

STATE OF NEW HAMPSHIRE

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September 7, 2004

Scott F. Eaton, Director
Administrative Rules Division
Office of Legislative Services
State House Annex, Room 219
25 Capitol Street
Concord, New Hampshire 03301

Re: Puc 500 (Readoption w/Amendment)
PUC Docket: DRM 04-149

Dear Mr. Eaton:

Pursuant to your comments and edits, please find corrected documents to be filed with your office regarding the above-referenced docket:

- 1) Rule Making Notice Form;
- 2) Cross Reference Table of Applicable Statutes (2 copies); and
- 3) Readoption and Amendment Proposal (2 copies).

Please be advised that a Fiscal Impact Statement was previously sent.

Please include the Rule Making Form in the next available Rule Making Register.

Thank you.

Sincerely,

A handwritten signature in black ink that reads "Christine True".

Christine True
Paralegal

Enclosures

APPENDIX II-C

RULEMAKING NOTICE FORM

Notice Number _____ Rule Number _____ Puc 500 _____

<p>1. Agency Name & Address:</p> <p>NH Public Utilities Commission 21 S. Fruit St Suite 10 Concord NH 03301-2429</p>	<p>2. RSA Authority: RSA 369:3; 370:1-9; 374:2,5,8,13 & 15; 374:48- 58; 374:7-a; 378:1; 365:8,VII; 362:4-b</p> <p>3. Federal Authority: 49 USC 5121, 60102, 6013- 6014,60117,60118 & 60126; 49 CFR 191,192,193, 198 & 199</p> <p>4. Type of Action:</p> <p>Adoption <u> x </u></p> <p>Amendment <u> </u></p> <p>Repeal <u> x </u></p> <p>Readoption <u> x </u></p> <p>Readoption w/amendment <u> x </u></p>
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5. Short Title: **Rules for Gas Service**

6. (a) Summary of what the rule says and the effect of the rule on those regulated:

The rules certain requirements for the operation of gas utilities and gas pipelines. The rules also require certain reporting requirements for gas utilities and certain procedures for the enforcement of the rules, including penalties. These rules establish requirements for the operation of gas utilities, including gas pipeline safety requirements. The proposal represents an adoption of current rules with amendment. The proposal amends the existing rule by allowing meters to be tested by sample; bringing the rules in alignment with the federal standards for the transportation of gas by pipeline; streamlining and eliminating some reporting requirements, and adding some reporting requirements based on the issues that have been brought to the Commission's attention in recent dockets. In addition, the proposal strengthens regulation of liquid petroleum gas (LPG) operations.

6. (b) Brief description of the groups affected:

Gas utilities, gas pipelines and operators of liquid petroleum distribution systems.

11. Statement Relative to Part I, Article 28-a of the N.H. Constitution: **Although the proposed rules modify an existing program or responsibility, they do not apply to any political subdivision and therefore do not violate Part I, Article 28-a.**

Readopt with amendment Puc Part 501, effective 1-28-97 (Document #64416445) to read as follows:

PART Puc 501 APPLICATION OF RULES

Puc 501.01 Application of Rules.

(a) These rules shall apply to all utilities engaged in the business of manufacturing, distributing, selling or ~~transmitting~~ transporting gas in the state of New Hampshire.

(b) The owner or operator of a natural gas pipeline facility regulated by the Federal Energy Regulatory Commission pursuant to the Natural Gas Act, 15 U.S.C. § 717, et seq., shall, with respect to any such pipeline facility located or to be located in New Hampshire, file with the commission:

(1) Annually, on or before April 30 of each year, a signed original of the Federal Energy Regulatory Commission annual report form, form number 2, pertaining to such facility; and

(2) Concurrently upon its filing with the Federal Energy Regulatory Commission, a copy of any application for a certification of public convenience and necessity under the Natural Gas Act, 15 U.S.C. § 717f(c), with respect to any pipeline facility of such owner or operator proposed to be located in New Hampshire.

Readopt with amendment Puc Part 502, effective 1-28-97 (Document #64416445) to read as follows:

PART Puc 502 DEFINITIONS

Puc 502.01 "Check flow" means a flow rate of 15% to 25% of the rated capacity of a meter.

Puc 502.02~~4~~ "Commission" means the New Hampshire public utilities commission.

Puc 502.03~~2~~ "Cubic foot" means, for the purpose of measurement of gas to a customer, the amount of gas which occupies a volume of one cubic foot under the conditions existing in the customer's meter as and where installed, provided such meter is not subject to abnormal temperature conditions unless the meter is designed with temperature compensation.

Puc 502.04~~3~~ "Economic conservation" means conservation activities that cost less to implement than the value of the resources saved.

Puc 502.05~~4~~ "Fast" means greater than plus 2% accuracy.

Puc 502.06~~5~~ "Gas" means any manufactured or natural gas or any combination thereof.

Puc 502.07~~6~~ "LNG" means liquified natural gas.

Puc 502.08~~7~~ "LPG" means liquified petroleum gas.

Puc 502.09 "LPG operator" means a person who engages in the transportation of propane gas. An LPG operator shall include but may not be limited to an individual or supplier operating an LPG system in a housing project, apartment complex, condominium, mobile home park, shopping center or other system except those systems operated in support of a utility.

Puc 502.1099 "Meter" means a device which measures gas flow and which may include a gas diaphragm type, a rotary positive displacement type, or an inferential turbine type or an ultrasonic type.

Puc 502.11- "Open Flow" means a flow rate of 80% to 120% of the rated capacity of a meter.

Puc 502.1298 "Peak Shaving" means the use of fuels and equipment to generate or manufacture gas to supplement the normal supply of pipeline gas during periods of extremely high demand.

Puc 502.13- "Person" means an individual, firm, joint venture, partnership, corporation, association, state, cooperative association, or joint stock association, and includes any trustee, receiver, assignee, or personal representative thereof but shall not include a municipality operating a gas system pursuant to RSA 38.

Puc 502.1440 "Slow" means greater than minus 2% accuracy.

Puc 502.1544 "Standard gravitational force" means acceleration at 980.665 centimeters per second.

Puc 502.1642 "Total heating value" means the number of British thermal units (Btu) produced by the combustion, at constant pressure, of the amount of gas which would occupy a volume of one cubic foot at a temperature of 60 degrees Fahrenheit and under standard gravitational force with air of the same temperature and pressure as the gas, when the products of combustion are cooled to the initial temperature of the gas and air, and when the water formed by combustion is condensed to the liquid state.

Puc 502.17 "Turbine Meter" means an inferential type meter.

Puc 502.1843 "Utility" means any "public utility" as defined in RSA 362:2 engaged in the manufacture, distribution, sale, transmission or transportation of gas in the state.

Readopt Puc Part 503.01-503.04, effective 1-28-97 (Document #64416445) to read as follows:

PART Puc 503 SERVICE PROVISIONS

Puc 503.01 Filing of Tariffs. No utility shall render service until a complete tariff, containing terms and conditions and rate schedules, shall have been published and filed with the commission in accordance with Puc 1600.

Puc 503.02 Measurement of Services. A utility shall charge for all gas sold or transported on a metered basis.

Puc 503.03 Meter Reading.

(a) Each service meter of the displacement type shall indicate clearly the cubic feet of gas registered.

(b) When gas is measured under high pressure or when the quantity is determined by calculation from recording devices, the utility shall supply the customer with the information needed to make clear the method by which the quantity is determined.

(c) All meter constants shall be plainly marked on the face of the meter.

Puc 503.04 Change in Character of Service.

(a) A utility shall provide certain services to its customers when service conditions such as change in pressure or composition of the gas affect or would affect efficiency of operation or adjustment of appliances .

(b) When any change occurs as described in (a) above, a utility shall, without undue delay and without charge, inspect the appliances of its customers and, if necessary, readjust those appliances for the new conditions.

Readopt with amendment Puc Part 504.01-504.06, effective 1-28-97 (Document #6441-6445) to read as follows:

PART Puc 504 QUALITY OF GAS SERVICE

Puc 504.01 Heating Value Requirements.

(a) Each utility shall establish its own standard heating value for the gas it furnishes the public. At no time shall the daily average heating value be less than the established standard. The standard adopted by the utility shall be stated in its tariff.

(b) Each utility shall, unless it only takes gas from interstate pipelines or obtains a waiver pursuant to Puc 201.05, maintain equipment for measuring thermal content as follows:

(1) Each utility shall maintain a standard calorimeter outfit or gas chromatograph for the regular determination of the heating value of gas sold; and

(2) Each utility shall use the manufacturer's recommended procedures as a basis for:

a. Maintaining the accuracy of all calorimeters and gas chromatographs; and

b. The method of measuring heating value tests.

(c) The total heating value of the gas shall be determined at least once daily and more often as is necessary to obtain an accurate record of the average heating value and of the fluctuation in heating value.

(d) To obtain the monthly average heating value the results of all tests of heating value made on any day during the calendar month shall be averaged, and the average of all daily averages shall be taken as a monthly average.

(e) If a utility's calorimeter or gas chromatograph is of the recording type, its record shall be used in determining the average heating value provided that the recording calorimeter or gas chromatograph is checked at least annually.

(f) Heating value reports shall be made to the commission on Form E-6 once a month pursuant to Puc 509.089.

Puc 504.02 Purity Requirements. All gas distributed in New Hampshire shall contain not more than 20 grains of total sulphur per 100 cubic feet nor more than one fourth of one grain of hydrogen sulphide per 100 cubic feet.

Puc 504.03 Pressure Requirements.

(a) The pressure at the outlet of any customer's service meter shall never be:

(1) Less than 4 inches of water column; or

(2) Greater than 13.8 inches of water column, except by written agreement with the customer.

(b) In order to maintain records of pressure, each utility shall maintain in continuous operation a sufficient number of pressure recording devices in each area where the utility maintains a distribution system.

(c) All pressure records obtained under paragraphs (a) or (b) above shall be retained by the utility for at least 2 years and shall be available for inspection by the commission or by its representative.

(d) Each utility shall make reports of pressure complaints monthly to the commission on Form E-8 pursuant to Puc 509.10~~+~~.

Puc 504.04 Interruptions of Service.

(a) Each utility shall use all practicable means to avoid interruptions to service, including maintaining appropriate levels of maintenance and planning for unexpected events.

(b) Should interruptions occur, a utility shall reestablish service within the shortest time practicable, consistent with safety.

(c) Each utility shall keep a record of all interruptions to service.

(d) Each utility shall include in its record of service interruptions the following:

(1) The date and time of interruption;

(2) The approximate number of customers affected;

(3) The date and time of service restoration;

(4) The cause of such interruption when known; and

(5) A description of steps taken to prevent its recurrence.

(e) Each utility shall provide emergency notification to the commission of service interruptions as provided in Puc 504.05(a)~~(5)~~.

(f) Each utility shall report to the commission all service interruptions on Form E-23, pursuant to Puc 509.14~~12~~, once a month, if any interruption occurs.

(g) When service is interrupted to perform work on lines or equipment, such work shall be done at a time causing minimum inconvenience to customers consistent with the circumstances.

(h) Customers seriously affected by interruption to service to perform work on lines or equipment shall be notified in advance, if practicable.

(i) A utility shall provide actual notice of a planned service interruption to any customer of which it has notice whose service will be interrupted who would encounter a potentially life-threatening situation as a result of a service interruption of the type planned.

Puc 504.05 Emergency Notification.

(a) The utility shall notify the safety division of the commission by telephone when any of the following occur:

(1) A release of gas from a pipeline, release of LNG or LPG or release of gas from a LNG or LPG facility that results in:

- a. A death;
- b. Personal injury necessitating in-patient hospitalization; or
- c. Estimated property damage of \$5,000 or more;

(2) A fire or an explosion at, or emergency shutdown of, a liquefied natural gas facility, or propane-air facility;

(3) An evacuation of a building conducted by a fire department, utility or other emergency personnel because of the presence of gas in the atmosphere or in, or in the immediate vicinity of, the building;

(4) An unplanned service interruption or gas outage that is expected to result in 50 or more customer outage hours;

(5) A single outage occurring at a state, federal, or municipal facility, hospital, school or other facility in which the public could be affected; or

(6) A significant breach of security or a threat against any of the utility's major facilities; or

(67) An event which is significant in the judgment of the utility, even though it is not described above.

(b) A utility shall not be required to determine or document the presence or involvement of gas in any incident or event before notifying the commission.

(c) The telephone notification shall be made promptly, but no more than two hours following discovery of the incident by the utility.

(d) The utility shall provide to the commission representative who responds to the call the following information:

- (1) Identity of reporting utility;
- (2) Name, title, and location of the person reporting the incident;
- (3) Location of the incident including street address and city or town;
- (4) Number of known or estimated fatalities and personal injuries, if any;
- (5) Type and extent of known or estimated property damage;

(6) Description of the incident or event including any significant facts known by the utility that relate to the cause and resolution of the problem;

(7) Date and hour the incident occurred and was discovered by the utility and, to the extent known, by any other party;

(8) For a service interruption, gas outage, or evacuation of a building, the estimated or known number of people and/or customers affected and the estimated or actual duration of the outage; and

(9) When the Office of Pipeline Safety of the United States Department of Transportation was, or will be, notified of the incident, if applicable.

Puc 504.06 Incident Reporting.

(a) In addition to the emergency notification required in Puc 504.05, a utility shall also report in writing to the commission any ~~event~~ incident occurring in connection with its facilities and services, as follows:

(1) A utility shall report to the commission within 20 days following discovery, any incident which the utility shall be required to report to the federal Office of Pipeline Safety pursuant to 49 C.F.R. 191.9, which report shall be made to the commission on federal Department of Transportation form RSPA F 7100:1, which is entitled, "Incident Report-Gas Distribution System";

(2) A utility shall report each month, pursuant to Puc 509.~~157~~, the status of any leaks occurring in its gas distribution system; and

(3) A utility shall report to the commission any accident involving injury to a person or damage to property as provided in Puc 508.03.

(b) A utility shall file any report required pursuant to (a)(1) above in addition to any report required pursuant to (a)(2) ~~and/or~~ (a)(3) above.

(c) When additional relevant information is obtained after a report under this section is submitted, the utility shall make a supplementary report to the commission conveying this information.

Adopt Puc 504.07 to read as follows:

Puc 504.07 Emergency Response

(a) Beginning March 1, 2005 and on a quarterly basis thereafter, each utility shall report to the Commission the amount of time taken to arrive at locations of reports of gas odor.

(b) The utility shall report the number of reports of gas odor to which it responded:

(1) Within 30 minutes;

(2) Within 45 minutes;

(3) Within 60 minutes;

(4) Within 75 minutes; and

(5) Greater than 75 minutes.

