

**RAILROAD COMMISSION OF TEXAS  
GAS SERVICES DIVISION**

**GAS UTILITIES  
INFORMATION BULLETIN**

**No. 722**



**RAILROAD COMMISSION  
OF TEXAS**

**Michael L. Williams, Chairman  
Charles R. Matthews, Commissioner  
Victor G. Carrillo, Commissioner**

**Steve Pitner  
Director  
Gas Services Division**

**April 25, 2003**

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**SECTION 1**  
**NEW APPEALS AND APPLICATIONS FILED**

**DOCKET NO.** -- 9387  
**CAPTION** -- Application of Acacia Natural Gas Corporation for the Review of the Sale of its Vanderbilt Gathering System to Crosstex Gulf Coast Transmission, Ltd.  
**DATE FILED** -- 4/10/2003  
**FILED BY** -- Gene K. Veselka  
**EXAMINER** -- Rose Ruiz

**CASES REFERRED TO SOAH**

**DOCKET NO.** -- 9291  
**CAPTION** -- Request of Texas General Land Office for immediate action to stay abandonment and for establishment of transportation rate on Panther Pipeline, LTD.  
**DATE REFERRED TO SOAH** -- 06/28/2002  
**SOAH DOCKET NO.** -- 455-02-3446  
**SOAH ALJ** -- Wendy Harvel

**DOCKET NO.** -- 9313  
**CAPTION** -- Petition for review of TXU Gas Distribution from the actions of the City of Arlington, et al.  
**DATE REFERRED TO SOAH** -- 08/21/2002  
**SOAH DOCKET NO.** -- 455-02-4058  
**SOAH ALJ** -- Kerry Sullivan

**SECTION 2**  
**APPEALS AND APPLICATIONS SET FOR HEARING OR PREHEARING CONFERENCE**

None at this time.

**SECTION 3**  
**STATUS OF PENDING CASES**

None at this time.

**SECTION 4**  
**NOTICES OF DISMISSAL**

None at this time.

**SECTION 5**  
**ORDERS OF THE COMMISSION**

None at this time.

**SECTION 6**  
**MISCELLANEOUS**

**STEVE PITNER, GAS SERVICES DIVISION DIRECTOR**

**1. OFFICE OF THE DIRECTOR**

**A. Publications**

1. Texas Utilities Code Titles 3 and 4. Special Rules of Practice and Procedure and Substantive Rules - \$15.00
2. a. Annual Report for Fiscal Year 2001 – Now available via the Commission’s website at:  
<http://www.rrc.state.tx.us/divisions/gs/tablecontents01.html>
  - a. Annual Report for Fiscal Year 2000 - \$17.00 (includes statistical data for 1999)
  - b. Annual Report for Fiscal Year 1999 - \$9.00 (includes statistical data for 1998)
  - c. Annual Report for Fiscal Year 1998 - \$7.00 (includes statistical data for 1997)
3. **2002 Pipeline Safety Rules - \$13.00, includes: 49 CFR 191 & 192 and 16 TAC Sections 7.70-7.74 (gas) 49 CFR 193 (LNG); 49 CFR 195 and 16 TAC Sections 7.80-7.87 (hazardous liquids); 49 CFR 40 and 199 (drug testing).**
4. Distribution and/or Gas Transmission Review forms for Adequacy of Operation, Maintenance and Emergency Manual - To obtain a copy of review forms at no charge, send a request with a self addressed envelope (10" x 13"preferably) with \$0.98 postage.
5. Six MCF Monthly Residential Gas Bill Analysis for Twenty-five Texas Cities - \$2.00 – Now available via the Commission’s website at: <http://www.rrc.state.tx.us/divisions/gs/rap/sixmcf.html>

Anyone who wishes to obtain a copy of any of the publications or maps listed in Section A should contact the Gas Services Division, P. O. Box 12967, Austin, Texas 78711-2967, (512) 463-7167.

**B. Interest Rate on Customer Deposits**

We have been advised by the Public Utility Commission that the interest rate to be applied to customer deposits in calendar year 2003 is 6.00%. All gas utilities should use this rate.

