# Pennsylvania PUC Adopts Final Regulations for Intrastate Hazardous Liquid Pipelines

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On February 22, 2024, the Pennsylvania Public Utility Commission (PUC) issued a Final Form Rulemaking Order (Order) that would set public utility safety standards for the transportation of hazardous liquids by pipeline in intrastate commerce. *See Rulemaking Regarding Hazardous Liquid Public Utility Safety Standards at 52 Pa. Code Chapter 59*, No. L-2019-3010267. In the Order, the PUC states that the goal of the safety standards is "to deter inadvertent returns, leaks, subsidence events, and water supply contamination events related to the construction, operation, and maintenance of [highly volatile liquids (HVL)] pipelines by hazardous liquid public utilities within Pennsylvania." *Id.* at 2. In addition to already applicable federal standards, the rule establishes state-specific standards for hazardous liquid public utilities for the design, construction, operation, and maintenance of pipelines transporting hazardous liquids within Pennsylvania.

These include, but are not limited to:

- requirements regarding the timing and content of submitting failure analysis reports, root cause analysis reports, and accident reports;
- notifying the Pipeline Safety Section of certain activities within specified timeframes, e.g., proposed major construction, major reconstruction, or major maintenance;
- submit annually to the Pipeline Safety Division an annual report for each type of hazardous liquid pipeline facility operated at the end of the previous year;
- develop a written preparedness, prevention, and contingency plan that addresses, among other things, potential environmental impacts from drilling fluid discharges; and
- provide the Pipeline Safety Section with design plans, project costs, geotechnical reports, proof of notifications, estimated start, and completion dates.

Specifically, the rule will apply to two existing PUC certificated hazardous liquid public utilities involved in intrastate service in Pennsylvania—Sunoco Pipeline, L.P. (including the Mariner East Pipelines) and Laurel Pipe Line Company, L.P.—and to other intrastate HVL pipelines constructed in the future. The rule will not apply retroactively to existing facilities with respect to design and construction regulations (when the rule becomes effective). However, operations and maintenance, accident reporting, and public awareness requirements will apply to existing hazardous liquid pipeline facilities. The Order amends 52 Pa. Code ch. 59, but does not apply to pipelines regulated by Act 127 of 2011 (the Gas and Hazardous Liquid Pipeline Act) or *interstate* hazardous liquid pipelines.

After the PUC adopted and entered the Order, the Independent Regulatory Review Commission (IRRC) added the Order to its April 18, 2024, public agenda. In response to public comments submitted to the IRRC, the PUC withdrew the Order for further review. *See* Withdrawal Letter (Apr. 16, 2024). On April 25, 2024, the PUC entered a Revised Final Form Rulemaking Order (Revised Order), with clarifying revisions to the preamble and regulatory language, which it delivered to applicable legislative committees and the IRRC the following day. *See* Regulatory Analysis Form and Revised Final Form Rulemaking Order (Apr. 25, 2024). The IRRC has scheduled a public meeting on the Revised Order on June 20, 2024. If the rule proceeds further, it will be reviewed by the Office of Attorney General (for form and legality) and by the Office of Budget (to assess its fiscal impact), followed by its delivery to the Legislative Reference Bureau for publication in the *Pennsylvania Bulletin*. The rule's effective date is 60 days after publication in the *Pennsylvania Bulletin*.

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