(c) For any response time in excess of 60 minutes, the utility shall report the amount of time it took to arrive at the location of the report of gas odor, the location of the report of gas odor, and a detailed explanation for its failure to respond to the location within 60 minutes or less.

Readopt with amendment and renumber Puc Part 505.01-505.03, effective 1-28-97 (Document #64416445) cited and to read as follows:

PART Puc 505 METER ACCURACY AND TESTING

Puc 505.01 Meter Installations.

(a) Unless it obtains a waiver from the commission pursuant to Puc 201.05, ~~e~~Each utility shall provide and install at its own expense and shall continue to own, maintain and operate, all equipment necessary for the regulation and measurement of gas to its customers.

(b) When additional meters or increased pressures at the meter outlet, exceeding those required by Puc 504.03, are furnished by the utility at the request of a customer, a charge for such meters, equipment and the labor to install them may be made to the customer consistent with existing retail rates.

Puc 505.02 Inspection of Meters.

(a) Each utility is responsible for ensuring that each of its meters accurately measures the flow of gas.

(ab) All new meters shall be inspected for measurement accuracy before being installed on a customer's premise.

(bc) All meters removed from service which are to be reinstalled shall be:

- (1) Inspected for measurement accuracy; and
- (2) Repaired by replacing worn or damaged parts.

Puc 505.03 Test and Calibration of Meters.

(a) Each utility shall test all meters for accuracy at both check flow and open flow, as found, (in-test accuracy), prior to adjustment or repair, except for meters removed from service specifically for known leakage, damage, tampering, or non-registration, and meters that have been selected for retirement.

(b) Each utility shall monitor those meters which have been removed from service specifically for known leakage, damage or non-registration on an annual basis to identify problems with certain meter types or manufacture.

(c) Each utility shall calculate in-test accuracy by adding open flow accuracy and check flow accuracy, and dividing the sum by two.

(d) Each utility shall maintain records for each group of meters and shall include in such records the in-test accuracy rates for each group for the previous calendar year.

(e) The established meter groups which shall be tested under this part are identified in Table 5.5.1 as follows:

Table 5.5.1 ESTABLISHED METER GROUPS

GROUP	TYPE	CAPACITY
A	Diaphragm	0 to 500 cubic feet per hour (CFH)
B	Diaphragm	Greater than 500 CFH
C	Rotary	All
D	Turbine	All

(f) Utilities shall divide the in-test accuracy data into three accuracy categories, each expressed as a percentage of the total number of meters in a group, as follows:

(1) Slow meters;

(2) Those meters with an accuracy rate of plus or minus 2 percent (accurate meters); and

(3) Fast meters.

(g) When calculating the accuracy categories for (f) (1) through (3) above, the utility shall round the result up to the next whole number

(h) For purposes of this section, annual test rate means the percentage of a group of meters which shall be required to be tested for accuracy.

(i) When a remote meter read device is utilized, the utility shall verify the accuracy of the remote read device whenever the meter is removed from service.

~~(a) Every gas service meter, whether new or repaired, or which has been removed from service for any cause, shall be tested and shall be correct to within 2 percent as determined in section (b) before being installed. (b) For the purpose of determining compliance with (a) above, the registration of a displacement meter shall be determined by one test at a rate of flow between 1/5 to 1/4 of the rated capacity of that meter and one test at a rate of flow of approximately the rated capacity of the meter.~~

~~(c) The tests referred to in (b) above at the 2 rates shall agree within one percent.~~

~~(d) The accuracy of the meter at the lower rate of flow shall be considered as its accuracy in determining compliance with section (a) of this rule and for the purpose of computing refunds.~~

~~(e) All tests to determine the accuracy of any gas meter shall be made with a meter prover, unless, because of the unusual capacity or construction of the meter, such method of test shall be considered impractical and another method of test shall have been approved by the commission pursuant to Puc 201.05.~~

Readopt with amendment and renumber Puc Part 505.04(a)-(d), effective 1-28-97 (Document #64416445) as Puc 505.04(a)-(g) to read as follows:

Puc 505.04 Test Schedule for Gas Meters.

~~(a) All new gas meters shall be tested and calibrated before being put into service.~~

~~(b) The utility shall not be required to report new gas meter tests to the commission, nor shall these tests be considered as periodic tests of meters in service.~~

~~(c) All gas meters in service shall be tested, and recalibrated within the prescribed tolerances as necessary, in accordance with the following schedule:~~

~~(1) All meters having a rated full load capacity of 250 cubic feet per hour or less shall be tested at least once in every 10 years; and~~

~~(2) All meters having a rated full load capacity of more than 250 cubic feet per hour shall be tested at least once in every 4 years.~~

~~(d) All meters removed from service and not due for periodic test shall be tested before being put back in service.~~

(a) Utilities shall not be required to test meters with a purchase year which indicates an age of ten years or less provided that the meters belong to a group identified in 505.03(e) above demonstrating an accuracy rate of 96 percent or better, and the utility has the manufacturer's proof test on file.

(b) Each utility shall, on an annual basis, calculate an accuracy rate for each group of meters identified in Table 5.5.1 of this section by calculating the percentage of slow, fast and accurate meters in the group for purposes of determining the number of meters to be brought in for testing in the subsequent year.

(c) Each utility shall, on an annual basis beginning March 1, 2005, examine the previous year's in-test accuracy data for each group of meters identified in Table 5.5.1 to determine the sampling plan for the current year.

(d) Each utility shall use the previous one-year in-test accuracy data to establish a sample quantity for testing each group of meters identified in Table 5.5.1 using the sampling plans in Tables 5.5.2-5.5.6 which shall be as follows:

Table 5.5.2 PERCENTAGE DRIVEN PERCENTAGE TABLE

Accuracy Rate	Sampling Plan to be used for Annual Test Rate
96 - 100	Table 5.5.3
93 - 95	Table 5.5.4
90 - 92	Table 5.5.5
87 - 89	Table 5.5.6
Less than 87	Tested as provided in Puc 505.04 (f)

Table 5.5.3 SAMPLING PLAN 1

Number of Meters	
Active in Each Group	Sample Size
2 to 8	5
9 to 15	5
16 to 25	5
26 to 50	5
51 to 90	8
91 to 150	13
151 to 280	20
281 to 500	32
501 to 1,200	50
1,201 to 3,200	80
3,201 to 10,000	125
10,001 to 35,000	200
35,001 to 100,000	500
100,001 to 200,000	1000

Table 5.5.4 SAMPLING PLAN 2

Number of Meters	
Active in Each Group	Sample Size
2 to 8	5
9 to 15	5
16 to 25	5
26 to 50	8
51 to 90	13
91 to 150	20
151 to 280	32
281 to 500	50
501 to 1,200	80
1,200 to 3,200	125
3,201 to 10,000	200
10,001 to 35,000	500
35,001 to 100,000	1000
100,001 to 200,000	2000

Table 5.5.5 SAMPLING PLAN 3

Number of Meters	
Active in Each Group	Sample Size
2 to 8	5

9 to 15	5
16 to 25	8
26 to 50	13
51 to 90	20
91 to 150	32
151 to 280	50
281 to 500	80
501 to 1,200	125
1,200 to 3,200	200
3,201 to 10,000	500
10,001 to 35,000	1000
35,001 to 100,000	2000
100,001 to 200,000	3000

Table 5.5.6 Sampling Plan 4

Number of Meters Active in Each Group	Sample Size
2 to 8	5
9 to 15	8
16 to 25	13
26 to 50	20
51 to 90	32
91 to 150	50
151 to 280	80
281 to 500	125
501 to 1,200	200
1,201 to 3,200	500
3,201 to 10,000	1,000
10,001 to 35,000	2,000
35,001 to 100,000	3,000
100,001 to 200,000	4,000

(c) For any group of meters with accuracy rates of 95% or less, the utility shall randomly select the meters to test as follows:

(1) Eighty percent (80 %) of the meters selected for testing shall be drawn from a group of meters which have operated without testing for the longest period of time; and

(2) Twenty percent (20%) of the meters selected for testing shall be drawn from meters removed from service for non-use or load change.

(f) For any group of meters with accuracy rates of 87% or less, the utility shall attempt to determine the defect responsible for failure and if the utility can not identify the defect, or if the defect is due to the manufacturer, the entire group of meters shall be removed from service.

(g) Utilities shall conduct tests of rotary and turbine meters either in the field or at an approved meter shop.

Adopt with amendment and renumber Puc Part 505.054(e)-(g), effective 1-28-97 (Document #64416445) as Puc 505.05(a)-(d) to read as follows:

505.05 Customer Requested Tests

(ea) When a customer requests a meter test of its meter, a utility shall follow the following procedures:

- (1) The utility shall test the accuracy of the customer's meter within 15 days from the time the request is made;
- (2) If the meter has been tested at no charge during the preceding 6 months, a utility may require the deposit of a fee in an amount as specified in the utility's current tariff for such a test;
- (3) If on testing the meter is found to be in error by more than 2%, the deposit shall be promptly refunded;
- (4) If the meter is not found to be in error by as much as 2%, the utility may retain the amount deposited for the test;
- (5) A customer may be represented in person or by an agent when the utility conducts the test of ~~his~~ the customer's meter; and
- (6) The utility shall provide to the customer within 30 days after completion of the test a report giving:
 - a. The name of the customer requesting the test;
 - b. The date of the request;
 - c. The location, the type, make, size, the serial number of the meter;
 - d. The date tested; and
 - e. The result of the test.

(fb) When a customer makes written application to the commission for testing of a meter, sometimes called referee testing, the following shall occur:

- (1) ~~The commission staff or a representative appointed by the staff shall conduct a test of the meter or shall arrange to have the meter tested in their staff's presence, as soon as practicable; and~~
- (2) ~~Each application to the commission for test of a meter shall be accompanied by a fee of \$5 which shall be retained by the commission;~~
- (3) ~~If upon testing the meter is found to be in error by more than 2%, the utility shall repay to the customer the amount of the fee paid by the customer to the commission; and~~

(42) The utility, when notified of a customer application for a referee test as herein provided, shall not knowingly remove, interfere with, or adjust the meter to be tested without the written consent of the customer and approval of the commission pursuant to Puc 201.05.

(gc) Reports of periodic tests of meters shall be submitted to the commission on a Form E-7, pursuant to Puc 509.1609, once a year. Reports of requests for tests shall be submitted to the commission on Form E-24, which is described at Puc 509.13, once a month.

(hd) The utility shall retain a complete record of the last test made on a meter.

Readopt with amendment and renumber- Puc Part 505.065, effective 1-28-97 (Document #64416445) as Puc 505.06 to read as follows:

505.06 Customer Bill Adjustments. When a customer's meter or remote read device has been found to be fast or slow, as a result of a meter test made by or on behalf of the utility and at the request of the customer, an adjustment shall be made to the customer's bill.

(a) If the meter or remote read device is found to be a fast meter, the utility shall refund to the customer an amount equal to no less than the charges billed for the excess gas over the previous 12 months of billing.

(b) If the meter or remote read device is found to be a slow meter, the utility shall bill the customer for no more than the unbilled gas supplied during the previous 6 months.

(c) If the meter or remote read device is found to not be registering usage, the utility shall bill the customer for no more than the gas it determines the customer used during the previous 6 months. Determination of gas used shall be based upon information recorded by the meter prior or subsequent to the period of non-registration and on any other pertinent information supplied by the customer or known to the utility.

~~Puc 505.05 - Customer's Bill Adjustments.~~

~~— (a) In meter tests made by the commission or by the utility at the request of a customer in accordance with Puc 505.04, the correctness of registration of the meter and its performance in service shall be judged in accordance with Puc 505.03.~~

~~— (b) Whenever as the result of a test made by a utility or the commission at the request of a customer, a gas meter is found to register fast, the company shall refund to the customer according to the following:~~

~~— (1) If the time when the error first developed or occurred can be definitely fixed, the refund amount shall be based on the period of error and the amount of error established by the test; and~~

~~— (2) If the time when the error first developed or occurred cannot be definitely fixed, the refund amount shall be based on the greater of the following:~~

~~a. An amount equal to the charge for the excess gas billed for the previous 12 months; or~~

~~— b. If a test has been made on the meter within the previous 24 months, an amount equal to the charge for the excess gas billed for a period equal to 1/2 of the time elapsed since the past previous test.~~

~~(e) Whenever as the result of a test made by the utility or the commission at the request of the customer, a gas meter is found to register slow, the company may make a charge to the customer for the unbilled gas supplied for the previous 6 months or since the last test, whichever is the shorter period; and~~

~~(d) If a meter is found which does not register, the bill for the period of non registration shall be based upon information recorded prior or subsequent to the period of non registration and on any other pertinent information supplied by the customer or known to the utility.~~

Readopt with amendment and renumber Puc Part 505.07, effective 1-28-97 (Document #64416445) as Puc 505.07 to read as follows:

Puc 505.06-07 Testing Facilities and Equipment.

(a) Each utility shall maintain the equipment and facilities necessary for accurately testing all types and sizes of meters employed for the measurement of gas to its customers, unless arrangements approved by the commission, pursuant to Puc 201.05, shall have been made to have such testing done elsewhere.

~~(b) Each utility shall provide and maintain a m~~ Meter provers used by the utility or its agent for the testing of meters shall be of an approved type and of a capacity of not less than 5 cubic feet for the testing of the most numerous class of customers' meters.

(c) Each meter prover shall be supplied with accessories needed for accurate meter testing and shall be located in a room suitable for the work to be done, ~~as recommended by the manufacturer of the meter prover equipment.~~

(d) The utility shall maintain, ~~this equipment or cause to have maintained on its behalf,~~ the meter prover in good condition and correct adjustment so that it can determine the accuracy of any gas meter to within 1/2 of one percent.

Readopt with amendment and renumber Puc Part 506506.01, effective 1-28-97 (Document #64416445) to read as follows:

PART Puc 506_EQUIPMENT AND FACILITIES

Puc 506.01 Pipeline Safety Standards.

(a) All utilities shall comply with those pipeline safety regulations established by the United States Department of Transportation which are set forth in 49 C.F.R. Parts 191, 192, 193, 198 and 199, including future amendments thereto.

(b) Where Puc 500 ~~and~~ or Puc 800 establishes more stringent requirements than those pipeline safety regulations adopted pursuant to (a) above, the more stringent requirement set forth in Puc 500 ~~and~~ or Puc 800 shall apply.