**2. PIPELINE SAFETY SECTION**

- A. Austin Headquarters - William B. Travis Building  
1701 North Congress, (78701)  
PO Box 12967  
Austin, Texas 78711-2967 Telephone (512) 463-7058

Mary L. McDaniel, P.E., Assistant Director  
William (Bill) Dase, Jr., P.E., Engineer  
Terry Pardo, P.E., Engineer  
K. David Born, Field Operations Manager  
Lee Thying, P.E., Engineer  
Maurice Curd, Program Administrator

Amarillo Region 1 - 7102 IH-40 West, Bldg. C., Amarillo, Texas 79106 Telephone (806) 468-7486

Alan Mann, Engineering Specialist

Midland Region 2 - Petroleum Building, 214 West Texas, Suite 803, Midland, Texas 79701 Telephone (915) 570-5884

Glenn Taylor, Area Supervisor (Midland/Amarillo)  
Larry Felio, P.E., Engineer  
Keith Smith, Engineering Specialist  
Tim Murray, Engineering Specialist (Abilene)

Kilgore Region 3 - 619 Henderson Boulevard, Kilgore, Texas 75662 Telephone (903) 984-8581

Bob Oldham, Engineering Specialist  
James Alexander, Engineering Specialist  
Jerry Hill, Engineering Specialist

Austin Region 4 - 1701 North Congress, P. O. Box 12967, Austin, Texas 78711 Telephone (512) 463-7050

Kendall Smith, Area Supervisor  
Johnny Burgess, Engineering Specialist  
Mark Arguelles, Program Administrator

Houston Region 5 -1706 Seamist Drive, Ste 501, Houston, Texas 77008-3135 Telephone (713) 869-8425

Danny Nichols, Area Supervisor  
Jerry Hoff, Engineering Specialist  
Jim Arnold, Engineering Specialist  
Randy Vaughn, Engineering Specialist  
Gregory Johnson, Engineering Specialist  
Frank Henderson, Engineering Specialist  
John Jewett, Engineering Assistant

Dallas Region 6 -1546 Rowlett Rd., Suite 107, Garland, Texas 75043 Telephone (972) 240-5757

Jody Kerl, P.E., Area Supervisor (Dallas/Kilgore)  
M. Kathryn Williams-Guzman, Engineering Specialist  
San Sein, Engineering Specialist  
Terry Sullivan, Engineering Assistant

Corpus Christi Region 7 -10320 IH-37, P.O. Box 10307, Corpus Christi, Texas 78460-0307 Telephone (361) 242-3117

Don Gault, Area Supervisor  
Steven Rios, Engineering Specialist  
Jesse Cantu, Jr., Engineering Specialist  
Ronda Lauderman, Engineering Assistant

**B. Monthly Summary (January)**

No. of distribution safety evaluations – 59  
No. of transmission safety evaluations - 70  
No. of liquid safety evaluations - 39  
No. of leak/calls - 52  
No. of accident investigations - 6  
No. of special investigations – 15

**C. Reporting of Pipeline Accidents**1) NATURAL GAS

Accidents on intrastate gas systems involving \$5,000 property damage, a fatality or injuries, gas ignition, or that are judged significant must be reported by telephone within two hours, and the written report filed within thirty (30) days. Call the 24-hour emergency phone number (512)463-6788 to report an accident. For your convenience this priority phone line is used only to report emergencies.

2) HAZARDOUS LIQUIDS

Accidents on intrastate hazardous liquid pipelines reportable under 49 CFR Sections 195.50 and 195.52 and 16 TAC Section 7.84(a) must be reported by telephone within two hours and the required written report filed within thirty (30) days. Call the 24-hour emergency phone number (512)463-6788 to report an accident. For your convenience this priority phone line is used only to report emergencies.

**FERC Rules and Regulations:**

[Federal Register: April 10, 2003 (Volume 68, Number 69)]  
[Proposed Rules]  
[Page 17594-17595]  
From the Federal Register Online via GPO Access [wais.access.gpo.gov]  
[DOCID:fr10ap03-25]

[[Page 17594]]

## DEPARTMENT OF TRANSPORTATION

Research and Special Programs Administration

49 CFR Part 192

[Docket No. RSPA-00-7666; Notice 7]  
RIN 2137-AD54

Pipeline Safety: Pipeline Integrity Management in High Consequence Areas (Gas Transmission Pipelines)

AGENCY: Office of Pipeline Safety (OPS), Research and Special Programs Administration (RSPA), DOT.

