

STATE of INDIANA



INDIANA UTILITY REGULATORY COMMISSION
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May 23, 2017

Micah Vincent, Director
Indiana Office of Management and Budget
200 West Washington Street, Room 212
Indianapolis, Indiana 46204

VIA ELECTRONIC MAIL

RE: IURC Rulemaking Moratorium Exception Request to Update Pipeline Safety Standards

Dear Mr. Vincent:

The Indiana Utility Regulatory Commission (IURC) would like to amend its rule regarding pipeline safety standards, 170 IAC 5-3-0.6, to incorporate changes to those standards at the federal level, which is required under Indiana state law (specifically, Indiana Code chapter 8-1-22.5). The draft proposed rule, fiscal impact analysis, and cost-benefit analysis are provided for review.

This draft proposed rule simply changes the effective date of state adoption of the federal regulations from March 1, 2016, to June 1, 2017, in order to capture new regulations recently adopted by the United States Department of Transportation's Pipeline and Hazardous Material's Safety Administration (PHMSA) contained in 49 CFR Parts 40, 191, 192, 193, 194, 195, 198, and 199. The adoption of these regulations is required by PHMSA for the IURC's Pipeline Safety Division to continue receiving federal grant money to enforce pipeline safety standards.

The IURC is aware of the suspension of rulemakings that is addressed in Executive Order 13-03. This rulemaking falls under the exception to the rulemaking moratorium listed in Paragraph 6(g) "rules whose predominate purpose and effect are to address matters of emergency or health or safety, including the promulgation of an emergency rule under Ind. Code § 4-22-2-37.1."

The purpose of this draft proposed rule is to increase public safety and, in particular, to reduce the risk of gas leaks and explosions causing property damage, injuries, and loss of life. The changes ensure the state's rules are at least as stringent as the federal rules. The safe and efficient delivery of natural gas is essential to the citizens of the State of Indiana for heat, energy, and hot water. These rules help to safeguard the public from natural gas explosions which can be devastating and deadly.

Please contact me if you have any questions or if you need additional information. Thank you for your consideration.

Sincerely,

A handwritten signature in cursive script that reads "Brad J. Pope".

Brad J. Pope
Assistant General Counsel

Enclosures:

1. Proposed Rule
2. Cost-Benefit Analysis
3. Fiscal Impact Analysis
4. Small Business Impact

cc: Beth E. Heline, IURC General Counsel
Stefanie Krevda, IURC External Affairs Director