(c) Only an individual who meets operator qualifications in accordance with 49 CFR Part 192, Subpart N shall perform an activity which:

_____ (1) Is performed on a pipeline facility, whether new or existing;

_____ (2) Is an activity involving operations, maintenance or new construction ;

_____ (3) Is performed as a requirement of this part; and

_____ (4) Affects the operation or integrity of the pipeline.

Readopt with amendment and renumber Puc Part 506.02, effective 1-28-97 (Document #64416445) to read as follows:

Puc 506.02 Construction and Maintenance.

(a) Except as established herein or by municipal regulations ~~within their jurisdiction~~ which are more stringent than the state or federal requirement, each utility shall construct, install, operate and maintain its plant, structures, equipment and gas pipe-lines:

(1) In accordance with all applicable federal and state requirements, including but not limited to the requirements of the "Utilities Accommodation Manual" of the New Hampshire state department of transportation which establishes uniform practice regarding the accommodation of utilities within state highway rights-of-way;

(2) After weighing all factors, including potential delay, cost and safety issues, in such a manner to best accommodate the public; and

(3) To prevent interference with service furnished by other utilities including electric, telephone, water, sewer, steam and other underground or above ground facilities.

(b) Gas pipelines which are to be operated at a pressure of 200 pounds or more per square inch gauge shall not, except with approval of the commission pursuant to Puc 201.05, be installed within 40 feet of buildings intended for human occupancy which were in existence prior to, or were actually under construction at:

(1) The date of acquisition of title to the right-of-way or property held by such pipeline company;

(2) The date of filing of route maps under RSA 371:15; and

(3) The date of filing of route maps with the commission, with legal notice to any affected landowner.

(c) Gas pipelines which are to be operated at a pressure of 200 pounds or more per square inch gauge shall not, except with approval of the commission pursuant to Puc 201.05, be installed under roads or railroad crossings.

(d) Pipelines ~~subject to an internal pressure of 100 pounds or more per square inch gauge~~ shall be laid at least 12 inches away from any other underground structure unless such clearance can or be achieved in which case they shall be laid in proximity with other underground structures as is consistent with approved engineering practice.

(e) The utility shall avoid any interfering structure which provides a space in which a substantial accumulation of explosive mixture might accumulate in the event of a leak and preference shall be given to crossing over rather than under such structure after weighing all factors, including potential cost, delay and safety issues.

(f) Each utility shall design and install all electrical wire fixtures and devices in accordance with the National Electrical Code as adopted by the New Hampshire Department of Safety and shall meet the requirements thereof for Class I locations.

(g) All meter and regulator station buildings shall be provided with permanent natural draft ventilating devices sufficient to accomplish an average of 5 changes of air per hour.

(h) Each utility shall comply with the requirements for purging pipelines established by the Purging Principles and Practice, 1990 edition, of the American Gas Association.

(i) Within 2 years of a meter being continuously locked or removed, the utility shall disconnect from the main and abandon all gas service lines with the exception of cathodically protected or plastic gas service lines which shall be disconnected from the main and abandoned within 10 years of the meter being continuously locked or removed.

(j) All utilities shall map in their mapping system any main that is abandoned after February 1, 2005.

(k) All utilities shall maintain records of any service line that has been abandoned after February 1, 2005.

(l) Each utility shall notify an excavator of the presence of abandoned facilities identified pursuant to Puc 506.02 (j) and (k), when the excavator proposes to excavate in that area pursuant to RSA 374.51 II.

~~All inside gas services not falling within the category of those requiring a curb shut-off shall have a stopper inserted outside the cellar wall whenever service has been discontinued for a period in excess of 12 consecutive months.~~

(m) All combustible gases transported or distributed by a pipeline shall have a distinctive odor of sufficient intensity so that a concentration of one percent of gas in the air is readily perceptible to the normal or average olfactory sense of a person coming from fresh, uncontaminated air into a closed room containing one part of gas in 99 parts of air.

(n) Whenever necessary to maintain the level of odorization intensity described in (m) above, a suitable odorant shall be added in accordance with the following specifications:

- (1) The odorant shall be harmless to humans, non-toxic, and shall be non-corrosive to steel, iron, brass, and ~~leather~~ plastic or any other material used by the utility in handling gas;
- (2) The odorant shall not be soluble in water to an extent greater than 2.5 parts by weight of the odorant to 100 parts by weight of water;
- (3) The products of combustion from the odorant shall be non-toxic to a person breathing air containing these products of combustion and shall not be corrosive or harmful to material which normally would be exposed to such products;
- (4) Equipment for introduction of the odorant into the gas shall be so designed and so built as to avoid wide variation in the level of odor in the gas; and
- (5) The equipment and facilities for handling the odorant shall be located where the escape of odorant would not be a nuisance.

~~(l)~~ Upon completion of any gas pipeline to be operated at 100 pounds per square inch gauge (psig) or more, the operating utility shall file with the commission a U. S. Geological Survey map of at least the scale of 1:62500, which is the equivalent of approximately one inch to the mile, showing the following:

~~(1)~~ The pipeline superimposed upon it;

~~(2)~~ The size of the pipe, valve, locations, and regulator stations; and

~~(3)~~ When a heavy concentration of facilities in a small area limits disclosure of full information, a blow-up of the area shall be furnished.

~~(o m)~~ The utility shall provide upon the request of the commission, written verification certify in writing to the commission that the pipeline has been constructed and tested in accordance with all applicable federal and state requirements.

~~(p n)~~ The certification verification required in ~~(o m)~~ above shall include, at a minimum, the following information:

(1) Test pressure;

(2) Duration of test;

(3) Test date;

(4) Type of test, such as hydrostatic/air; and

(5) Normal and maximum operating pressure to which the pipeline will be subjected.

~~(q e)~~ The utility shall submit to the commission a supplemental certification verification, including figures and maps, as appropriate, whenever:

(1) Significant change is made in the operating pressure; or

(2) Any change in location is made to the pipeline because of road relocations, or other causes significant change is made in the operating pressure.

~~(r p)~~ Operating and maintenance procedures and emergency plans shall be documented according to a plan as follows:

(1) Each utility shall establish a written operating and maintenance plan pursuant to 49 C.F.R. 192.603 which shall include the criteria set forth in 49 C.F.R. 192.605;

~~(2)~~ Each utility shall establish a written emergency plan pursuant to 49 CFR 192.615;

~~(3 2)~~ Each utility shall file with the commission its plans together with any subsequent amendments to the plan; and

~~(4 3)~~ Each utility shall operate, inspect and maintain its system in accordance with its plans; and

(5) Each utility shall inspect any new construction by outside contractors that is or will be incorporated into the utility's system to verify that the resulting installation meets company specifications.

(s) Each utility should develop and maintain a written security plan outlining actions necessary to protect the utility's facilities from breeches of security or sabotage, and outlining actions to be taken in response to changes in the federal Department of Homeland Security's Homeland Security Advisory System Threat Conditions. Such plans shall be disclosed only to:

(1) Individuals having a need to know their content; or

(2) The commission's safety division, upon reasonable request, on utility premises.

Readopt with amendment and renumber Puc Part 506.03, effective 1-28-97 (Document #64416445) to read as follows:

Puc 506.03 On-site Storage.

(a) Each utility, unless separately addressed and approved by the commission in that utility's integrated resource plan as defined in Puc 510.01(c), shall maintain an on-site storage capability in connection with the operation of its gas distribution system between December 1 and February 14 of each year which will provide peak-shaving supplies for an estimated maximum-design cold period of 7 consecutive days.

(b) Railway tank cars on gas company rail sites and ~~guaranteed pipeline firm delivered transmission capacity for firm gas supply~~ shall be considered as on-site storage.

(c) A utility may count as on-site storage 70% of the guaranteed daily delivery capability over a 5 day period from a dependable bulk fuel supply point for any situation in which the utility:

- (1) Owns or leases tank trucks;
- (2) Has a fuel supply purchase contract; or
- (3) Has a dedicated service contract;

(d) Between February 15 and February 28, the above minimum on-site storage capacity may be reduced to 75% of the total requirement of each utility.

(e) Between March 1 and March 31, the minimum on-site storage capacity may be reduced to 50% of the original total requirement.

(f) Each utility shall notify the commission's ~~gas safety engineer division~~ each week during the period from December 1 through April 1 of its on-site supply of supplemental fuel.

(g) The information required by (e) above shall be reported on each ~~Monday~~ Tuesday, or the next day following a state holiday, no later than 4 p.m. and may be made by telephone.

Readopt Part Puc 506.04, effective 1-28-97 (Document #64416445) to read as follows:

Puc 506.04 Underground Utility Damage Prevention Program. All utilities shall comply with Puc 800.

Readopt with amendment Puc Part 507.01-507.07, effective 1-28-97 (Document #64416445) cited and to read as follows:

PART Puc 507 ~~RECORDS~~ RECORDS, REPORTS AND ACCOUNTING REQUIREMENTS

Readopt with amendment Puc 507.01 – 507.05, effective 1-28-97 (Document #6445) to read as follows:

Puc 507.01 Station Records. Each utility shall keep records of the operation of its plant to show the characteristics and performance of each unit.

Readopt with amendment Puc 507.02 – 507.03, effective 1-28-97 (Document #6445) to read as follows:

Puc 507.02 Gas Supply Measurement.

(a) Each utility shall install a suitable measuring device ~~or otherwise determine production at each source of supply in order that a record may be maintained of the quantity produced.~~ of gas produced at each source.

(b) ~~Unless sufficient information is furnished by the utility supplying the gas, each utility purchasing gas shall maintain adequate instruments and meters to obtain complete information as to such purchases.~~ Each utility receiving natural gas shall install and maintain adequate instruments and meters to obtain complete information as to such receipts of gas.

(c) The utility shall:

(1) Determine on a daily basis the quantity of gas supply produced or purchased and received from each source of supply; and

(2) Summarize those quantities each month. ~~At least once each month the utility shall determine the quantity of gas produced or purchased from each source of supply.~~

(d) The utility shall record and transmit to the commission its 12 month totals of gas supply purchased, produced and received by sources as part of its annual report to the commission.

Puc 507.03 System Maps. Each utility shall have on file at its principal office located within the state a map, maps or drawings showing the following:

(a) Size, character and location of its active mains, and its abandoned mains if abandoned after February 1, 2005, including valves;

(b) Size and location of each of its active service lines, and its abandoned service lines if abandoned after February 1, 2005, where practicable, provided that in lieu of showing service locations on maps, a card record or other suitable means may be used; and

(c) Layout of all principal metering and regulator stations and production plants to show size, location and character of all major equipment, pipe lines, connections, valves and other equipment used.

Puc 507.04 Meter Records.

(a) Each utility shall keep numerically arranged and classified records giving for each meter owned and used by the utility for any purpose, the following:

- (1) Identification number;
- (2) Date of purchase;
- (3) Name of manufacturer, serial number, type and rating; and
- (4) Information on each customer on whose premises the meter has been in service, including:
 - a. Name and address; and
 - b. Date of installation and removal.

(b) The records required by (a) above shall be maintained in a manner such that the date of the last test is readily ascertainable.

Puc 507.05 Preservation of Records.

(a) All records required by these rules shall be preserved by the utility for a period of 2-5 years unless otherwise designated by the commission's rules governing the preservation of records, including but not limited to Puc 507.07(b).

(b) The utility shall make such records available to the commission or its staff upon request at the utility's office designated by the commission located in the state of New Hampshire.

Puc 507.06 Reports to Commission.

(a) The utility shall furnish to the commission the results of any required tests and summaries of any required records pursuant to RSA 374:15.

(b) The utility shall also furnish the commission with any information concerning the utility's facilities or operations relating to determining rates or judging the practices of the utility pursuant to RSA 378:1.

(c) Each utility shall file periodic reports with the commission as provided in Puc 509 on forms described in Puc 509 which shall be furnished by the commission upon request.

Puc 507.07 Uniform System of Accounts.

(a) Each utility shall maintain its accounts and records in conformity with the "Uniform Classification of Accounts for Gas Utilities" established and issued by the commission as a uniform system of accounts pursuant to RSA 374:8.

(b) Each utility shall keep and preserve all accounts and records as provided in the National Association of Regulatory Utility Commissioners' "Regulation to Govern the Preservation of Records of Electric, Gas and Water Utilities Regulation", governing the preservation of records of gas utilities, which is established by the commission as part of its uniform system of accounts pursuant to RSA 374:8.

Readopt with amendment Puc Part 508.01, effective 1-28-97 (Document #64416445) cited and to read as follows:

PART Puc 508 SAFETY, ACCIDENT AND LEAKAGE REQUIREMENTS

Puc 508.01 Safety InstructionsPractices.

(a) Each utility shall adopt comprehensive instructions for the safety of employees in the operation, construction or maintenance of its plant and facilities.

(b) Each utility shall institute practices and programs to ensure that its employees have been properly ~~informed of~~ trained in safe practices and are cognizant of all hazards involved.

Readopt ~~Part~~ Puc 508.02, effective 1-28-97 (Document #64416445) to read as follows:

Puc 508.02 Resuscitation.

(a) Each utility periodically shall instruct its employees engaged in electrical work, including but not limited to those employees who work on all live electric conductors and equipment, in accepted safety procedures for resuscitation from electrical shock.

(b) The utility shall instruct all employees engaged in work on gas mains or equipment in the procedure to be followed in cases involving asphyxiation or gas poisoning.

(c) The utility shall furnish copies of the relevant safety procedures to each such employee.

Readopt with amendment Puc ~~Part~~ 508.03, effective 1-28-97 (Document #64416445) to read as follows:

Puc 508.03 Accidents.

(a) Each utility shall notify the commission of any accident, as described in Puc 504.05(a)(1), pursuant to Puc 504.05.

(b) A utility shall submit a written report to the commission on form E-5, "NHPUC Accident Form", pursuant to Puc 509.0608, within 10 working days following the occurrence of any accident involving a release of gas from a pipeline, a release of LNG or LPG or a release of gas from a LNG or LPG facility in which:

- (1) Any person shall have been killed;
- (2) Any person shall have received an injury which requires in-patient hospitalization;
- (3) Any person shall receive an injury which incapacitates that person from active work for a total of 6 days or more during the 10 days immediately following the accident; or
- (4) Any property damage over \$5,000 in amount shall have been caused.

(c) If any event later occurs in connection with an accident which renders an accident reportable under this section or significantly changes the circumstances of a report previously submitted, the utility shall submit a new or updated report, as appropriate.

Readopt with amendment and renumber Puc ~~Part~~ 508.04, effective 1-28-97 (Document #64416445) to read as follows:

Puc 508.04 Leakage Surveys and Inspections.

(a) For purposes of this part, "Business districts" means the principle business areas in the urban portion of a community.