ACTION: Notice of public meeting.

SUMMARY: This notice announces a one-day public meeting to solicit comments on issues raised at a recent meeting of the Technical Pipeline Safety Standards Committee (TPSSC), at a public meeting OPS held on March 14, 2003, and at a public workshop held February 21-22, 2003, which was jointly organized by the Interstate Natural Gas Association of America (INGAA) Foundation and the American Gas Association (AGA). At this meeting we intend to present the issues for comment and to question further those offering comments to assure that we completely understand each issue.

ADDRESSES: The meeting is open to all. There is no cost to attend. This meeting will be held on Friday, April 25, 2003, from 8 a.m. to 4 p.m. at the Marriott at Washington Dulles Airport, 4520 Aviation Drive, Dulles, VA 20166. Tel: 703-471-9500; Web site: <http://www.marriott.com>. You may register electronically for this meeting at: <http://primis.rspa.dot.gov/meetings>. Please make your reservations as soon as possible as hotel rooms are limited. For other details on this meeting contact Juan Carlos at 202-366-1933.

You may submit written comments by mail or delivery to the Dockets Facility, U.S. Department of Transportation, Room PL-401, 400 Seventh Street, SW., Washington, DC 20590-0001. The dockets facility is open from 10 a.m. to 5 p.m., Monday through Friday, except on Federal holidays. You should submit the original and one copy. Anyone who wants confirmation of receipt of their comments must include a stamped, self-addressed postcard. You may also submit comments to the docket electronically. To do so, log on to the Internet Web address <http://dms.dot.gov>. And click on "Help" for instructions on electronic filing of comments. All written comments should identify the docket number RSPA-00-7666; Notice 7.

Anyone is able to search the electronic form of all comments received into any of our dockets by the name of the individual submitting the comments (or signing the comments, if submitted on behalf of an association, business, labor union, etc.). You may review the U.S. Department of Transportation's complete Privacy Act Statement in the Federal Register published on April 11, 2000, (65 FR 19477-78) or you may visit <http://dms.dot.gov>.

FOR FURTHER INFORMATION CONTACT: Jean Milam at (202) 493-0967 or Jenny Donohue at (202) 366-4046, regarding this

document. General information about SPA/OPS programs may be obtained by accessing RSPA's Internet page at <http://rspa.dot.gov>.

Information on Services for Individuals With Disabilities: For information on facilities or services for individuals with disabilities or to request special assistance, contact Juan Carlos, (202) 366-1933.

#### SUPPLEMENTARY INFORMATION:

##### Background

To better prevent pipeline failures that can imperil the health and safety of nearby residents and cause significant damage to their property, RSPA/OPS is promulgating a series of rules to require pipeline operators to develop integrity management programs. These programs are intended to identify the best methods for maintaining the structural soundness of pipelines operating across the United States.

The programs operators develop are to include conducting baseline and periodic assessments of certain pipeline segments. RSPA/OPS has completed the integrity management program rules for hazardous liquid operators and is now addressing the requirements for natural gas transmission pipeline operators. RSPA/OPS proposed a rule on integrity management program requirements on January 28, 2003, (68 FR 4278).

The proposed rule has been discussed at a meeting of the Technical Pipeline Safety Standards Committee (TPSSC) on March 27, 2003, at a public meeting OPS held in Washington, DC, on March 14, 2003, and at a workshop jointly organized by the Interstate Natural Gas Association of America (INGAA) Foundation and the American Gas Association (AGA) held in Houston, TX, on February 21-22, 2003. Discussions from the public meeting and the workshop are in the docket. Several issues were raised during these discussions that OPS/RSPA would like to explore further. RSPA/OPS is holding the April public meeting to present the issues for comment and to question further those offering comments to assure that we completely understand each issue.

The preliminary agenda for the April meeting includes the following questions for discussion:

##### Assessment

###### Low Stress Pipelines

Should assessment requirements for low-stress pipeline (i.e., operating at less than 30 percent SMYS) allow use of confirmatory direct assessment (CDA) for all assessments (baseline and reassessments)?

