 86404	
7		
8	BILL MCMAHON HOLIDAY HILLS DOM. WATER IMPRV. DIST. 2375 E VALENTINE #47 PRESCOTT, AZ 86303	
9		GINGER VOORHEES PIMA UTILITY 9532 E RIGGS RD SUN LAKES, AZ 85248
10	DOUG RUTHERFORD HUMBOLDT WATER SYSTEM, INC. 13502 BURTON RD MAYER, AZ 86333	
11		GIL EUARO PRESCOTT EAST SANITARY DISTRICT 1100 COMMERCE DR. PRESCOTT, AZ 86305
12		
13	KIMBLE MCCLYMONDS INSCRIPTION CANYON RANCH SANITARY DISTRICT 2132 STRINGFIELD DR. PRESCOTT, AZ 86301	
14		JEAN MOLLOY PUEBLO DEL SOL WATER COMPANY 2000 S ST HWY 92 SIERRA VISTA, AZ 85635
15	DENNIS WECKERLY JORDAN MEADOWS IRRIGATION ASSOC., INC. P.O. BOX 2075 CAMP VERDE, AZ 86322	
16		DARRELL PHILLIPS QUEEN VALLEY SANITARY DIST. 281 W. MONTE VISTA DR. QUEEN VALLEY, AZ 85219
17		
18	THERESA WAGNER LAKE HAVASU CITY 2330 MCCULLOCH BLVD. N. LAKE HAVASU CITY, AZ 86403	
19		ART SPRINKLE RANCHO VISTOSO WATER (TOWN OF ORO VALLEY WATER) 11000 N LA CANADA ORO VALLEY, AZ 85737
20	MATTHEW GAILICK LITCHFIELD PARK SERVICE CO. 111 W WIGWAM BLVD #B LITCHFIELD PARK, AZ 85340	
21		GREG JAMES SALT RIVER PROJECT 600 E CURRY TEMPE, AZ 85281
22		
23	KIRBY SCHARMANN LONDON BRIDGE GOLF COURSE 2400 CLUBHOUSE DR. LAKE HAVASU CITY, AZ 86404	
24		WARREN PARKER SEDONA PARKS & RECREATION 102 ROADRUNNER DRIVE SEDONA, AZ 86336
25		
26	KENNETH MOUW MARICOPA COUNTY PARKS & RECREATION DEPT. 3475 W. DURANGO STREET PHOENIX, AZ 85009	
27		GIL EUARO SELIGMAN SANITARY DISTRICT 1100 COMMERCE DR. PRESCOTT, AZ 86305
28		

1	JEFF MARLOW SOUTH GRAND CANYON SANITARY DISTRICT PO BOX 3055 GRAND CANYON, AZ 86023	JASON WILLIAMSON VERDE SANTA FE WASTEWATER CO. C/O: PIVOTAL MANAGEMENT CASTLE ROCK, CO 80104
2		
3	COLLETTE MACARTHUR THUMB BUTTE WATER ASSOCIATION P O BOX 22495 BULLHEAD CITY, AZ 86439	GUY EMMINGER DIAMOND VALLEY WATER USERS CORP P O BOX 10996 PRESCOTT, AZ 86304
4		
5		
6	RON LONG TOWN OF BUCKEYE P O BOX 157 BUCKEYE, AZ 85326	ANNA MARIE ARENAS CITY OF TUCSON WATER P O BOX 27210 TUCSON, AZ 85727-7210
7		
8	RAMON CAMACHO TOWN OF KEARNY PO BOX 639 KEARNEY, AZ 85237	BRUCE JOHNSON CITY OF TUCSON WATER 310 W ALAMEDA TUCSON, AZ 85701
9		
10		
11	BUDDY CLOY TOWN OF PARKER POST OFFICE BOX 610 PARKER, AZ 85344	BRITT KLEIN CITY OF TUCSON WATER 510 W 18TH BUILDING NO. 12 TUCSON, AZ 85701
12		
13	JEREMY DU TOIT TOWN OF PATAGONIA PO BOX 767 PATAGONIA, AZ 85624	CRAIG H. ADAMS CITY OF TUCSON WATER 310 W ALAMEDA TUCSON, AZ 85701
14		
15	MARC SHEWEY TOWN OF PAYSON 303 N BEELINE HWY PAYSON, AZ 85541	CHUCK NELSON SALT RIVER PROJECT P O BOX 25025 PHOENIX, AZ 85072-2025
16		
17		
18	LARRY TARKOWSKI TOWN OF PRESCOTT VALLEY 7501 E CIVIC CIR PRESCOTT VALLEY, AZ 86314	
19		
20	RUSSELL WILLIS TOWN OF WICKENBURG 155 N TEGNER STE A WICKENBURG, AZ 85390	
21		
22		
23	GENE FARTHING VALLE VERDE DEL NORTE WATER COOPERATIVE 17721 S PLACITO MAYO GREEN VALLEY, AZ 85614	
24		
25		
26	WES ZWETSCH VERDE LAKES WATER CORPORATION 2867 VERDE LAKES DR CAMP VERDE, AZ 86322	
27		
28		

NOTICE OF PROPOSED RULEMAKING  
 TITLE 14. PUBLIC SERVICE CORPORATIONS; CORPORATIONS AND  
 ASSOCIATIONS; SECURITIES REGULATION  
 CHAPTER 2. CORPORATION COMMISSION – FIXED UTILITIES

PREAMBLE

1. Sections Affected                      Rulemaking Action  
 Article 1.  
 R14-2-106.                                  Amend.
  