(b) The presence of certain factors shall indicate the presence of a business district, as follows:

- (1) The general public regularly congregates in this area for economic, industrial, religious, educational, health or recreational purposes;
- (2) The majority of the buildings on either side of the street are utilized for commercial, industrial, religious, educational, health or recreational purposes;
- (3) Gas facilities are under continuous paving that extends either from the center line of the thoroughfare to the building wall or from the gas main to the building wall; and
- (4) Other locations or sites in the urban portion of a community which contain a similar density and/or mix of buildings and services as provided in (1) through (3) above.

(c) Each utility shall survey distribution mains in business districts on an annual basis.

~~(d) Each utility shall conduct a leakage survey of service to public buildings on an annual basis.~~

- ~~(1) Provide for periodic leakage surveys in its operating and maintenance plan; and~~
- ~~(2) Conduct periodic leakage surveys.~~

~~(c) Each utility shall conduct a leakage survey of main lines in business districts on a repeated basis during the months when frost is in the ground, but not in conjunction with the survey referred to in (c) above.~~

~~(d) The type and scope of the leakage control program shall be determined by the nature of the operations, such as liquid petroleum distribution systems, natural gas distribution systems, and the local conditions but it shall meet the minimum requirements set forth in this section.~~

~~Each utility shall conduct a leakage survey of all unprotected steel services at least once during each three year period and of all protected steel and plastic pipe at least once during each five year period.~~

~~(eg) Each utility shall conduct a gas detector survey at least once each year during the period from March 1 to December 1 in business districts. Each utility shall inspect gas mains in locations or on structures where known physical movement or external loading could cause failure or leakage at least once each calendar year and patrol such locations at least 3 times each calendar year.~~

~~(f) A gas detector survey in a business district shall include tests of the atmosphere at the following locations:~~

- ~~(1) In gas, electric, telephone, sewer, and water system manholes;~~
- ~~(2) At cracks in pavement and sidewalks; and~~
- ~~(3) At other locations providing an opportunity for finding gas leaks.~~

~~(g) A leakage survey of the distribution system mains outside of the business districts shall be made at least once each year during the period from March 1 to December 1.~~

~~(h) A gas detector survey shall be conducted each year in business districts during the period January 1 to March 1.~~

~~(i) A gas detector survey must be conducted each year in the east iron distribution system outside of the principal business areas during the period January 1 to March 1.~~

~~(j) A utility shall conduct a gas detector survey both in and outside of the principal business areas, as referred to in (g) and (h) above, in the following manner:~~

~~(1) The utility shall use a mobile flame ionization unit; and~~

~~(2) The utility shall conduct the survey to detect class I and class II leaks as defined in (q) below.~~

~~(k) A gas detector survey of buildings used for public assembly, including schools, churches, hospitals, theaters, municipal buildings and downtown areas shall be conducted each year during the period March 1 to December 1.~~

~~(l) In completing a gas detector survey of buildings used for public assembly, as referred to in (j) above, a utility shall:~~

~~(1) Test areas around service entrances, inside the foundation wall, at conduit or cable entrances below grade and at cracks or breaks in the foundation wall where gas seepage might enter the basement; and~~

~~(2) Test exposed piping from the service entrance to the outlet side of the meter.~~

~~(m) Mains in places or on structures where anticipated physical movement or external loading could cause failure or leakage shall be inspected at intervals not exceeding 4 1/2 months, but at least 4 times each calendar year.~~

~~(n) Each utility shall follow procedures for classification and control of flammable gas leaks contained in The American Gas Association "GPTC Guide for Gas Transmission and Distribution Piping Systems 1990-1991", 1990 edition, Volume One, Guide Material Appendix G-11, Tables 3a, 3b and 3c.~~

~~(o) If, when investigating a leak, it is determined that the perimeter of a leak area extends to a building wall, the investigation shall continue into the building unless public safety or identifiable exigent circumstances prohibit entry.~~

~~(p) Once public safety or identifiable exigent circumstances no longer prohibit entry, the investigation, as provided in (o) above, shall continue into the building, if the leak has not yet been resolved.~~

~~(q) The utility shall establish a leak repair priority based on its evaluation of the location and the magnitude of a leak.~~

~~(r) A utility shall assign a classification of leaks as follows:~~

- (1) Class I shall be a leak that represents an existing or probable hazard to persons or property, and requires immediate repair within 24 hours or continuous action until the conditions are no longer hazardous;
- (2) Class II shall be a leak that is recognized as being non-hazardous at the time of detection, but requires scheduled repair within 6 months or before the end of the calendar year based on probable future hazard; and
- (3) Class III shall be a leak that is non-hazardous at the time of detection and can be reasonably expected to remain non-hazardous.

(sn) In making a determination as to whether to classify a leak as Class I, II or III, a utility shall comply with the guidelines and examples for leak classification and leakage control as described in the utility's operation and maintenance plan, provided in tables 3a, 3b and 3c of the "GPTC Guide for Gas Transmission and Distribution Piping Systems", referred to in (n) above

(to) A utility shall conduct a follow-up inspection as follows:

- (1) The adequacy of leak repairs shall be checked before backfilling;
- (2) The perimeter of the leak area shall be checked with a combustible gas indicator (CGI) or equivalent gas detection equipment; and
- (3) Where there is residual gas in the ground after the repair of a Class I leak, the utility shall conduct a follow-up inspection as soon as practical after allowing the soil atmosphere to vent and stabilize, but in no case later than 1 month following the repair.

(up) In the case of leak repairs other than Class I, the need for a follow-up inspection shall be determined by qualified personnel of the utility.

(vq) When a leak is re-evaluated, the utility shall classify it using the same criteria as when the leak was first discovered.

Readopt with amendment and renumber Puc Part 508.05, effective 1-28-97 (Document #64416445) to read as follows:

Puc 508.05 Leakage Record-keeping and Reporting.

(a) Each utility shall maintain records and follow self-audit procedures regarding gas leaks and leakage surveys as follows:

- (1) A utility shall preserve historical gas leak records according to Puc 507.05(a) and Puc 507.07(b);
- (2) In order to demonstrate the adequacy of company maintenance programs, a utility shall maintain sufficient data to provide the information needed to complete the federal Department of Transportation leak report forms as follows:
 - a. Form RSPA F 7100.1, "Incident Report-Gas Distribution System";

b. Form RSPA F 7100.1-1, "Annual Report For Calendar Year 19__20__ Gas Distribution System";

c. Form RSPA F 7100.2, "Incident Report-Gas Transmission and Gathering Systems"; and

d. Form RSPA F 7100.2-1, "Annual Report For Calendar year 19__20__ Gas Transmission & Gathering Systems"; and

(3) The utility shall maintain records for leaks which are reported by an outside source or require reporting to a regulatory agency.

(b) The leak records as required in (a) above shall not be required to be maintained in any specific format or retained at one location.

(c) The leak records as required in (a) above shall include the following:

(1) Date discovered, time reported, time dispatched, time investigated and by whom;

(2) Date(s) re-evaluated before repair and by whom;

(3) Date repaired, time repaired and by whom;

(4) Date(s) rechecked after repair and by whom;

(5) If a reportable leak, date and time of telephone report to regulatory authority and by whom;

(6) Location of leak;

(7) Leak classification;

(8) Line use, including distribution and transmission;

(9) Method of leak detection including name and address if reported by an outside party; and

(10) A description of any environmental impact, if applicable.

(d) A utility shall report to the commission leaks occurring in its gas distribution system as follows:

(1) Emergency notification, pursuant to Puc 504.05(a)(+); and

(2) Report on status of leaks, pursuant to Puc 509.175.

PART Puc 509 FORMS REQUIRED TO BE FILED BY ALL UTILITIES

Repeal Puc Part 509.01 effective 1-28-97 (Doc# 6445) and adopt new Puc Part 509.01 to read as follows:

Puc 509.01 F-1 - Rate of Return

(a) Natural gas utilities shall file with the Commission Form F-1 on a quarterly basis reporting the historical weather normalized rate of return for the preceding 12 months. For purposes of this part, "natural gas utility" means any utility that receives direct deliveries through a natural gas interstate pipeline.

(b) Natural gas utilities shall include on Form F-1 the following components:

_____ (1) Actual revenues;

_____ (2) Weather adjustment;

_____ (3) Actual operating expenses for:

_____ a. Gas costs;

_____ b. Other production;

_____ c. Distribution;

_____ d. Customer accounting;

_____ e. Sales and new business;

_____ f. General and administrative;

_____ g. Federal and state income taxes;

_____ h. Property taxes;

_____ i. Other taxes;

_____ j. Depreciation;

_____ k. Amortization;

_____ l. Operating rent; and

_____ m. Interest on customer deposits;

_____ (4) Rate base components for:

_____ a. New Hampshire plant;

_____ b. Material and supplies;

_____ c. Cash working capital requirement;

_____ d. Prepayments;

_____ e. Customer deposits;

_____ f. Accrued interest customer deposits;

_____ g. Depreciation reserve;

h. Deferred income taxes;

i. Reimbursable contributions; and

j. Pension and benefit reserves;

(5) Weighted cost of capital components for:

a. Current capital structure;

b. Cost of debt; and

c. Last commission approved cost of equity;

(6) Actual operating utility income;

(7) Allowed operating utility income using weighted cost of capital;

(8) Actual return on rate base; and

(9) Allowed return on rate base.

(c) The rate of return calculation will exclude merger push-down accounting unless such accounting treatment has explicit commission approval.

(d) Utilities shall file Form F-1 no later than 45 days from the end of each fiscal quarter.

~~Puc 509.01 F-1C Quarterly Statement of Operations:~~

~~(a) Any utility which does not file a statement of operations with the commission on a monthly basis shall file form F-1C on a quarterly basis.~~

~~(b) Utilities shall include in form F-1C:~~

~~(1) A statement of operation taking operating revenues, subtracting all expense, leaving the net income;~~

~~(2) A reconciliation of retained earnings composed of balance at the beginning period and balance at end of period; and~~

~~(3) A balance sheet listing the assets and liabilities with a final result of total capital and liabilities.~~

Repeal Puc Part 509.02 effective 1-28-97 (Document #64416445) as follows:

~~Puc 509.02 F-2 Disposition of Proceeds from Sale of Securities:~~

~~(a) Any utility which has securities outstanding shall annually file form F-2 with the commission.~~

~~(b) Utilities shall include on Form F-2 a detailed account showing:~~

- _____ (1) The sale of securities and the disposition of the proceeds, if any;
- _____ (2) The period encompassed by the report;
- _____ (3) The docket case and order number authorizing said sale; and
- _____ (4) A detail of receipts for securities sold during this period which shall include the following:
 - _____ a. Date;
 - _____ b. Name of purchaser;
 - _____ c. Par value amount;
 - _____ d. Discount or premium percentage;
 - _____ e. Proceeds amount;
 - _____ f. Balance of proceeds undisposed at the beginning of the period covered;
 - _____ g. Total proceeds to account for; and
 - _____ h. The certification statement described in (c) below.
- _____ (c) Utilities shall include on form F-2 a statement executed by an authorized official of the utility which provides as follows:
 - _____ "None of the proceeds have been applied to purposes not properly chargeable to the property accounts, nor to any purpose not authorized in said order. The statements and contents of the foregoing are accurate and true, to the best of my knowledge, information and belief."
- _____ (d) The certification statement contained in (c) above shall be:
 - _____ (1) Signed and sworn to under oath by the utility by its president or other chief officer or treasurer or other officer in charge of accounts.
 - _____ (2) Notarized by a notary official in conformance with New Hampshire law; and
 - _____ (3) Dated.

Readopt and renumber Puc Part 509.03-509.05, effective 1-28-97 (Document #64416445) as Puc 509.02-509.04 to read as follows:

Puc 509.0302 F-3 Statement of Pro Forma Income Statement at Present and Proposed Rates for Year Ended.

- (a) Each utility which requests a rate increase shall file form F-3 with the commission.
- (b) Utilities shall include on form F-3 a breakdown of operating revenues and expenses for:
 - (1) Actual year ended;

- (2) Adjustments and pro forma at present rates;
- (3) Adjustments and pro forma at proposed rates with additional requirements; and
- (4) Total requirements.

(c) Utilities shall include on form F-3 a calculation of rate base and calculation of rate of return.

(d) Each utility requesting a rate increase shall also comply with the requirements of Puc 1600, tariffs and special contracts.

Puc 509.0403 F-4 Petition For Authority To Issue Securities.

(a) Each utility shall file form F-4 with the commission when it seeks authority to issue securities

(b) Each utility shall include on form F-4 the following:

(1) A petition which shall include:

- a. A caption;
- b. Description of authorized and outstanding long term debt and capital stock;
- c. Amount of short term notes outstanding;
- d. Description of new securities;
- e. Description of what proceeds will be used for;
- f. List of exhibits attached;
- g. Certification statement as contained in (d) below; and
- h. Petitioner's prayer asking for the relief requested;

(2) Application for leave to issue securities pursuant to RSA 369:3 including a statement in reasonable detail of any proposed additions, construction or working capital requirements together with any proposed construction budget;

(3) Exhibit 2, showing the estimated cost of financing including, for example, legal costs, printing, documentary tax, trustee services, financial services;

(4) Exhibit 3, current balance sheet adjusted for financing with journal entries and explanations for actual, adjustments and as adjusted;

(5) Exhibit 4, current income statement adjusted for financing including new interest, depreciation and taxes with entries for actual, adjustments and as adjusted;

(6) Exhibit 5, statement of capitalization ratios after giving effect to the proposed financing;

(7) Exhibit 6, copy of the purchase and sale agreement for long term financing including any letter of commitment from a lender stating details of financing;

(8) Exhibit 7, copy of the mortgage indenture;

(9) Exhibit 8, copy of terms of new common or preferred stock;

(10) Resolution of petitioner's stockholders, board of directors or other governing body of petitioner, as appropriate, authorizing the proposed financing; and

(11) An original and 7 copies of the petition and exhibits.

(c) By submitting or signing a Form F-4 petition, the persons submitting the form shall agree to comply with the certification requirement as set forth in (d) below.

(d) Each utility shall provide in connection with a petition for authority to issue securities a certification which shall provide as follows:

"The petitioner utility company believes and, therefore, alleges that the securities to be issued will be consistent with the public good and that it is entitled to issue said securities under RSA 369 for the purposes set forth in its petition."

Puc 509.0504 F-16 Annual Report.

(a) Each utility which maintains its books on a calendar year basis shall file a completed "Annual Report" with the commission annually on or before March 31st.

(b) Each utility which maintains its books on a fiscal year which does not coincide with a calendar year shall file a completed "Annual Report" with the commission no later than 90 days following the close of each fiscal year.