###### Pressure Testing

Should the requirement to pressure test pipelines to verify integrity against material and construction defects be limited to pipeline segments for which information suggests a potential vulnerability to such defects? If so, what information should be relied upon?

###### Direct Assessment Equivalency

Should the assessment intervals for direct assessment be revised to be the same as those applicable to in-line inspection or pressure testing? Are there opportunities to quickly schedule and assess research demonstrations to provide additional data on which to base judgments about validity?

###### Plastic Transmission Lines

What assessment requirements should be applicable to plastic transmission pipelines?

##### Repairs

###### Dents and Gouges

Should a repair criteria for constraint dents on the bottom of the pipe be different from that allowed for dents located on the top? Should the presence of stress risers, cracking or metal loss affect this decision?

##### Preventive and Mitigation Measures

###### Third Party Damage

Should additional third-party damage prevention methods be utilized instead of explicit assessments for third-party damage? What methods should be used in conjunction with other assessment methods to detect delayed third party damage?

###### Segments Outside HCAs

How can the requirements be clarified for the situations when an operator should look beyond the segment in a high consequence area, when segments outside the HCA are likely to have similar integrity concerns as those found inside an HCA?

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#### Performance Measures

Should we require monthly electronic reporting of performance measures?

#### Definitions

##### High Consequence Area--Bifurcation Option

Should a rule allow two options: following the definition of high consequence areas defined by final rule on August 6, 2002; (67 FR 50824) or using potential impact circles along the entire length of the pipeline? Under either option, an operator would calculate the potential impact circles for each segment, but the use of those circles would differ depending on the option. If the operator used the class location component of the high consequence area definition, the operator would treat entire class 3 and 4 areas as high consequence areas and use the potential impact circles to determine population density beyond 660 feet using specified number of buildings intended for human occupancy. Under the potential impact circle option, operators would use the circles to identify areas where the density of buildings intended for human occupancy exceeds a specified number and then focus the integrity assessments, repairs and other protections in these areas.

Requirements for how an operator treats identified sites that are defined in the high consequence area would not change under either option.

##### Population Threshold

Should the criterion for determining the population density component of a high consequence area be based on 10 or 20 buildings intended for human occupancy within the impact circle?

##### Impact Radius Safety Margin

Should additional safety margin be applied to the potential impact circle radius calculated using the C-FER equation?

##### Extrapolation

Should a rule allow an operator to use data regarding the number of buildings within 660 feet of the pipeline (available now to operators because of the existing definition of class locations) to infer (extrapolate) the building density in potential impact circles larger than 660 feet? Should this be limited to an interim period of five years to allow operators to collect additional data on buildings beyond 660 feet?

Issued in Washington, DC, on April 7, 2003.

Stacey L. Gerard,

Associate Administrator for Pipeline Safety.

[FR Doc. 03-8814 Filed 4-9-03; 8:45 am]

BILLING CODE 4910-60-P

[Federal Register: April 10, 2003 (Volume 68, Number 69)]  
[Notices]  
[Page 17722]  
From the Federal Register Online via GPO Access [wais.access.gpo.gov]  
[DOCID:fr10ap03-152]

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DEPARTMENT OF TRANSPORTATION

Research and Special Programs Administration

[Docket No. RSPA-03-14448: Notice 3]

Pipeline Safety: Qualification of Pipeline Personnel

AGENCY: Office of Pipeline Safety, Research and Special Programs Administration, DOT.

ACTION: Notice of public meeting.

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SUMMARY: The Research and Special Programs Administration's (RSPA) Office of Pipeline Safety (OPS) will conduct a public meeting to discuss progress in implementing the operator qualification (OQ) rule for gas and hazardous liquid pipelines. OPS will continue to develop the protocols and supplementary guidance materials, and provide continued opportunities for public comment. A record of previous public meetings on Qualification of Pipeline Personnel that were held in San Antonio, TX; Houston, TX; and Phoenix, AZ, are available in this docket (RSPA-03-14448).

DATES: The public meeting will be held on Wednesday, April 23, 2003, beginning at 8:30 a.m., ending at 4 p.m.

