

PUC Issues Final Regulations for Petroleum Products and Other Hazardous Liquids in Intrastate Commerce

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On September 14, 2024, the Pennsylvania Public Utility Commission (PUC) published its *Rulemaking Regarding Hazardous Liquid Public Utility Safety Standards at 52 Pa. Code Chapter 59* in the *Pennsylvania Bulletin*, the purpose of which is to “establish State public utility safety standards addressing localized concerns for hazardous liquid public utilities constructing, operating, and maintaining pipeline facilities.” 54 Pa. Bull. 5729 (Sept. 14, 2024). The rulemaking specifically applies to public utility *intrastate* hazardous liquid pipelines and facilities. It does not apply to Act 127 of 2011 (the Gas and Hazardous Liquids Pipelines Act), 58 Pa. Stat. §§ 801.101—1101, pipelines or solely *interstate* hazardous liquid pipelines. The rule primarily establishes new standards for governing hazardous liquid public utilities (HLPUs) and related activities, such as constructing new pipelines; converting, relocating, or replacing existing pipelines; and reporting requirements. It also includes requirements for operations and maintenance, qualifications for pipeline personnel and land agents, and corrosion control standards for all HLPUs. Currently, there are only two certified HLPUs in Pennsylvania. In addition, the PUC made minor revisions to regulations applicable to gas service.

Among other things, the rulemaking includes requirements for conducting geological and environmental impact studies related to pipeline construction and conducting inspections and maintenance of depth of cover for pipes transporting hazardous liquids, construction, and clearance between pipes and underground structures. The rule also prevents constructing, relocating, or converting pipelines under existing buildings and establishes requirements for girth weld testing. More broadly, the rule is intended to improve communications between stakeholders, including the utilities, the public, local government entities, and others. The PUC reasoned the rule is necessary to reduce the frequency and consequences of incidents involving onshore transmission lines by employing prevention methods and early detection of threats to pipelines. As support, the PUC cited 71 hazardous liquid pipeline accidents in Pennsylvania since 2010 that all resulted in releases or spills, and investigations into 243 incidents of reported subsidence since 2017.

The PUC originally adopted and entered the final-form rulemaking order on February 22, 2024, see [**Rulemaking Regarding Hazardous Liquid Public Utility Safety Standards at 52 Pa. Code Chapter 59, No. L-2019-3010267**](#), but withdrew it prior to review by the Independent Regulatory Review Commission (IRRC). After resubmission, the IRRC approved the revised final-form rulemaking on June 20, 2024. See [**Press Release**](#), PUC, “PUC Enhancements to Regulations for Hazardous Liquids Pipelines Receive Approval from Independent Regulatory Review Commission” (June 20, 2024). In response to public comments, the PUC removed many requirements from the final rule that were originally included in its proposed rule. Those included design requirements regarding external loads; 40 inches of depth cover in commercial farmland; standards regarding valves for pipelines transporting highly volatile liquids (federal regulations now require rupture mitigating valves or equivalent technology); pressure testing; leak detection and odorization; determination of need for emergency flow restricting devices; additional criteria for cathodic protection; and close interval survey requirements. The docket for the rule, L-2019-3010267, is available [here](#). The final rule is effective on November 13, 2024.

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