(c) Each utility shall include on form F-16 the following:

(1) List of officers, their compensation, ~~residence~~address, and a list of directors with ~~residence~~address, length of term, term expiration, and fees;

(2) Shareholders names and addresses and voting powers including number of votes, number of shares owned and a schedule of payments to individuals;

(3) Balance sheet accounts schedule including assets and other debits and liabilities and other credits including comparison to previous year;

(4) Fixed capital-gas schedule including comparison to previous year;

(5) Management fees and expenses and distribution of accruals or payments and distribution of total charges;

(6) Non-operating property with beginning of year balance and year end balance, property abandoned schedule and land for future development schedule with beginning and year end balances;

- (7) Investments in affiliates and miscellaneous investments showing description of investment stock descriptions, cost to respondent, and book value;
- (8) Funds schedule showing sinking, miscellaneous, and depreciation funds with notation of additions and withdrawals;
- (9) Prepayment schedule with beginning and year end balance and required securities with date acquired, cost and par value;
- (10) Schedule of materials and supplies, accounts receivable and receivables from affiliated companies;
- (11) Schedule of unamortized debt discount and expenses showing debits and credits during year and a schedule of dividends declared during year;
- (12) Capital stock account with stock breakdown and long term debt schedule with the proper breakdown;
- (13) Notes payable schedule showing beginning and end of year balance and a schedule of payables to affiliated companies;
- (14) Depreciation reserve schedule showing debits and credits and an annual depreciation charge schedule;
- (15) Miscellaneous reserves with charges during the year, a miscellaneous unadjusted credits schedule and a tax schedule;
- (16) Income statement including increase or decrease over previous year;
- (17) Capital surplus account showing debits and credits during year, earned surplus account and miscellaneous suspense schedule;
- (18) Operating revenues, gas, composed of gas service revenue and other gas revenues which includes a schedule or summary of operating gas expenses with the increase or decrease over the previous year;
- (19) Operation and maintenance accounts which include amounts by classification and increase or decrease over previous year;
- (20) Analysis of sales and new business expenses with a breakdown into appliance sales, job work sales, and new business;
- (21) Schedule of donations and gifts and accounts charged to;
- (22) Detail of fuel account broken into liquid petroleum-propane and liquid natural gas and a schedule of materials and supplies with beginning and end of year balances;
- (23) Summary of gas plant operation monthly in terms, type of gas used and a breakdown of said gas and a schedule of revenue by rates; and
- (24) Certification statement as contained in (d) below.

(d) Each utility shall complete and properly execute under oath a certification form as part of its "Annual Report", which provides as follows:

"We, on our oath do severally say that the foregoing return has been prepared under our direction, from the original books, papers and records of said utility, that we have carefully examined the same, and declare the same to be a complete and correct statement of the business and affairs of said utility, in respect to each and every matter and thing therein set forth to the best of our knowledge, information and belief; and that the accounts and figures contained in the foregoing report embrace all of the financial operations of said utility during the period for which said report is made."

(e) The certification set forth in (d) above shall be subscribed and sworn to under oath by the utility by its president or other chief officer and treasurer or other officer in charge of accounts whose signatures shall be notarized by a notary official in conformance with New Hampshire law.

(f) By submitting or signing the "Annual Report", the person submitting the form, on behalf of themselves and the utility, thereby agree to comply with the certification statement set forth in (d) above.

Readopt with amendment and renumber Puc Part 509.06, effective 1-28-97 (Document #64416445) as Puc 509.05 to read as follows:

Puc 509.0605 F-8G Monthly Operating and Income Statements.

(a) Each utility shall ~~annually~~ twice a year file form F-8G, which ~~involves~~ includes analysis of gas operating statistics of usage, sales and revenues data, with the commission within 90 days of the six-month periods ending April 30th and October 31st within 4 months of the close of its fiscal year and shall file revised F-8G monthly reports when previously submitted reports have been updated, edited or corrected.

(b) Utilities shall include on form F-8G the following:

(1) Monthly income statement showing current month, cumulative this year, same month last year and cumulative last year;

(2) Gas generation report showing coal gas generated, water gas generated, other gas generated and totals A gas purchased, produced and transported report showing all natural gas purchases distinguishing gross received or net delivered, storage gas injections, storage gas withdrawals, pipeline fuel retention, if gross received purchases are used, propane air produced, vaporized LNG produced, gas received and transported for other parties or other gas supply and totals for each category;

(3) A statement of the disposition of all gas purchased, produced and transported including total gas sold, gas used by the company, accounted for losses, unaccounted for losses, gas transported by third parties for unbundled customers and total disposition;

(4) Degree day summary, identifying data source and geographic location including actual and normal, base 65 degrees Fahrenheit, effective or actual;

(5) The average number of customers, by rate class, for the current month and for the same month for the previous year;

(63) Analysis of operating revenues which requires a breakdown of revenue earned showing this month, cumulative this month, same month last year and cumulative last year; and

(74) Gas sold with a breakdown and comparisons to previous years for all firm and non-firm bundled sales and unbundled transportation rate classes;

(8) The date of the original report, or, if applicable, the revised report; and

(9) The signature, full name and title of the individual signing the report.

Readopt and renumber Puc Part 509.07-509.08, effective 1-28-97 (Document #64416445) as Puc 509.06-509.07 to read as follows:

Puc 509.0706 Form F-22 Information Sheet.

(a) Each utility shall file Form F-22:

- (1) Annually; and
- (2) Whenever any changes occur to the information included in the Form F-22 filing.

(b) Each utility shall include the following on form F-22:

- (1) Name of utility;
- (2) Person's name and address to receive annual report form;
- (3) Person's name and address to receive the utility assessment tax; and
- (4) The names and titles of the principal officers of the company.

Puc 509.0807 E-5 Utility Accident Report.

(a) Each utility shall file a "NHPUC Accident Form" within 10 working days of when a utility accident, as described in Puc 508.03(b), occurs.

(b) Each utility shall include the following on form E-5:

- (1) Report number, date and name and address of utility;
- (2) Date and location of accident;
- (3) Description of person injured including:
 - a. Name;
 - b. Age;
 - c. Residence;
 - d. Employer; and

- e. Status of injured person, whether employee, person under contract, invitee, licensee, trespasser or other;
- (4) Description of injury, current condition, duration of disability and, if applicable, anticipated return to work date;
- (5) Description of cause and manner of accident;
- (6) If applicable, cause of death, previous accident report number;
- (7) Designation of federal or state statute violated, if applicable;
- (8) Recommendation for and steps taken to guard against repetition of accident; and
- (9) Signature and title of signatory.

Readopt with amendment and renumber Puc Part 509.09, effective 1-28-97 (Document #64416445) as Puc 509.08 to read as follows:

Puc 509.089 E-6 Heating Value and Purity Report.

- (a) Each utility shall file with the commission a completed Form E-6 monthly.
- (b) Utilities shall include on form E-6:
 - (1) The name of the company;
 - (2) The month average in british thermal units (BTU's) with a breakdown for each day of the month of the time;
 - (3) BTU per cubic foot; and
 - (4) General remarks. ~~Hydrogen sulphide;~~
 - (5) ~~Sulphur; and~~
 - (6) ~~General remarks.~~

Readopt with amendment and renumber Puc Part 509.10, effective 1-28-97 (Document #64416445) as Puc 509.09 to read as follows:

Puc 509.4009 Form E-7 Annual Report of Gas Meter Tests.

- (a) Form E-7 shall be filed annually with the commission.
- (b) Utilities shall include the following on form E-7:
 - (1) Name of company and year;
 - (2) Number of meters tested categorized ~~as follows:~~ according to Table 5.1; and

~~a. By those in a 10 year test period, of 250 cubic feet or less;~~

~~b. By those in a 4 year test period, of over 250 cubic feet or more; and~~

~~c. As to maximum flow test differential, the numbers within certain accuracy categories, as follows:~~

~~1. The numbers of those within one percent of the category limits; and~~

~~2. The numbers of those exceeding one percent of the category limits; and~~

(3) Total meters in service at end of year and total meters tested during year.

~~(c) The accuracy categories referred to in clause c above shall include categories for non-register, less than 90%; 90% to 96.9%; 97% to 97.9%; 98% to 98.9%; 99% to 99.9%; 100% to 101%; 101.9% to 102%; 102.1% to 103%; 103.1% to 110%; and totals.~~

Readopt and renumber Puc Part 509.11, effective 1-28-97 (Document #64416445) as Puc 509.10 to read as follows:

Puc 509.10 E-8 Report of Pressure Complaints.

(a) Form E-8 shall be filed monthly with the commission.

(b) Utilities shall include the following on form E-8:

(1) Name of complainant and location;

(2) Date of test;

(3) Average pressure;

(4) Pressure recorded in inches of water column showing minimum with time of day and maximum with time of day; and

(5) Total minutes, below allowable minimum and above allowable maximum.

Repeal Part Puc 509.12, effective 1-28-97 (Doc #6445) as follows:

~~Puc 509.12 E-20 A A Report of Changes in Fixed Capital.~~

~~(a) Each utility shall file form E-20 A annually with the commission within 4 months of the close of its fiscal year giving notice of any change in fixed capital.~~

~~(b) Utilities shall include on form E-20 A the following:~~

~~(1) The company account number;~~

~~(2) District;~~

~~(3) Unit description by town;~~

~~(4) Quantity and costs to additions; and~~

~~(5) Quantity and costs to retirements.~~

Readopt with amendment and renumber Puc Part-509.13, effective 1-28-97 (Document #64416445) as Puc 509.14 to read as follows:

Puc 509.14 E-22 - Report of Proposed Expenditures for Additions, Extensions and Capital Improvements to Fixed Capital.

(a) An E-22 is a vehicle by which the commission, pursuant to RSA 374:5, obtains information on proposed utility expenditures and as such the commission shall not be obligated to respond to the proposed E-22 or construction budget

(b) Each utility shall file Form E-22 with the commission's safety division on an annual basis on or before May 15.

(c) Utilities shall use Form E-22 to report any proposed main or service capital addition, extension or improvement.

(d) With respect to any proposed, main or service capital addition, extension or improvement, utilities shall report:

(1) A description, of size and length of the main or service;

(2) The location of the proposed capital addition, extension or improvement; and

(3) The total estimated cost of the proposed capital addition, extension or improvement by work category.

~~(e)~~ Investigation of or comment on a construction budget or E-22 by the commission, or failure of the staff to identify prudence review issues as described in paragraph (ef) below, shall not constitute a final prudence review and the commission shall not be precluded from analyzing the merit of any expenditure in a future rate case.

(ef) The commission shall notify a utility when it identifies prudence review issues, which it would raise as part of a rate case, in connection with notice of a proposed expenditure under this section.

~~(d)~~ Every utility shall report to the commission when the probable cost of any addition, extension or capital improvement to its utility plant will exceed reportable amounts set forth in Table 5.9.1, as follows:

Table 5.9.1 Reportable Amounts by Utility Plant Range

UTILITY PLANT RANGE	REPORTABLE AMOUNT
\$ 400,000 and under	\$ 5,000
400,001 to \$ 1,000,000	10,000
1,000,001 to 2,000,000	15,000
2,000,001 to 3,000,000	22,500

~~3,000,001 to 50,000,000~~ ~~30,000~~
~~50,000,001 to 100,000,000~~ ~~50,000~~
~~100,000,001 and over~~ ~~100,000~~

~~(e) The reportable amount shall be based on the gross fixed capital, as of December 31st of the calendar year immediately preceding, of each stand-alone or satellite system with an independent source of supply.~~

~~(f) Companies with more than \$10,000,000 in fixed capital may use the next higher reporting limit for their satellite systems.~~

~~(g) The reporting limits shall apply to total project cost including contributions in aid of construction.~~

~~(h) For purposes of paragraph (a), filing with the commission shall consist of:~~

~~(1) A completed E-22 form; or~~

~~(2) With written approval of the commission, a construction budget.~~

~~(i) The commission shall accept a construction budget in place of individual E-22 forms if the proposed budget meets the following criteria:~~

~~(1) It highlights all projects above the utility's reporting limit;~~

~~(2) It contains a level of detail appropriate to the expenditures anticipated and to identification of potential project specific issues; and~~

~~(3) It covers a period of no longer than one year.~~

~~(j) The commission shall state whether the approval to file construction budgets is for one year or a longer or indefinite period, based on the utility's prior operation and reporting history and projected level of expenditures.~~

~~(k) A utility shall file an original and duplicate copy with the commission engineering department as follows:~~

~~(1) An individual E-22 form no fewer than 30 days before starting actual construction or expenditure of funds; or~~

~~(2) A construction budget no fewer than 60 days before starting actual construction or expenditure of funds.~~

~~(l) A utility may provide an additional copy of its filing and request that it be date stamped and returned to confirm filing.~~

~~(m) If the cost of a project is anticipated to fall below the applicable reporting limit but later exceeds it, the utility shall immediately file an E-22 form at whatever time or phase of the project it becomes apparent the limit will be exceeded. This requirement shall include projects listed in a construction budget but not highlighted in accordance with paragraph (i)(1).~~

~~(n) If a project not included in an approved construction budget arises which will exceed the utility's reporting limit, the utility shall file an E-22 form.~~

Readopt and renumber Puc Part 509.14, effective 1-28-97 (Document #64416445) as Puc 509.12 to read as follows:

Puc 509.124 E-23 Report of Interruptions of Service.

- (a) Each utility shall file Form E-23 monthly with the commission.
- (b) Form E-23 shall describe all service interruptions and shall include the following:
 - (1) Date of interruption;
 - (2) Time of interruption including start, end and total elapsed time;
 - (3) Location of interruption;
 - (4) Number of customers affected by interruption; and
 - (5) Cause of interruption.

Readopt and renumber Puc Part 509.15, effective 1-28-97 (Document #64416445) as Puc 509.13 to read as follows:

Puc 509.135 E-24 Report of Gas Meter Complaint Tests.

- (a) Each utility shall file with the commission Form E-24 monthly.
- (b) Form E-24 shall include the following:
 - (1) Customer's name and address;
 - (2) Meter manufacturer; manufacturer's number; company number; type and size;
 - (3) Percent registration which are fast or slow; and
 - (4) Period, refund and collect.

Readopt and renumber Puc Part 509.16, effective 1-28-97 (Document #64416445) as Puc 509.14 to read as follows:

Puc 509.146 E-25 Report of Proposed Changes in Depreciation Rates.

- (a) Each utility shall file Form E-25 when it proposes any change in depreciation rates.
- (b) A utility shall include on form E-25:
 - (1) Name of the company;
 - (2) Date;
 - (3) Account number and title;

- (4) Estimated life, both present and proposed, in years;
- (5) Net salvage, both present and proposed, by percentage;
- (6) Depreciation rate, both present and proposed, by percentage;
- (7) Net annual change in dollars; and
- (8) Reasons.