ADDRESSES: The public meeting will be held at the Double Tree Hotel Atlanta-Buckhead, 3342 Peachtree Road, Atlanta, GA 30326 (telephone: 404/231-1234, fax: 404/231-5236, Web: <http://www.doubletreebuckhead.com>).

The deadline for making a hotel reservation is April 11, 2003, (refer to the U.S Department of Transportation (DOT) (Operation Qualification Group block for government rates).

This meeting is free and open to the public. You may register electronically for this meeting at: <http://primis.rspa.dot.gov/meetings>.

The program will continue to address the 13 issues generated by the first public meeting held in January 2003, and will be open for technical input. Discussion will include protocols and explanation of changes, supplementary guidance, definitions of terms, and development of a national consensus standard. Persons wishing to make a presentation or statement at the meeting should notify Janice Morgan, (202) 366-2392, no later than April 14, 2003.

Although we encourage persons wishing to comment on operator qualification and inspection protocols to participate in the public meeting, written comments will be accepted. You may submit written comments on operator qualification and inspection issues by mail or delivery to the Dockets Facility, DOT, Room PL-401, 400 Seventh Street, SW., Washington, DC 20590-0001. The Dockets Facility is open from 10 a.m. to 5 p.m., Monday through Friday, except on Federal holidays. You should submit the original and one copy. Anyone who wants confirmation of receipt of their comments must include a stamped, self-addressed postcard. You may also submit comments to the docket electronically. To do so, log on to the Internet Web address at <http://dms.dot.gov> and select "Help" for instructions on electronic filing of comments. All written comments should identify the Docket Number RSPA-03-14448; Notice 3.

Anyone is able to search the electronic form of all comments received into any of our dockets by the name of the individual submitting the comments (or signing the comments, if submitted on behalf of an association, business, labor union, etc.). You may review DOT's complete Privacy Act Statement in the Federal Register published on April 11, 2000 (volume 65, number 70; pages 9477-78), or you may visit <http://dms.dot.gov>.

FOR FURTHER INFORMATION CONTACT: You may contact Richard Sanders at (405) 954-7214 or (405) 954-7219, regarding

the agenda of this public meeting. General information about OPS programs may be obtained by accessing OPS's Internet home page at <http://ops.dot.gov>. Information on Services for Individuals with Disabilities: For information on facilities or services for individuals with disabilities or to request special assistance, contact Janice Morgan at (202) 366-2392.

**SUPPLEMENTARY INFORMATION:** The operator qualification rule at 49 CFR 192.801 (for gas pipelines) and at 49 CFR 195.501 (for hazardous liquid pipelines) requires every pipeline operator to have and follow a written qualification program that includes provisions to identify covered tasks and to ensure that all persons performing these tasks are qualified. By October 28, 2002, all gas and hazardous liquid pipeline operators should have completed the qualification of all individuals performing covered tasks on pipeline facilities.

On April 23, 2003, OPS will conduct a public meeting to continue discussions on the progress in implementing the operator qualification rule for gas and hazardous liquid pipelines. The meeting will focus on development of the 13 OQ issues identified at previous public meetings on February 25, 2003, in Houston, TX, and March 25, 2003, in Mesa, AZ, and are as follows:

1. Scope of Operator Qualification.
2. Evaluation of Knowledge, Skills, and Physical Ability.
3. Re-evaluation Intervals.
4. Maintenance versus New Construction.
5. Treatment of Emergency Response.
6. Additional Covered Tasks.
7. Extent of Documentation.
8. Abnormal Operating Conditions.
9. Treatment of Training.
10. Criteria for Small Operators.
11. Direction of Observation of Non-qualified People.
12. Noteworthy Practices.
13. Persons Contributing to an Incident or Accident.

All persons attending the meeting will have an opportunity to comment on operator qualification compliance issues and to question the expert panel on the new operator qualification compliance protocols.

Issued in Washington, DC on April 7, 2003.

Stacey L. Gerard,

Associate Administrator for Pipeline Safety.

