

STATE OF NEW HAMPSHIRE
PUBLIC UTILITIES COMMISSION

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October 19, 2012 - 1:37 p.m.
Concord, New Hampshire

NHPUC NOV05'12 PM 2:47

RE: **DRM 11-077**
RULEMAKING:
Puc 500 - Rules for Gas Service.

PRESENT: Chairman Amy L. Ignatius, Presiding
Commissioner Robert R. Scott
Commissioner Michael D. Harrington

Sandy Deno, Clerk

APPEARANCES: (No appearances taken)

Court Reporter: Steven E. Patnaude, LCR No. 52

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P R O C E E D I N G

CHAIRMAN IGNATIUS: Welcome, everyone.
I'd like to open this public hearing in rulemaking Docket 11-077. This is regarding the New Hampshire Administrative Rules Puc 500, addressing gas service. And, it's a public hearing opportunity for you to tell us what you think about the draft rules that were proposed. On September 5th, 2012, the Commission voted to initiate a rulemaking and approve an interim proposal. And, that I believe has been made available to people and put on our website. It would be a readoption of the existing Chapter 500 rules, but with a number of amendments.

We published notice of the rulemaking in the Rulemaking Register on September 27th, 2012. And, we issued an order of notice from the Commission setting today's hearing date, and setting a deadline for written comments of October 26. That applies both to people who aren't able to be here today and anyone who's here today who wants to put anything in writing, either that you think of later or you would rather write up some things. That applies to anyone who has anything further they want to say on the 26th.

This hearing is pursuant to RSA 541-A:11, in order to take public comment on the proposed

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1 rule. And, as I said, we'll take both oral comment and
2 written comment. If there are questions about anything, I
3 think we can try to accommodate that. We just have to be
4 very careful with the court reporter. He has to get
5 everything down, and, if two people are talking at once,
6 he can't get it. So, we've got to be sort of orderly in
7 how we -- in how we do it, but we'll try to be as informal
8 as we can and still get everybody's points of view.

9 We know there are a number of issues
10 within the rules that give rise to people having questions
11 or comments. We knew when we adopted the Initial Proposal
12 that it might yet change, but it was our best effort at
13 what we thought was appropriate. And, then, the purpose
14 of these kinds of hearings is to hear more from people who
15 are directly affected, the things that we might not have
16 understood or the impacts on you, or better ways that you
17 would recommend to accomplish the same goals. So, we're
18 open to hearing all of those comments. We're open to
19 getting the best rules we can. And, ultimately, when they
20 go before the Legislative Committee on Rules, that we have
21 as unified a front as we can, so that the legislators
22 understand that the industry folks are supportive of the
23 things that we're trying to do from the regulatory side.
24 It doesn't always work, but often we get to that point.

1 I guess I've seen there are a number of
2 pages of people who have signed up who want to speak, and
3 a few who signed up who haven't checked off if they want
4 to speak. I'll double check with any of those to make
5 sure that you really don't want to say anything. And, if
6 anybody changes their mind, they hadn't signed up, but
7 then they feel the urge to speak, that's a good thing.

8 So, I think what we'll do is just go in
9 order of the pages that I have. And, we'll ask you to --
10 you don't need to stand, you don't need to go anywhere to
11 speak, but it is a good idea to speak into the microphone,
12 because it's easier for the court reporter to be sure he's
13 hearing all of it. And, just remember to not go too fast,
14 he will give you the high sign if you do.

15 So, should we just begin? The first
16 sheet I have has Mr. Cody, from Liberty Utilities? There
17 you are, right in front. Mr. Cody.

18 MR. CODY: Good afternoon. My name is
19 Leo Cody. I am the Program Manager for Compliance and
20 Quality for Liberty Utilities. Liberty owns and operates
21 the largest retail gas distribution system in the state.
22 We serve approximately 86,000 customers, in 30 communities
23 throughout southern and central New Hampshire, as well as
24 in Berlin, New Hampshire. I am pleased to be here today

1 to provide comments on behalf of Liberty on the
2 Commission's initial proposed rules dated September 5th,
3 2012.