(c) A utility shall not implement any change in depreciation rates until the proposed change has been approved by the commission.

Readopt with amendment and renumber Puc Part 509.17, effective 1-28-97 (Document #64416445) as Puc 509.15 to read as follows:

Puc 509.157- Status of Leaks.

- (a) Each utility shall submit to the commission a monthly leak report.
- (b) Each utility shall provide on the monthly leak report a description of the status of any leak in its system classified by type of leak, as Class I, II or III.
- (c) A utility shall identify and describe the status of leaks as follows:
 - (1) As of the beginning of each month;
 - (2) Those reported during the month; and
 - (3) Those repaired during the month; and
 - (4) Those reported and awaiting repair at the end of the month.

Readopt with amendment and renumber Puc Part 509.18, effective 1-28-97 (Document #64416445) as Puc 509.16 to read as follows:

Puc 509.16 & Annual Peak Shaving Fuel Storage Capability Report.

- (a) Each utility shall file with the commission once annually a peak-shaving fuel storage capability report.
- (b) This report shall be submitted by ~~October~~ September 1st of each year and shall include projected design-week ~~send-out~~ sendout, production capabilities and storage requirements of utility gas operations, including the following:
 - (1) Maximum projected design-week demand;
 - (2) Amount to be furnished by natural gas pipeline;
 - (3) Balance from peak shaving;

- (4) Equivalent gallons LNG ~~and/or~~ LPG to LPG/LNG to satisfy requirements of (3) above;
- (5) Total storage facilities committed, in gallons, to service on December 1 of the current year to LPG and LNG, which shall be categorized as follows:
 - a. Permanent;
 - b. Railroad ~~trucks~~ tank cars;
 - c. Truck tankers;
 - d. Other storage, specifying type; and
 - e. Total storage;
- (6) Whether the facility meets storage requirements;
- (7) Comments relative to suppliers delivery capabilities during the ~~current~~ upcoming winter period; and
- (8) A statement that the utility shall immediately advise the commission of any unexpected circumstances which may arise surrounding its peak shaving capabilities.

Readopt with amendment and renumber ~~Part~~ 509.19, effective 1-28-97 (Document #64416445) as Puc 509.17 to read as follows:

Puc 509.17- Weekly Gas Storage Report.

- (a) Each utility shall submit to the commission safety division weekly reports on gas storage level during the period December 1 through April 1 on ~~Monday-Tuesday~~ of each week, or the day following if ~~Monday-Tuesday~~ is a state holiday, before 4:00 p.m.
- (b) The utility may by ~~telephone or in person verbally~~ telephonic facsimile or e-mail report information on storage levels.

Adopt ~~Part~~ Puc 509.18-509.20 to read as follows:

Puc 509.18 Weekly Portable LNG Vaporizer Activity Report.

- (a) Each utility shall submit to the commission's safety division weekly reports on portable LNG vaporizer utilization when a portable LNG vaporizer is connected to the gas utility distribution system.
- (b) The report shall be filed on Tuesday of each week before 4:00 p.m., or the day after if Tuesday is a state or federal holiday.
- (c) The report shall contain the following information:
 - (1) The date of the report;
 - (2) The location and maximum rated output of the portable vaporizer;

(3) The reason for connecting the portable vaporizer; and

(4) The daily volume injected from the portable vaporizer.

Puc 509.19 Summary of Peak Day Report

(a) Each utility shall file a report annually on April 1st summarizing the previous winter period peak day operating statistics.

(b) Quantities of gas shall be reported as measured in therms.

(c) The report shall contain the following information:

(1) The gas demand for firm sales, interruptible sales, firm transportation, interruptible transportation and any other sendout;

(2) The gas demand for non-daily metered interruptible transportation rate classes based on an estimate of the daily supply nomination requirements, or best estimate;

(3) The gas supply of purchased pipeline natural gas, underground storage gas, propane air production gas, LNG produced gas, third party gas transported for unbundled transportation customers, and any other gas supply used to meet peak day demand;

(4) The actual or effective base 65 degrees Fahrenheit degree day total measured on that day including the source, geographic location;

(5) The date and day of the week of the peak day occurrence; and

(6) A statement as to whether the peak day sendout was a new record for the utility.

Puc 509.20 Forecast of Upcoming Winter Period Design Day Report.

(a) Each utility shall file with the winter cost of gas a report summarizing the upcoming winter period design day operating statistics.

(b) Quantities of gas shall be reported as measured in therms.

(c) The report shall include the following information:

(1) The demand for firm sales, interruptible sales, firm transportation, interruptible transportation and any other sendout demand;

(2) The supply of purchased pipeline natural gas, underground storage gas, propane air production gas, LNG produced gas, third party gas transported for unbundled transportation customers, and any other gas supply available to meet design day demand;

(3) The base 65 degrees Fahrenheit degree day estimate total used in the forecast design day; and

(4) A brief explanation of forecast tools, models and assumptions used in determining design day sendout requirements.

Readopt with amendment Puc Part 510.01-510.06, effective 1-28-97 (Document #64416445) to read as follows:

PART Puc 510 UTILITY ADVERTISING

Puc 510.01 Definitions.

(a) "Advertising" means the use by a utility of any media in order to transmit a message to the general public, or to such utility's consumers.

(b) "Controversial issue of public importance" means a case or controversy in which a utility is involved before a court, legislative body, or government agency, including the commission.

(c) "Institutional activity" means any act or practice conducted for the purpose of promoting the corporate image or goodwill of a particular utility or the utility industry in general.

(d) "Institutional advertising" means any advertising conducted for the purpose of promoting the corporate image or goodwill of a particular utility or the utility industry in general.

(e) "~~Least cost~~ integrated resource plan (LCIRP)" means, in the case of a utility, planning by the use of any standard, regulation, practice or policy to undertake a systematic comparison between demand-side management measures and the supply of gas by a utility to minimize life-cycle costs of adequate and reliable utility services to gas customers.

(f) "Political activity" means any act or practice conducted for the purpose of influencing public opinion with respect to legislative, administrative or electoral matters or with respect to any controversial issue of public importance.

(g) "Political advertising" means any advertising conducted for the purpose of influencing public opinion with respect to legislative, administrative, or electoral matters, or with respect to any controversial issue of public importance.

(h) "Promotional activity" means any act or practice conducted for the purpose of encouraging any person to select or use a service or increase usage of the service of a utility, to select, purchase, install or use any appliance or equipment designed to use such utility's service, or to use any other particular service of the utility.

(i) "Promotional advertising" means any advertising conducted for the purpose of encouraging any person to select or use a service or increase usage of the service of a utility, to select, purchase, install, or use any appliance or equipment designed to use such utility's service or to use any other particular service of the utility.

Puc 510.02 Recovery of Certain Expenses Prohibited. No utility shall recover, in any manner, from any person other than the shareholders or other owners of such utility any direct or indirect expenditure by such utility for promotional, political or institutional advertising, or promotional, political or institutional activities except as provided in Puc 510.03 and Puc 510.07.

Puc 510.03 Exempted Expenditures.

(a) For the purpose of Puc 500 the terms political advertising, promotional advertising, institutional advertising, political activity, promotional activity, and institutional activity do not include advertising or activities which:

- (1) Inform gas consumers of or provide gas consumers with information or materials intended to result in economic conservation;
- (2) Are required by law or regulation, including advertising required under part 1 of title II of the National Energy Conservation Policy Act;
- (3) Inform natural gas customers how they can improve efficiency in utilizing the utility's service;
- (4) Involve or relate to service interruptions, safety measures or emergency conditions;
- (5) Concern employment opportunities with such utility;
- (6) Provide any explanation of existing or proposed rate schedules or notifications of hearings thereon;
- (7) Are consistent with the utility's approved ~~least-cost~~ integrated resource plan; and
- (8) Inform customers of the availability and sources of financial assistance.

(b) Expenditures referred to in subparagraph (a)(1) above shall be subject to review and potential recovery as part of the utility's conservation and load management program.

(c) Expenses contained in a utility's ~~LCIRP~~ shall take into account necessary features for system operation such as diversity, reliability, ability to be readily dispatched, and other factors of risk and shall treat demand and supply to gas consumers on a consistent and integrated basis.

(d) No more than 50% of costs provided for in a utility's ~~LCIRP~~ shall be borne by ratepayers.

Puc 510.04 Continuing Jurisdiction. Puc 510 shall not restrict or limit the commission's power to disallow any expense as a charge to ratepayers which the commission finds to be unjust, unreasonable, excessive, unwarranted or imprudent pursuant to RSA 378 .

Puc 510.05 Reports Required.

(a) Each utility shall file an annual report with the commission regarding the advertising or activities described in Puc 510.02.

(b) This report shall itemize the expenses incurred by type of advertising and activity and shall specifically delineate those expenditures for which cost recovery is sought.

(c) The report shall be included with the utility's annual report to the commission filed in accordance with Puc 509.04~~5~~.

(d) Each utility shall keep copies of all its advertising on file for inspection by the commission.

Puc 510.06 Accounting.

(a) Each utility shall keep a record of all expenditures incurred and any allocation methodology with respect to any advertising or activity, incurred directly or indirectly, referred to in Puc 510.02.

(b) Any advertising or activity referred to in Puc 510.02 shall bear its allocative portion of all expenses incurred. For example, the cost of a bill insert might not increase total postage expenses; however, if the nature of the material is such that it is promotional, institutional or political, a portion of the postage expense shall be allocated to that advertising activity.

PART Puc 511 ENFORCEMENT PROCEDURES FOR GAS PIPELINE UTILITIES

Readopt with amendment Puc ~~Part~~ 511.01, effective 1-28-97 (Document #64416445) to read as follows:

Puc 511.01 Jurisdiction Scope and Application of Authority.

(a) Pursuant to RSA 370:2 the commission shall enforce safety standards and practices for utilities and LP gas operators, referred to in Puc 506.01 and in Puc 512, consistent with the Natural Gas Pipeline Safety Act which is set forth at 49 U.S.C. § 60101, et seq.

(b) In enforcing safety standards and practices the commission shall consider:

- (1) Pipeline safety data;
- (2) The appropriateness and reasonableness of a safety standard applied to a particular incident or circumstances; and
- (3) Other relevant information regarding the particular circumstances of an incident.

(c) The commission in exercising and implementing its inspection and enforcement authority pursuant to Puc 511 shall generally act by and through the commission's safety division ~~of its engineering department~~.

(d) Pursuant to RSA 365:8 and 370:2, and consistent with the Natural Gas Pipeline Safety Act, the commission shall:

- (1) Investigate all methods and practices of utilities relating to pipeline safety;
- (2) Require the maintenance and filing of reports, records and other information relating to pipeline safety in such form and detail as the commission shall prescribe;
- (3) Enter at all reasonable times to inspect the property, building, plants and offices of utilities to investigate and determine compliance with pipeline safety requirements; and
- (4) Inspect all books, records, papers and documents relevant to the pipeline safety.

(e) Each utility and LP gas operator shall cooperate fully with the commission and its staff in its investigations and inspections pursuant to Puc 511, including maintaining and providing all relevant information and data and providing such access as the commission shall require.

Readopt with amendment and renumber Puc Part 511.02, effective 1-28-97 (Document #64416445) to read as follows:

Puc 511.02 Intervals of Inspection.

(a) Each utility shall allow the commission staff, upon presentation of identifying credentials, to enter upon, inspect and examine the records and properties of persons to the extent such records and properties are relevant to determining the compliance of such persons with commission rules or orders.

(b) Each utility shall permit the commission to conduct inspections in response to or related to any of the following:

- (1) Routine scheduling;
- (2) A complaint received from a member of the public or any party;
- (3) Information obtained from a previous inspection;
- (4) Pipeline accident or incident; and
- (5) Whenever scheduled by the commission.

(c) The commission shall conduct inspections on differing classifications of utility pipeline facilities according to the following schedule:

- (1) On intrastate utilities, comprehensive inspections every 2 1/2 to 3 years on each gas distribution inspection unit;
- (2) On LNG utility facilities, an inspection every year and a comprehensive inspections every 3 years; ~~and~~
- (3) On master meter systems, an inspection every year and a comprehensive inspection every 3 years; and
- (4) On LP gas facilities, an inspection every five years.

(d) In addition to the specialized inspection schedule referred to in (b) above, the commission shall schedule and conduct additional inspections if:

- (1) Results obtained in an initial inspection show a defect, irregularity or non-compliance which establishes the need for a subsequent or follow-up inspection; or
- (2) The commission determines that additional inspections are required to provide sufficient information to allow it to determine utility compliance with commission rules and orders.

Readopt with amendment and renumber Puc Part 511.03, effective 1-28-97 (Document #64416445) to read as follows:

Puc 511.03 Inspection of Utilities.

(a) The commission shall inspect every utility, with priority given to inspecting systems with greater risk potential.

(b) In determining the potential risk of a pipeline system, the following factors shall be considered:

- (1) The ratio of total steel pipe to coated steel pipe;
- (2) The ratio of total steel pipe to cathodically protected steel pipe;
- (3) Leaks per mile of line;
- (4) Leaks per number of services;
- (5) Unaccounted-for gas volumes and percentage; and
- (6) Number of accidents or incidents.

(c) The inspection shall include a thorough review of the utility's records concerning inspection, operation, maintenance, and emergency procedures.

(d) Field inspections shall include:

- (1) Operational checks of corrosion control provisions;
- (2) Overpressure and regulating equipment;
- (3) Odorization;
- (4) Repaired leaks;
- (5) Emergency valves; and
- (6) New construction;
- (7) Maintenance of facilities; and
- (8) Any other components of the facility.

Readopt Puc Part 511.04, effective 1-28-97 (Document #64416445) to read as follows:

Puc 511.04 Verbal Notice to Utility of Probable Violation.

(a) When an evaluation of a utility's records and facilities indicates that the utility is apparently not in compliance with a pipeline safety regulation, the commission investigator will informally discuss the probable violation or noncompliance with the utility before concluding his inspection.

(b) The utility shall provide any documentation or physical evidence related to the alleged non-compliance which the commission representative shall request during the inspection or by letter.

(c) The utility may notify the commission staff and undertake on-site corrective action of the facility where the probable violation exists thus correcting the violation.

Readopt with amendment and renumber Puc Part 511.05, effective 1-28-97 (Document #64416445) to read as follows:

Puc 511.05 Written Formal Notice of Probable Violation.