[FR Doc. 03-8815 Filed 4-9-03; 8:45 am]

BILLING CODE 4910-60-P

**AUDIT SECTION**

- A. Maintains headquarters and three district offices as follows:
- Headquarters - William B. Travis Building  
1701 North Congress, P. O. Box 12967, Austin, Texas 78701 Telephone (512) 463-7022  
Ed Abrahamson, Assistant Director
- Dallas District- 1546 Rowlett Rd., Suite 107, Garland, Texas 75043 Telephone (972) 240-5757;  
Stephen Cooper, Auditor Fax (972)303-1897  
Josh Settle, Auditor
- Austin District- P. O. Box 12967, Austin, Texas 78711-2967 Telephone (512) 463-7022
- Houston District- 1706 Seamist Drive. Suite 501, Houston, Texas 77008-3135 Telephone (713) 869-8425;  
Dale Francis, Auditor Fax (713)869-3219  
Margie Stoney, Auditor  
Konata Uzoma, Auditor  
Lekisha Churchwell, Auditor  
Larry Alcorn, Auditor

**B. Gas Utility Tax, Annual Reports and Audit Reports**

Questions relating to gas utility tax, annual reports and audit reports, call Shannon L. Miller at (512) 463-7022.

**C. Available Information**

Copies of company annual reports (1994 to present), as well as information relating to any of the above, A through C, are available for review at the William B. Travis Building, Gas Services Division, 9th Floor, 1701 North Congress. All requests for copies must be made in writing and should be addressed to the Audit Section. Copies will be provided for a fee, depending on the volume of copy work desired, allow a minimum of five days for completion of requests. Inquiries regarding copies should be directed to the Audit Section at (512) 463-7022, or Fax your request to (512) 475-3180.

**4. REGULATORY ANALYSIS AND POLICY**

- A. Maintains the following office to assist you:
- Headquarters - William B. Travis Building  
1701 North Congress, P.O. Box 12967, Austin, Texas 78711 Telephone (512) 463-7164  
Karl Nalepa, Assistant Director
- B. **Gas Utilities Information Bulletin**
- Published on the Commission's web site at: <http://www.rrc.state.tx.us/divisions/gs/rap/rapbls.html>.
- C. **Proposals For Decision**
- Published on the Commission's web site at: <http://www.rrc.state.tx.us/divisions/gs/rap/pfds.html>.
- D. **Tariff Filings**
- Questions pertaining to the filing of tariffs and/or quality of service rules should be directed to Kathy Arroyo, Yolanda Lovelace or Sandra Soto at (512) 463-7164.
- E. **Curtailments**
- Curtailment questions should be referred to Sandra Soto at (512) 463-7164. Curtailment reports made Monday through Friday, 8:00 a.m. to 5:00 p.m., should be made to (512) 463-7164. Curtailment reports made during hours other than those specified above and holidays, should be made to (512) 463-6788, (512) 896-3863 (digital pager), (512) 892-1772 or (512) 280-5949.

**F. Compliance Filings**

Questions regarding gas utilities docket compliance filing requirements should be referred to Jackie Standard at (512) 463-7164.

**G. Complaints and Inquiries**

All complaints and inquiries relating to the gas utility industry should be directed to the Regulatory Analysis and Policy section at (512) 463-7164.

**H. Pending RRC Rules and Regulations:**

GUD No. 9221 Amendments to Quality of Service Rules

GUD No. 9253 New Rule for Relocation Cost Recovery Factor

GUD No. 9257 Amendments to §7.450 Gas Distribution in Mobile Home Parks, Apartment Houses and Apartment Units.

GUD No. 9275 Amendments to §7.512 NGPA Section 311 Rate Review

GUD No. 9276 Amendments to §7.511 TUC Section 102.054 Sale, Transfer, Merger Reviews

GUD No. 9277 Amendments to §7.305 Curtailment Rule

GUD No. 9303 Amendments to §7.465 Abandonment Rule

GUD No. 9334 Amendments to §7.310 System of Accounts

**5. HEARINGS AND LEGAL ANALYSIS****A. Miscellaneous**

Anyone wishing to obtain copies of appendices to Orders appearing in Section 5 of this Bulletin should contact the Legal Division at (512) 463-7017.

**B. Status of Pending Cases**

The status of all pending cases listed in Section 3 of this Bulletin is for informational purposes only and is complete up to the time of printing of this Bulletin. For a more accurate status of pending cases, please call the Legal Division at (512) 463-7017.