4 Liberty Utilities supports the stated
5 purpose of the rule changes as set forth in the
6 September 27th order of notice, which states, in part,
7 that "the proposed rules are intended to increase the
8 level of information and protection provided to both
9 customers and gas utilities and operators." The Company
10 recognizes the importance of the rules to its customers
11 and to the Company itself in its day-to-day operations.
12 But, before providing our comments on the proposed rules,
13 I thought it would be helpful to explain the context in
14 which the Puc 500 rules exist relative to our company.

15 In performing its daily gas operations,
16 Liberty Utilities follows its written operating and
17 maintenance procedures, which are continuously reviewed
18 and revised as necessary. However, for the most part, we
19 have found that these policies and procedures have stood
20 the test of time. I can testify to that, having worked as
21 a gas engineer for 32 years, the last nine years for
22 EnergyNorth.

23 In drafting its internal procedures,
24 Liberty Utilities is ever mindful of the minimum federal

1 standards, the more stringent New Hampshire state
2 regulations, sound engineering practices, and prudent
3 operator judgment. To date, Liberty Utilities has
4 participated in the three meetings hosted by the
5 Commission's Safety Division to discuss the proposed rules
6 and has previously provided written comments to Staff on
7 the draft rules. I will echo some of those comments here
8 today, as well as in written comments that the Company
9 will submit by the October 26 deadline.

10 We have three general concerns. First,
11 Liberty Utilities is concerned that some of the
12 Commission's proposals in the 500 rules are substituting
13 sound engineering practices and prudent operator judgment
14 with additional unsupported regulation. For example,
15 Page 20 of the proposal, requires operators to have a
16 construction quality assurance plan. There currently is
17 no state regulation. And, in fact, the Commission is
18 ahead of the federal regulators by requiring such a plan.
19 Liberty supports this effort. The proposal is telling
20 operators what to do, that is, to have a quality assurance
21 plan. We accept that. But then the proposal goes on to
22 tell us how to do it.

23 CHAIRMAN IGNATIUS: Before you go into
24 it, could you just give me, since our pages are different,

1 I think.

2 MR. CODY: Okay. I can give you the --

3 CHAIRMAN IGNATIUS: What's the citation?

4 MR. CODY: The regulation is 506.02,

5 Paragraph (u).

6 CHAIRMAN IGNATIUS: Thank you.

7 MR. CODY: Okay. It's "Construction
8 quality assurance plan". I'll repeat that we accept it.
9 However, the proposal goes on to tell us how to do it.
10 The proposal tells us who should conduct the inspection,
11 when the inspection should be done, what the inspector
12 should look for, what forms they should fill out, what to
13 call the inspections, and how soon corrective action
14 should be taken. We share the Commission's goal of
15 guaranteeing quality work. But the plan itself should be
16 left to the individual operator to develop.

17 Our second concern. Liberty Utilities
18 is concerned about the additional cost that the Company
19 and, ultimately, its customers, will incur if the proposed
20 rules are promulgated. For example, Page 30 of the
21 proposal, and this would be 508.04, Paragraph (m)(2)(b),
22 and --

23 CMSR. HARRINGTON: Excuse me. Could you
24 read that one more time? 5-0 --

1 MR. CODY: Yes. It's 508.04. And, I'm
2 not sure what paragraph subdivision, but it's (m)(2)(b)
3 and (3)(a).

4 CHAIRMAN IGNATIUS: Which on our version
5 is Page 25.

6 MR. CODY: Oh. Okay. Sorry.

7 CHAIRMAN IGNATIUS: That's okay. No, I
8 think we just have different ways they print. Is this
9 requiring Class I leak --

10 MR. CODY: Yes. Yes.

11 CHAIRMAN IGNATIUS: All right. Go
12 ahead.

13 MR. CODY: Okay. Our concern here is
14 increasing costs. Page -- well, again, that section
15 requires operators to re-evaluate its Class II and Class
16 III leaks. This is something that the Company does now.
17 However, the Commission is doubling the frequency for the
18 re-evaluations, and thus increasing our costs for that
19 activity, by approximately \$50,000 per year. While
20 sometimes additional costs are warranted, we are concerned
21 that there is not a commensurate safety benefit for
22 customers and the public that will accompany these new
23 costs.