2. The specific authority for the rulemaking, including both the authorizing statute (general) and the statutes the rules are implementing (specific):  
 Authorizing statute:     A.R.S. §§ 40-202, 40-203, 40-321, 40-441 and 40-442 et seq.  
 Constitutional authority:     Arizona Constitution, Article XV  
 Implementing statute:     Not applicable
  
3. A list of all previous notices appearing in the Register addressing the proposed rule:  
 \_\_\_\_\_ A.A.R. \_\_\_\_\_,  
 Vol. #                      page #                      Issue date
  
4. The name and address of agency personnel with whom persons may communicate regarding the rulemaking:  
 Name:                      Robert J. Metli, Commission Counsel, Legal Division  
 Address:                      Corporation Commission  
                                     1200 West Washington Street  
                                     Phoenix, Arizona 85007  
 Telephone Number: (602) 542-3402  
 Fax Number:                      (602) 542-4870
  
5. An explanation of the rule, including the agency's reasons for initiating the rule:
  1. Staff is proposing amendments to R14-2-106. Commission color code to identify location of underground facilities. The amendment will update this rule to incorporate the most recent national industry standards and practices for marking reclaimed water systems.

2. The amended rule clarifies specific underground facilities to be marked designated colors to include updated technology and terms thereof.
3. The proposed revision also includes addition of the color purple for reclaimed water systems as a separate, distinguishable underground facility to be marked in compliance with state laws.

6. **A showing of good cause why the rule is necessary to promote a statewide interest if the rule will diminish a previous grant of authority of a political subdivision of this state:**

In March 2000, the City of Tucson, Tucson Water Department submitted a formal request to the Corporation Commission Safety Division on behalf of Arizona Blue Stake, industry companies and public service corporations, to amend the color code for marking underground facilities. The request followed two years of conferencing to determine the best preventive means of reducing the possibilities of cross-connecting drinkable water systems with reclaimed water systems.

In April of 1999, the American Public Works Association (APWA) approved the color purple for identification of reclaimed water. The Office of Pipeline Safety has reviewed the matter and finds substantial evidence of statewide and industry support. The Commission Staff believes it would be in the best interest and safety of the public to initiate this rulemaking proceeding.

7. **The preliminary summary of the economic, small business, and consumer impact:**

Small Business Subject to the Rules: The amended rule will have no effect upon consumers or users of the gas service provided by regulated public utilities as they presently are required to be in compliance with all standards, but, this will benefit consumers, users and the general public by additional clarification of underground water systems.

8. **The name and address of agency personnel with whom persons may communicate regarding the accuracy of the economic, small business, and consumer impact statement:**

Name: Terry Fronterhouse, Chief, Office of Pipeline Safety  
Address: Corporation Commission  
1200 West Washington Street  
Phoenix, Arizona 85007

Telephone Number: (602) 542-7275

Fax Number: (602) 542-7254

9. **The time, place, and nature of the proceedings for the adoption, amendment, or repeal of the rule or, if no proceeding is scheduled, where, when, and how persons may request an oral proceeding on the proposed rule:**

Date: To be provided by Hearing Division pursuant to Open Meeting.

Time: To be provided by Hearing Division pursuant to Open Meeting.

Location: Corporation Commission Hearing Room, 1200 West Washington Street,  
Phoenix, Arizona

Nature: Public Comment Hearing (oral and written comments accepted)

10. **Any other matters prescribed by statute that are applicable to the specific agency or to any specific rule or class of rules:**

None

11. **Incorporations by reference and their location in the rules:**

There are no incorporations by reference in R14-2-106. .

12. **The full text of the rules follows:**

TITLE 14. PUBLIC SERVICE CORPORATIONS; CORPORATIONS AND  
ASSOCIATIONS; SECURITIES REGULATION

CHAPTER 5. CORPORATION COMMISSION – TRANSPORTATION

ARTICLE 1. FIXED UTILITIES

- R14-2-101. Accident Reports
- R14-2-102. Treatment of Depreciation
- R14-2-103. Defining Filing Requirements in Support of a Request by a public Service Corporation Doing Business in Arizona for a Determination of the Value of Property of the Corporation and of the Rate of Return Thereon, or in Support of Proposed Increased Rates or Charges
- R14-2-104. Inspection of Annual Reports
- R14-2-105. Notice of rate hearings
- R14-2-106. Commission Color Code to Identify Location of Underground Facilities
- A. If the location of an underground facility is marked with stakes, paint or in some customary manner pursuant to A.R.S. § 40-360.21.13, the facility owner will use the following color code:

<u>Facility Type</u>	<u>Specific Color</u>
Electric Power Distribution and Transmission.	Safety Red
Gas Distribution and Transmission; Oil Products Distribution and Transmission; Dangerous Materials, Product Lines.	High Visibility Safety Yellow
Telephone and Telegraph System; Cable Television.	Safety Alert Orange
Fiber Optics Communication Lines.	The Letter "F" in Safety Alert Orange

Water Systems; Slurry Pipelines.

