

NOTICE OF COMMENT PERIOD

Issued: *February 6, 2018*

In the Matter of a Commission Investigation into Natural Gas Utilities' Practices, Tariffs and Assignment of Cost Responsibility for Installation of Excess Flow Valves and Other Similar Gas Safety Equipment

PUC Docket Number(s): **G-999/CI-18-41**

Comment Period: All natural gas utilities shall provide initial filings by March 6, 2018 at 4:30pm

Initial comment period closes April 6, 2018 at 4:30pm

Reply comment period closes April 16, 2018 at 4:30pm

Comments received after comment period closes may not be considered

Issues: Determination of the proper allocation of costs associated with the installation of excess flow valves (EFVs) on existing lines for requesting customers.

Determination of appropriate charges and tariff language for the installation of EFVs and similar gas-safety requirements that customers request.

Topic(s) Open for Comment:

- Each natural gas utility's present tariffs and customer-notification practices as they relate to the installation of EFV's for new, refurbished, and existing customer lines;
- Any similar gas-safety requirements that customers may request on the utility system between the main and the meter outlet into the customer's property;
- The appropriate amount of installation costs that should be socialized among ratepayers or paid by a specific customer in light of recent changes to federal pipeline safety regulations;
- Payment options for requesting customers along with how to appropriately address requests for EFV installations from low-income customers.
- Are there other issues or concerns related to this matter?

Background: Excess flow valves (EFVs), which are safety devices installed on natural gas distribution pipelines, have been a topic of recent federal legislation and regulations. EFVs can reduce the risk of explosions in distribution pipelines by automatically stopping excessive, unplanned gas flows. EFVs are installed where a service line that serves an individual home or business joins the distribution pipeline.

In 2006, Congress passed the Pipeline Inspection, Protection, Enforcement, and Safety Act (2006 Act), which required the Department of Transportation to promulgate minimum standards for integrity management programs for distribution pipelines. The 2006 Act also mandated that those minimum standards require the installation of EFVs on all newly installed or replaced service lines serving single-family homes.

In 2009, the Pipeline and Hazardous Materials Safety Administration (PHMSA) within the Department of Transportation amended pipeline safety regulations, specifically 49 C.F.R. § 192.383, to include the EFV mandate from the 2006 Act (2009 Rule).

In January 2012, President Obama signed the Pipeline Safety, Regulatory Certainty, and Job Creation Act of 2011 (2011 Act) into law. The 2011 Act mandated that PHMSA require installation of EFVs on new and replaced lines beyond single-family homes if economically, technically, and operationally feasible.

In October 2016, PHMSA again amended 49 C.F.R. § 192.383 to require that natural gas utilities install an EFV on an existing service line if a customer requests one, and left it up to the “operator’s rate-setter” to determine how the costs of installation should be allocated (2016 Rule). PHMSA also required natural gas utilities to notify customers of their right to request an EFV, including specific requirements for the notice. Lastly, PHMSA expanded the requirement to install EFVs to include new or replaced lines serving multifamily homes and small commercial customers.

The Commission determined that it needs more information to carry out its role under the 2016 Rule. The Commission also concluded that it needs more information about each natural gas utility’s tariffs and customer notification practices relating to installation of EFVs for new, refurbished, and existing customer lines.

Filing Requirements: Utilities, telecommunications carriers, official parties, and state agencies are **required** to file documents using the Commission's electronic filing system (eFiling). All parties, participants and interested persons are encouraged to use eFiling: mn.gov/puc, select *eFiling*, and follow the prompts.

Submit Public Comments: Visit mn.gov/puc, select *Speak Up!* or click [HERE](#) to find this docket, and add your comments to the discussion.

- If you wish to include an exhibit, map or other attachment, please send your comments via U.S. Mail.

Send U.S. Mail to Public Utilities Commission, 121 7th Place East, Suite 350, St. Paul MN 55101. Please include the Commission's docket number in all communications.

Full Case Record: See all documents filed in this docket via the Commission's website at mn.gov/puc, select *Search eDockets*, enter the year (18) and the docket number (41), select *Search*.

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Questions about this docket or Commission process and procedure? Contact Commission staff, Jason Bonnett, at jason.bonnett@state.mn.us or 651-201-2235.

Change your mailing preferences: Email docketing.puc@state.mn.us or call Jamie Eschbach at 651-201-2204.

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