24 Third, --

1 CHAIRMAN IGNATIUS: Can I interrupt?

2 MR. CODY: Yes.

3 CHAIRMAN IGNATIUS: Because I think I
4 may have cut off the actual citation. The actual lines, I
5 see the Section (b), "A Class I leak requires the utility
6 to take immediate action" --

7 MR. CODY: Okay. I'm speaking --

8 CHAIRMAN IGNATIUS: So, it's another
9 section.

10 MR. CODY: -- specifically to Class II
11 and Class III leaks.

12 CHAIRMAN IGNATIUS: All right.

13 MR. CODY: Okay?

14 CHAIRMAN IGNATIUS: So, (3), Section
15 (a).

16 MR. CODY: (3)(a), yes, for the Class
17 III leaks, I believe.

18 MR. KNEPPER: Leo, want me to jump in?

19 MR. CODY: Yes, please.

20 MR. KNEPPER: Would you -- I can tell
21 you where it is, Amy, if you want?

22 CHAIRMAN IGNATIUS: Please.

23 MR. KNEPPER: It's on Page -- it's
24 (n)(2) --

1 CMSR. HARRINGTON: Can you start from
2 the beginning? 508 --

3 MR. KNEPPER: 508.04.

4 CMSR. HARRINGTON: Yes.

5 MR. KNEPPER: (m).

6 CMSR. HARRINGTON: "m", as in "Michael"?

7 MR. KNEPPER: As in "Michael", which
8 starts on Page 24, Section (2), and then Subsection (h) is
9 what he's referring to as "All Class II leaks shall be
10 re-evaluated at a minimum of every 30 days until the leak
11 is repaired [or] cleared."

12 CHAIRMAN IGNATIUS: Thank you.

13 MR. KNEPPER: Is that correct, Leo?

14 MR. CODY: That is correct. Thank you.

15 CHAIRMAN IGNATIUS: And, you had said
16 that you thought that that could run you "\$50,000" over
17 the course of the year?

18 MR. CODY: That, and also, under the
19 Class III leaks as well, is doubling the frequency.

20 CHAIRMAN IGNATIUS: All right. Go
21 ahead.

22 MR. CODY: Okay. Third, we are
23 concerned that some of the proposed rules will conflict
24 with or reopen safety conditions agreed to in the Liberty

1 Utilities Settlement approved by the Commission in Docket
2 DG 11-040. Examples being, in that same quality assurance
3 plan, the scope is expanding to now include company
4 employees, and not just outside contractors. And, in the
5 Settlement is a provision called the "Class III Leak
6 Reduction Program". A leak that is classified as a "Class
7 III" under the Settlement may now be classified as a
8 "Class II" under the proposed rules. True, this will help
9 us reduce our Class III backlog quicker, but it will
10 significantly increase our Class II repair and
11 re-evaluation costs.

12 We will provide more information on
13 these and other points in our written comments on
14 October 26. I appreciate the opportunity to provide these
15 comments today. Thank you.

16 CHAIRMAN IGNATIUS: Thank you. And,
17 this might something to think about in written comments,
18 if you don't have an answer right now. But, thinking of
19 your first comment, that it's good to require a plan, but
20 leave the company to develop what the plan should be, I
21 think the concern is, if one company says "we have a plan
22 that once every 15 years we're going to take a look. And,
23 if we find anything wrong, we're going to hope it doesn't
24 ever happen again." That's a plan, but it's not of any

1 value. And, not that -- I mean, I purposely made that
2 overly ridiculous. But how do we -- how do we find a way
3 to put enough in the requirement to make it meaningful,
4 without what you're concerned about, being too
5 prescriptive?

6 MR. CODY: I understand the question. I
7 think there's already checks and balances in place. Under
8 the existing rules, we need to provide copies of our
9 plans/procedures to the Commission, and the Commission has
10 30 days to review anything before it's implemented. I
11 would think that if the Commission finds something that
12 isn't, you know, fulfilled, then they can make the comment
13 during those 30 days before something's implemented.