(a) ~~After the commission staff receives evidence of a possible violation, is collected and the violation report written, the commission shall issue a written notice of probable violation (NOPV) to the party alleged to have committed the violation provide a letter notifying the utility of the results of the on-site evaluation and specifically citing the gas pipeline safety rule the utility is apparently violating.~~

(b) ~~The commission staff shall send information regarding the NOPV by certified mail to the party alleged to have committed the violation.~~

(c) ~~The NOPV shall include the following:~~

(1) ~~A description of the probable violation and reference to the rule or statute regarded as violated;~~

(2) ~~The date and location of the probable violation;~~

(3) ~~A statement notifying the party or parties involved that civil penalties might be imposed pursuant to RSA 374:7-a, in the event of unfavorable judgment;~~

(4) ~~The amount of the proposed fine;~~

(5) ~~A description of factors relied upon by commission staff in making its determination, such as the size of the business of the utility, gravity of the violation, history of prior violations, degree of culpability of the respondent, how quickly the respondent took action to rectify the situation, cooperativeness of respondent, history of prior violations, effect of penalty on the utility, and any other identifiable factors which would tend to either aggravate or mitigate the violation;~~

(6) ~~Statutory rights of the respondent as enumerated in RSA 374:7-a; and~~

(7) ~~Procedures for resolving the complaint.~~

(d) ~~The operator shall respond in writing to the commission within 30 days of its receipt of the violation notice referred to in (a) above.~~

Readopt with amendment and renumber Puc Part 511.06, effective 1-28-97 (Document #64416445) to read as follows:

Puc 511.06 Response to Notice of Probable Violation-Options Open to Utility.

(a) ~~Upon receipt of the NOPV, the respondent shall either Alternatives open to the utility for responding to the violation notice are as follows:~~

~~(1) Submit to the commission within 30 days, in writing, evidence refuting the probable violation referenced in the NOPV;~~

~~(2) Submit to the commission within 30 days, a written plan of action to the commission outlining action the respondent ~~that it~~ will take to correct the violations, including a schedule and the date when compliance is anticipated; or~~

~~(3) Execute a consent agreement with the commission resolving the probable violation and remit the civil penalty; or~~

~~(4) Request in writing within 30 days, an ~~information-informal~~ conference with the commission staff to examine the basis of the probable violation.~~

~~(b) The commission shall, if it so determines, after notice and hearing, order a utility to take corrective action.~~

~~(c) Failure to obey such an order can result in any of the following:~~

~~(1) Penalties under RSA 365, and/or~~

~~(2) Action by the attorney general in accordance with RSA 374:41.~~

~~(b) Any utility involved in the NOPV shall provide a representative for any informal conference or hearing scheduled relative to that NOPV.~~

Readopt with amendment and renumber Puc Part 511.07, effective 1-28-97 (Document #64416445) to read as follows:

Puc 511.07 Informal Conference: ~~in Response to Puc 511.07.~~

(a) After receiving the request for the informal conference, the commission staff shall:

~~(1) Arrange a date, ~~time,~~ and location for the informal conference; and~~

~~(2) Notify the respondent by certified mail of the date, time, and location of said informal conference.~~

~~(b) At the informal conference, the commission staff shall review the basis for the violation(s) shall be reviewed. The utility may explain its position and may present alternatives for solution of the problem.~~

~~(c) If the utility and the commission staff cannot by agreement resolve the violation, at this stage, the enforcement procedure will continue as described in Puc 511.0908.~~

Readopt with amendment and renumber Puc Part 511.08, effective 1-28-97 (Document #64416445) to read as follows:

Puc 511.08 Commission Action-Notice of Violation: ~~If the commission staff and the utility are unable to resolve an issue, the problem shall be referred to the commission for issuance of a notice to show cause or other action.~~

(a) If the commission staff, after reviewing evidence and testimony obtained in writing or in conferences, determines that a violation of RSA 370:2, RSA 362:4-b, or Puc 500 has occurred, the commission staff shall issue a notice of violation (NOV) to the respondent.

(b) The NOV so issued shall include:

(1) The factual and statutory basis for the unfavorable preliminary determination;

(2) A description of factors relied upon by commission staff in making its determination, such as the size of the business of the utility, gravity of the violation, history of prior violations, degree of culpability of the respondent, how quickly the respondent took action to rectify the situation, cooperativeness of respondent, history of prior violations, effect of penalty on the utility, and any other identifiable factors which would tend to either aggravate or mitigate the violation;

(3) The civil penalty, if any, proposed to be imposed;

(4) Procedures for remitting penalty; and

(5) Statutory rights of the respondent as enumerated in RSA 374:2-a.

Repeal ~~Part Puc 511.09, effective 1-28-97 (Doct #6445)~~ and adopt new Part Puc 511.09 to read as follows:

~~Puc 511.09 Civil Penalty. Any civil penalty imposed by the commission shall be based on the following:~~

~~(a) Size of the business of the utility;~~

~~(b) Gravity of violation;~~

~~(c) Good faith exercised by the utility in attempting to achieve compliance;~~

~~(d) Degree of culpability of the utility;~~

~~(e) History of prior violations;~~

~~(f) Effect of the penalty on the utility; and~~

~~(g) Any other identifiable factors related to the circumstances of the utility and the nature and circumstances of the violation.~~

~~Puc 511.09 Response to Notice of Violation.~~

~~(a) Within 10 days from receipt of the NOV, the respondent shall either:~~

~~(1) Sign a consent agreement and remit the civil penalty; or~~

~~(2) File a request in writing for a hearing before the commission.~~

Adopt ~~Part Puc 511.10~~ to read as follows:

~~Puc 511.10 Commission Action.~~

(a) The commission shall act upon staff's recommendation unless the respondent requests a hearing pursuant to Puc 511.09.

(b) Hearing requests pursuant to Puc 511.09 shall be treated as a request for an adjudicatory proceeding.

(c) Upon a hearing request pursuant to Puc 511.09, the commission shall provide the respondent with notice and an opportunity for a hearing, held pursuant to Puc 200.

(d) At the hearing, the respondent shall show by a preponderance of the evidence why the commission staff determination should be changed.

Adopt Puc Part 512.01-512.17 to read as follows:

PART Puc 512 L.P. GAS PIPELINE SAFETY STANDARDS

Puc 512.01 Application of Rules

(a) The rules under this section apply to the following jurisdictional LPG systems:

(1) A system involving a single source which serves ten or more customers;

(2) A system where more than one customer is located in a public place;

(3) A single system with any portion off the customer's premises; and

(4) One or more LPG systems under common ownership and control, wherein the combined system have a capacity to serve 10 or more users in a single building.

Puc 512.02 Compliance with Federal Standards Required

(a) All LPG operators shall comply with those pipeline safety regulations established by the United States Department of Transportation which are set forth in 49 CFR Parts 191 and 192.

(b) All LPG operators shall comply with National Fire Protection Association (NFPA) 58 L.P. Gas Code for materials and equipment used in propane operations provided that:

(1) To the extent materials and equipment are not in NFPA 58, 49 CFR 192 shall be used; and

(2) In the event of a conflict between 49 CFR 192 and NFPA 58, NFPA 58 shall prevail.

(c) LPG operators shall employ the guidelines contained in the *Training Guide for Operators of Small LP Gas Systems*, written by the United States Department of Transportation and the National Association of Regulatory Utility Commissioners, printed April 2001.

Puc 512.03 Compliance with More Stringent Standards

(a) Where Puc 500 or Puc 800 establish more stringent requirements than the pipeline safety regulations adopted pursuant to Puc 512.02 (a) and (b), the more stringent requirement set forth in Puc 500 or Puc 800 shall apply.

(b) Where the New Hampshire department of safety adopts more stringent requirements than the NFPA fire protection codes, NFPA 54 National Fuel Gas Code, or NFPA 58 LP Gas Code, the more stringent department of safety standards shall apply.

Puc 512.04 E-27-A Report of Jurisdictional Facility

(a) Each LPG operator must report to the safety division of the commission within 30 days after notice of all newly installed, acquired, transferred or discontinued jurisdictional facilities.

(b) The report shall include the following:

(1) Name of the LPG operator and contact person;

(2) Date of installation, acquisition or transfer of facilities;

(3) Location of the facilities, including street name and number, city or town, and locus map; and

(4) Number of meters and customers.

(c) If a LPG operator is providing LPG to a facility such operator believes to match the criteria of a jurisdictional facility, such operator shall notify the owner of the facility and the safety division of the existence of said facility.

Puc 512.05 Confidential records. Consistent with RSA 91-A:5, the commission shall not release to the public reports filed pursuant to Puc 512.04.

Puc 512.06 Emergency Notification.

(a) The LPG operator shall notify the safety division of the commission by telephone when any of the following occur:

(1) A release of gas from a LPG system or facility that results in:

a. A death;

b. Personal injury necessitating in-patient hospitalization; or

c. Estimated property damage of \$5,000 or more;

(2) A fire or an explosion at, or emergency shutdown of, a LPG system or facility.

(3) An evacuation of a building conducted by a fire department, LPG operator or other emergency personnel because of the presence of gas in the atmosphere or in the immediate vicinity of, the building;

(4) An unplanned service interruption or gas outage that is expected to result in 50 or more customer outage hours;

(5) A single unplanned outage occurring at a state, federal, or municipal facility, hospital, school or other facility in which the public could be affected;

(6) A significant breach of security or a threat directed against a jurisdictional facility of aggregate capacity greater than 6,000 gallons; or

(7) An event which is significant in the judgment of the LPG operator, even though it is not described above.

(b) A LPG operator shall not be required to determine or document the presence or involvement of gas in any incident or event before notifying the commission.

(c) The telephone notification shall be made promptly, but no more than two hours following discovery of the incident by the LPG operator.

(d) The LPG operator shall provide to the commission representative who responds to the call the following information:

(1) Identity of reporting LPG operator;

(2) Name, title, and location of the person reporting the incident;

(3) Location of the incident including street, address and city or town;

(4) Number of known or estimated fatalities and personal injuries, if any;

(5) Type and extent of known or estimated property damage;

(6) Description of the incident or event including any significant facts known by the LPG operator that relate to the cause and resolution of the problem;

(7) Date and hour the incident occurred and was discovered by the LPG operator and, to the extent known, by any other party;

(8) For a service interruption, gas outage, or evacuation of a building, the estimated or known number of people and/or customers affected and the estimated or actual duration of the outage; and

(9) When the Office of Pipeline Safety of the United States Department of Transportation was, or will be, notified of the incident, if applicable.

Puc 512.07 Incident Reporting.

(a) In addition to the emergency notification required in Puc 512.06, a LPG operator shall also report in writing to the commission any event occurring in connection with its facilities and services, as follows:

(1) A LPG operator shall report to the commission within 20 business days following discovery any incident which the LPG operator shall be required to report to the federal Office of Pipeline Safety pursuant to 49 CFR, 191.9 on federal Department of Transportation form RSPA F 7100-1, "Incident Report-Gas Distribution System";

(2) A LPG operator shall report twice annually on the status of any ongoing leaks occurring in its gas distribution systems; and

(3) A LPG operator shall report to the commission any accident involving injury to a person or damage to property as provided in Puc 512.08 (b).

(b) A LPG operator shall file any report required pursuant to (a)(1) above in addition to any report required pursuant to (a)(2) or (a)(3) above.

(c) When additional relevant information is obtained after a report under this section is submitted, the LPG operator shall make a supplementary report to the commission conveying this information.

Puc 512.08 Accidents.

(a) Each LPG operator shall notify the commission of any accident, as described in Puc 512.06-(a)(1), pursuant to Puc 512.05.

(b) A LPG operator shall submit a written report to the commission on form E-5, "NHPUC Accident Form", within 10 working days following the occurrence of any accident involving a release of LP gas from a pipeline or LPG facility in which:

(1) A death has occurred;

(2) Any personal injury which requires in-patient hospitalization;

(3) Any person receiving an injury which incapacitates that person from active work for a total of 6 days or more during the 10 days immediately following the accident; or

(4) Any property damage over \$5,000;

(c) If any event later occurs in connection with an accident which renders an accident reportable under this section or significantly changes the circumstances of a report previously submitted, such operator shall submit a new or updated report, as appropriate.

Puc 512.09 Construction and Maintenance.

(a) Except as established herein or by municipal regulations within their jurisdiction which are more stringent than the state or federal requirement, each LPG operator shall construct, inspect, install, operate and maintain its systems, equipment and gas pipe lines in accordance with all applicable federal and state requirements, including but not limited to the requirements of the 49 CFR Parts 192, and NFPA 58 LP-Gas Code, subject to Puc 512.02 (b).

(b) Pipelines shall be laid at least 12 inches away from any other underground structure, or, if this clearance cannot be attained, the pipeline must be protected from damage that might result from the proximity of the other structure.

(c) Operating pressures within a building will be limited to the requirements in NFPA 54 National Fuel Gas Code.

(d) Operating and maintenance procedures shall be documented according to a plan, as follows:

(1) Each LPG operator shall establish a written operating and maintenance plan pursuant to 49 CFR. 192.603 which shall include the criteria set forth in 49 CFR. 192.605;

(2) Each LPG operator shall file with the commission its plan together with any subsequent amendments to the plan;

(3) Each LPG operator shall operate, inspect, maintain and construct its system in accordance with its plan; and

(4) Each LPG operator will inspect new construction.

Puc 512.10 Underground Utility Damage Prevention Program. All LPG operators shall comply with Puc 800.

Puc 512.11 Marking of Containers.

(a) All LPG operator owned containers, above ground or underground, installed at consumer locations shall be marked in a legible manner with the name and telephone number of the owner by decal, tag, stencil, or similar marking.

(b) Containers gained through acquisition shall be marked as soon as possible, but no later than 30 days after acquisition.

Puc 512.12 System Maps.

(a) Each LPG operator shall have on file at its principal office a map(s), or drawings showing:

(1) the size, character and location of mains, including valves, installed after February 1, 2005; and

(2) The size and location of each service line provided that in lieu of showing service locations on maps, a card record or other suitable means may be used.

Puc 512.13 Procedure for Reporting Emergencies

(a) A LPG operator of a system shall furnish to each customer of a system a written explanation of the procedure to be used to report gas leaks and other related emergencies. The explanation must include:

(1) A telephone number at which the operator can be contacted during regular working hours;

(2) A telephone number for reporting emergencies during nonworking hours; and

(3) The telephone numbers of emergency response agencies, including, without limitation, the local police and fire departments.

(b) The procedure must be updated and reissued as often as is necessary, but at least once each calendar year.

(c) As used in this section, "regular working hours" means Monday through Friday, 8 a.m. to 5 p.m. except holidays.

Puc 512.14 Preservation of Records.