Safety Precaution Blue

Reclaimed Water Systems.

Purple

Sanitary Sewer Systems.

Safety Green

\* \* \* \* \*

UNACCEPTABLE FACILITY LOCATION COLORS:

Florescent Pink – This shall be considered a land surveyor marking.

White – This shall be reserved for excavator markings.

**B.** Excavators and Underground Facility Owners shall consider use of the color fluorescent pink to be indicative of land survey markings and not location markings for any underground facility. Surveyors may place aerial photogrammetric markings (targets) using the color white, such markings shall have a fluorescent pink dot not less than two inches in diameter placed within one foot of any edge of the aerial marking. Fluorescent pink shall not be used by excavators or underground facility owners.

**C.** Excavators making markings pursuant to Arizona Revised Statute Ann. § 40-360.22.C are required to use the color white.

**D.** Colors similar to those listed in R14-2-106.A through R14-2-106.C shall not be used for other than their listed purpose.

## STATEMENT OF EFFECT ON SMALL BUSINESS

1. Small Business Subject to the Rules: This amendment, requested by industry companies, public service corporations and Arizona Blue Stake brings the Commissions' color code for marking underground facilities into compliance with national industry practice. This does not change the responsibilities of small businesses in this industry.
  
2. Professional Skills and Reporting and Bookkeeping Procedures Required for Compliance: No additional professional skills are required, and the reporting and bookkeeping requirements would not significantly change.
  
3. Description of Methods Used to Reduce Impact on Small Businesses: There are no new requirements that would impact the small business community.
  
4. Feasibility and Legality of Methods in three (3) above: Not applicable.

**ECONOMIC IMPACT STATEMENT  
PER A.R.S. SECTION 41-1055**

**1. BRIEF DESCRIPTION:**

In March 2000, the City of Tucson, Tucson Water Department submitted a formal request to the Corporation Commission Safety Division on behalf of Arizona Blue Stake, industry companies and public service corporations, to amend the color code for marking underground facilities. The request followed two years of conferencing to determine the best preventive means of reducing the possibilities of cross-connecting drinkable water systems with reclaimed water systems.

The proposed changes will amend already existing rule R14-2-106. Commission Color Code to Identify Location of Underground Facilities.

**2. NEED:**

The American Public Works Association (APWA) has approved the color purple for identification of reclaimed water. The Office of Pipeline Safety has reviewed the matter and finds substantial evidence of statewide and industry support. The Commission Staff believes it would be in the best interest and safety of the public to initiate this rulemaking proceeding.

3. **AFFECTED CLASSES OF PERSONS:** Companies and individuals subject to the requirements of ARS 40-360 et seq. including but not limited to water system owners, contractors, and excavators.
  
4. **RULE IMPACT ON AFFECTED CLASSES OF PERSONS:** The rule will require persons subject to underground facility marking requirements to purchase and make appropriate accommodation for an additional color marking. The rule will clarify water lines to reduce confusion in cross-connecting systems.
  
5. **COST AND BENEFITS TO THE AGENCY:** The Commission will have fewer complaints and will be able to better maintain safety for the general public. The amendments to the rules will have no effect on other state agencies.
  
6. **COST AND BENEFITS TO POLITICAL SUBDIVISIONS:** The cost and benefits will provide an additional safety measure with minimal cost. The amendments were requested by several municipalities and Arizona Blue Stake.
  
7. **COST AND BENEFITS TO PRIVATE PERSONS:** There will be no additional cost to taxpayers, ratepayers or customers. The impact of the rule changes is to provide the taxpayers, ratepayers and customers with improved safety and to assure that all construction, operation and maintenance is accomplished in accordance with the established industry safety standards.

8. **COST AND BENEFITS TO CONSUMERS OR USERS OF ANY PRODUCT OR SERVICE IN THE IMPLEMENTATION OF THE NEW RULES:** The amended rule will benefit consumers, users and the general public by reducing the possibility of confusion between drinkable water systems and reclaimed water lines.
  
9. **LESS COSTLY OR INTRUSIVE METHODS:** The proposed rules are the least costly method for obtaining compliance with the industry safety standards. The rules do not impose additional standards. There is no less intrusive method.
  
10. **ALTERNATIVE METHODS CONSIDERED:** This amendment conforms with national industry standards and there are no alternative methods available to achieve the standardization.