- (a) All records required by these rules shall be preserved by the LPG operator unless otherwise designated by the commission's rules governing the preservation of records.
- (b) The LPG operator shall make such records available to the commission or its staff upon request at the LPG operator's office designated by the commission located in the state of New Hampshire.
- (c) All system records required by these rules shall be transferred to the new LPG operator upon the change in the gas supplier.
- (d) Upon acquisition of, termination of service by, or conveyance of records to any new LPG operator or person, the relinquishing operator, shall prior to any conveyance or records, copy and retain in a legible paper format, in addition to any electronic format or formats the operator chooses to utilize, any and all records pertaining to the location for a 7 year period from the date of transfer.

Puc 512.15 Leakage Surveys and Inspections.

(a) Each LPG operator shall:

- (1) Provide for periodic leakage surveys in its operating and maintenance plan;
- (2) Conduct annual leakage surveys.
- (3) Conduct a leak survey upon a change in gas supplier
- (4) Perform pressure drop tests according to Appendix D of NFPA 54 as adopted in PUC 512.02(b); and
- (5) At intervals not to exceed 12 months all LPG operators shall perform bar probe leak surveys utilizing a combustible gas indicator (CGI) meter or equivalent testing procedures guaranteeing the same level of safety on all underground installations for which they are the supplier. (including but not limited to all storage containers, integral valves, and piping up to the inlet side of the second stage regulator).

(b) The type and scope of the leakage control program shall be determined by the nature of the operations, such as liquid petroleum distribution systems and the local conditions, but it shall meet the minimum requirements set forth in this section.

(c) Each LPG operator shall follow procedures for classification and control of flammable gas leaks approved by the safety division.

(d) If, when investigating a leak, it is determined that the perimeter of a leak area extends to a building wall, the investigation shall continue into the building unless public safety or identifiable exigent circumstances prohibit entry.

(e) The LPG operator shall establish a leak repair priority based on its evaluation of the location and the magnitude of a leak.

(f) A LPG operator shall assign a classification of leaks as follows:

(1) Class I shall be a leak that represents an existing or probable hazard to persons or property, and requires immediate repair within 24 hours or continuous action until the conditions are no longer hazardous;

(2) Class II shall be a leak that is recognized as being non-hazardous at the time of detection, but requires scheduled repair within 6 months or before the end of the calendar year based on probable future hazard; and

(3) Class III shall be a leak that is non-hazardous at the time of detection and can be reasonably expected to remain non-hazardous.

(g) In making a determination as to whether to classify a leak as Class I, II or III, a LPG operator shall comply with the guidelines and examples for leak classification and leakage control approved by the safety division.

(h) A LPG operator shall conduct a follow-up inspection as follows:

(1) The perimeter of the leak area shall be checked with a combustible gas indicator (CGI) or other equivalent testing procedures guarantying the same level of safety.

(2) Where there is residual gas in the ground after the repair of a Class I leak, the LPG operator shall conduct a follow-up inspection as soon as practical after allowing the soil atmosphere to vent and stabilize, but in no case later than 1 month following the repair.

(j) In the case of leak repairs other than Class I, the need for a follow-up inspection shall be determined by qualified personnel of the LPG operator.

Ptc 512.16 Leakage Record-keeping and Reporting.

(a) Each LPG operator shall maintain records and follow self-audit procedures regarding gas leaks and leakage surveys as follows:

(1) A LPG operator shall preserve historical gas leak records for no less than 7 years.

(2) The LPG operator shall maintain permanent records for leaks which are reported by an outside source or require reporting to a regulatory agency.

(b) The leak records as required in (a) above shall not be required to be maintained in any specific format or retained at one location.

(c) The leak records as required in (a) above shall include the following:

(1) Date discovered, time reported, time dispatched, time investigated and by whom;

(2) Date repaired, time repaired and by whom;

(3) If a reportable leak, date and time of telephone report to regulatory authority and by whom;

(4) Location of leak; and

(5) Method of leak detection including name and address if reported by an outside party; and

(d) A LPG operator shall report to the commission leaks occurring in its gas distribution system as follows:

(1) Emergency notification, pursuant to Puc 512.06(a)(1);

Puc 512.17 E-5 LPG Operator Accident Report.

(a) Each LPG operator shall file a "NHPUC Accident Form E-5" within 10 working days of when a LPG operator accident, as described in Puc 512.09(b), occurs.

(b) Each LPG operator shall include the following on form E-5:

(1) Report number, date and name and address of LPG operator;

(2) Date and location of accident;

(3) Description of person injured including:

a. Name;

b. Age;

c. Residence;

d. Employer; and

e. Status of injured person, whether employee, person under contract, invitee, licensee, trespasser or other;

(4) Description of injury, current condition, duration of disability and, if applicable, anticipated return to work date;

(5) Description of cause and manner of accident;

(6) If applicable, cause of death, previous accident report number;

(7) Designation of federal or state statute violated, if applicable;

(8) Recommendation for and steps taken to guard against repetition of accident; and

(9) Signature and title of signatory.

ADOPT ~~Part~~ Puc 513.01-513.10 to read as follows:

PART Puc 513. ENFORCEMENT PROCEDURES FOR LP GAS OPERATORS

Puc 513.01 Jurisdiction Scope and Application of Authority.

(a) Pursuant to RSA 362:4-b, RSA 370:2, and RSA 374:7-a, the commission shall enforce safety standards and practices for LPG operators, referred to in Puc 506.01 and in Puc 512 consistent with the Natural Gas Pipeline Safety Act which is set forth at 49 U.S.C. § 60101, et seq.

(b) In enforcing safety standards and practices the commission shall consider:

- (1) Pipeline safety data;
- (2) The appropriateness and reasonableness of a safety standard applied to a particular incident or circumstances; and
- (3) Other relevant information regarding the particular circumstances of an incident.

(c) The commission in exercising and implementing its inspection and enforcement authority pursuant to Puc 511 shall generally act by and through the safety division.

(d) Pursuant to RSA 362:4-b and 370:2, and consistent with the Natural Gas Pipeline Safety Act, the commission shall:

- (1) Investigate all methods and practices of LPG operators relating to pipeline safety;
- (2) Require the maintenance and filing of reports, records and other information relating to pipeline safety in such form and detail as the commission shall prescribe;
- (3) Enter at all reasonable times to inspect the property, building, plants and offices of LPG operators to investigate and determine compliance with pipeline safety requirements; and
- (4) Inspect all books, records, papers and documents relevant to the pipeline safety.

(e) Each LPG operator shall cooperate fully with the commission and its staff in its investigations and inspections pursuant to Puc 511, including maintaining and providing all relevant information and data and providing such access as the commission shall require.

Puc 513.02 Intervals of Inspection.

(a) Each LPG operator shall allow the commission staff, upon presentation of identifying credentials, to enter upon, inspect and examine the records and properties of persons to the extent such records and properties are relevant to determining the compliance of such persons with commission rules or orders.

(b) Each LPG operator shall permit the commission to conduct inspections in response to or related to any of the following:

- (1) Routine scheduling;
- (2) A complaint received from a member of the public or any party;
- (3) Information obtained from a previous inspection;
- (4) Pipeline accident or incident; and
- (5) Whenever scheduled by the commission.

(c) The commission shall conduct inspections on differing classifications of LP gas operator's pipeline facilities according to the following schedule:

(1) On master meter systems, an inspection every year and a comprehensive inspection every 3 years.

(2) On jurisdictional LPG facilities, an inspection at a minimum of once every five years.

(d) In addition to the specialized inspection schedule referred to in (b) above, the commission shall schedule and conduct additional inspections if:

(1) Results obtained in an initial inspection show a defect, irregularity or non-compliance which establishes the need for a subsequent or follow-up inspection; or

(2) The commission determines that additional inspections are required to provide sufficient information to allow it to determine the LPG operators compliance with commission rules and orders.

Puc 513.03 Inspection of LPG Operators.

(a) The commission shall inspect every LPG operator;

(c) The inspection shall include a thorough review of the LPG operator's records concerning inspection, operation, maintenance, construction and emergency procedures.

(d) Field inspections shall include:

(1) Operational checks of corrosion control provisions;

(2) Overpressure and regulating equipment;

(3) Odorization;

(4) Repaired leaks;

(5) Emergency valves; and

(6) Any other components of the facility.

(7) Compliance with NFPA 58 LP-Gas Code

Puc 513.04 Verbal Notice to LPG Operator of Probable Violation.

(a) When an evaluation of a LPG operator's records and facilities indicates that the LPG operator is not in compliance with a pipeline safety regulation, the commission investigator will informally discuss the probable violation or noncompliance with the LPG operator within 2 business days unless immediate corrective action is necessary following the inspection.

(b) The LPG operator shall provide any documentation or physical evidence related to the alleged non-compliance which the commission representative shall request during the inspection or by letter.

(c) The LPG operator may notify the commission staff and undertake on-site corrective action of the facility where the probable violation exists thus correcting the violation.

Puc 513.05 Written Formal Notice of Probable Violation.

(a) After the commission staff receives evidence of a possible violation, the commission shall issue a written notice of probable violation (NOPV) to the party alleged to have committed the violation.

(b) The commission staff shall send information regarding the NOPV by certified mail to the party alleged to have committed the violation.

(c) The NOPV shall include the following:

(1) A description of the probable violation and reference to the rule or statute regarded as violated;

(2) The date and location of the probable violation;

(3) A statement notifying the party or parties involved that civil penalties might be imposed pursuant to RSA 362:4-b and RSA 374:7-a, in the event of unfavorable judgment;

(4) The amount of the proposed fine;

(5) A description of factors relied upon by commission staff in making its determination, such as the size of the business of the utility, gravity of the violation, history of prior violations, degree of culpability of the respondent, how quickly the respondent took action to rectify the situation, cooperativeness of respondent, history of prior violations, effect of penalty on the LP gas operator, and any other identifiable factors which would tend to either aggravate or mitigate the violation.

(6) Statutory rights of the respondent as enumerated in RSA 374:7-a; and

(7) Procedures for resolving the complaint.

(d) The LPG operator shall respond in writing to the commission within 30 days of its receipt of the violation notice referred to in (c) above.

Puc 513.06 Response to Notice of Probable Violation

(a) Upon receipt of the NOPV, the respondent shall either:

(1) Submit to the commission within 30 days, in writing, evidence refuting the probable violation referenced in the NOPV;

(2) Submit to the commission within 30 days, a written plan of action outlining action the respondent will take to correct the violations, including a schedule and the date when compliance is anticipated;

(3) Execute a consent agreement with the commission resolving the probable violation and remit the civil penalty;

(4) Request in writing within 30 days, an informal conference with the commission staff to examine the basis of the probable violation.

(b) Any LPG operator involved in the NOPV shall provide a representative for any informal conference or hearing scheduled relative to that NOPV.

Puc 513.07 Informal Conferences

(a) After receiving the request for the informal conference, the commission staff shall:

(1) Arrange a date, time, and location for the informal conference; and

(2) Notify the respondent by certified mail of the date, time, and location of said informal conference.

(b) At the informal conference, the commission staff shall review the basis for the violation(s). The LPG operator may explain its position and may present alternatives for solution of the problem.

(c) If the LPG operator and the commission staff cannot by agreement resolve the violation at this stage, the enforcement procedure will continue as described in Puc 513.08

Puc 513.08 Notice of Violation

(a) If the commission staff, after reviewing evidence and testimony obtained in writing or in conferences, determines that a violation of RSA 370:2, RSA 362:4-b, or Puc 500 has occurred, the commission staff shall issue a notice of violation (NOV) to the respondent.

(b) The NOV so issued shall include:

(1) The factual and statutory basis for the unfavorable preliminary determination;

(2) A description of factors relied upon by commission staff in making its determination, such as the size of the business of the utility, gravity of the violation, history of prior violations, degree of culpability of the respondent, how quickly the respondent took action to rectify the situation, cooperativeness of respondent, history of prior violations, effect of penalty on the LP gas operator, and all other identifiable factors which would tend to either aggravate or mitigate the violation;

(3) The civil penalty, if any, proposed to be imposed;

(4) Procedures for remitting penalty; and

(5) Statutory rights of the respondent as enumerated in RSA 374:7-a.

Puc 513.09 Response to Notice of Violation

(a) Within 10 days from receipt of the NOV, the respondent shall either:

(1) Sign a consent agreement and remit the civil penalty; or

(2) File a request in writing for a hearing before the commission.

Puc 513.10 Commission Action.

(a) The commission shall act upon staff's recommendation unless the respondent requests a hearing pursuant to Puc 513.09. Hearing requests pursuant to Puc 513.09 shall be treated as a request for an adjudicatory proceeding. Upon such hearing request, the commission shall provide the respondent with notice and an opportunity for a hearing, held pursuant to Puc 200. At the hearing, the respondent may show by a preponderance of the evidence why the commission staff determination should be changed.

August 19, 2004

APPENDIX

(a) A cross reference of the specific sections of state and federal statutes which Puc 500 is intended to implement is set forth as follows:

Puc 501.01	RSA 362:4-b; 365:8,XII
Puc 502	RSA 365:8,XII
Puc 503.01	RSA 365:8,XII; RSA 378:1
Puc 503.02-.503.04	RSA 365:8,XII; 370:1-5
Puc 504.01-504.07	RSA 365:8,XII; RSA 374-4; RSA 374:54; 49 C.F.R. 191.9
Puc 505.01-505.07	RSA 365:8,XII; 370:1-11
Puc 506.02-506.04	RSA 365:8,XII; 49 C.F.R. Parts 191, 192, 193, 198 and 199, 40 USC 5121, 60102,60103,60104,60117,60118 & 60126; 49 CFR 192.615
Puc 507.01-507.07	RSA 365:8,XII; 374:8,13; RSA 374:15
Puc 508.01-508.05	RSA 365:8,XII; RSA 370:1-5; RSA 374: 48 – 58
Puc 509.01-509.20	RSA 365:8,XII; RSA 369:3; RSA 370:1-5; RSA 374:5
Puc 510.01-510.06	RSA 365:8,XII; RSA 378
Puc 511.01-511.08	RSA 362:4-b; RSA 365:8,XII; RSA 370:2; RSA 374:7-a; 49 U.S.C. § 60101
Puc 512.01-512.17	RSA 91-A:5; RSA 365:8, XII ; RSA 370:2; RSA 374:4; 49 CFR Parts 191 and 192; 49 CFR. Part 191.9; 49 CFR Part 192; 49 CFR. 192.605
Puc 513.01-513.10	RSA 362:4-b; RSA 365:8,XII; RSA 370:2; RSA 374:7-a; 49 U.S.C. § 60101