14 CMSR. HARRINGTON: Let me just follow up
15 on that, because I understand what you're saying, but
16 that's a two-way street. If you're in a situation where
17 it requires you to, say, have a plan, and then, as you put
18 it, you submit the procedures and so forth to the
19 Commission. And, then, they look at it and go, "Eh, we
20 don't like this. You should have this in there and this
21 in there." By having lack of specifics in the rules,
22 doesn't that make you open to the whim of whoever is
23 reviewing that with the Commission? Whereas, if there are
24 more rules, I'm not saying -- not arguing pro or con here,

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1 I'm trying to get your opinion on this, this issue. And,
2 that's, if there's no A, B, C, D, E, it's just, you know,
3 "have a plan and present a procedure", doesn't that make
4 it difficult for you to comply, because the person who is
5 reviewing that could simply impose what they think is a
6 good idea at that time on you? And, you have nothing --
7 be able to go back with some rules and say "No, no. Your
8 Rule Number (c) says what I've done here is sufficient."

9 MR. CODY: As I understand the question,
10 the significant portion here for us is that, as operators,
11 we want to be able to use the years of experience that we
12 have to develop these plans. A regulation telling us
13 specifically how to do it we don't believe is the right
14 direction to go. We have, you know, the experience in the
15 company already. And, each company is different in how it
16 should approach these plans, particularly when it comes to
17 the use of outside contractors. I think there is a number
18 of checks and balances in place for the Commission
19 already. Rather than to tell us, you know, how often
20 we're going to inspect, you know, we're going to inspect
21 before, during or after, the fact that we should have a
22 detailed checklist and what should be on the checklist, we
23 believe that's something for the individual operator to
24 develop.

1 CMSR. HARRINGTON: Okay. So, just so I
2 get clear on this, and I don't want to put words in your
3 mouth, --

4 MR. CODY: Yes.

5 CMSR. HARRINGTON: -- but I think what
6 I'm hearing you say is that you would prefer to see the
7 rules be less specific, and rely on your good engineering
8 judgment and years of practice. So, if then, when you
9 performed your action or submitted a procedure or
10 whatever, then you would rely on your ability to convince
11 the Staff that your mechanism was correct, rather than
12 relying on a rule that says "you complied with the rule"?

13 MR. CODY: Those are the words I should
14 have used, yes.

15 (Laughter.)

16 CMSR. HARRINGTON: All right. Thank
17 you.

18 CHAIRMAN IGNATIUS: We could have
19 offered that as an option, "anyone who wants your comments
20 made through Commissioner Harrington, just raise your
21 hand."

22 Okay. Thank you, Mr. Cody. The next
23 name, but it's not check for public comment, is
24 Christopher Leblanc. Do you wish to speak or no?

1 MR. HEWITT: Actually, Chairman, good
2 afternoon. My name is Bill Hewitt. I'm an attorney with
3 Pierce Atwood. I'm appearing today on behalf of Northern
4 Utilities, doing business as Unitil in the State of New
5 Hampshire. And, I am accompanied today by Christopher
6 Leblanc of the Company, who is the Director of the
7 Company's Gas Safety Operations, and he's the Director of
8 Operations.

9 CHAIRMAN IGNATIUS: So, if you would
10 like to go ahead and speak, that would be fine.

11 MR. HEWITT: If I may, thank you very
12 much. And, Commissioner Harrington, if you'd like to
13 reinterpret any of my comments and help me out, please,
14 feel free and step in.

15 We're pleased to be here today. Unitil
16 is an LDC in the State of New Hampshire. We operate about
17 500 miles of gas main in the state. We provide service to
18 about 27,000 customers here, in approximately 21
19 communities, primarily along the Seacoast region. We also
20 have gas operations in Maine and New Hampshire, some of
21 the sister states here in New England.

22 The Company is committed to providing
23 safe and reliable gas distribution services throughout the
24 state. We're extremely proud of the gas safety record

1 that we have, not only here in New Hampshire, but
2 throughout New England as well.

3 We're pleased to have the opportunity to
4 comment on the Commission's proposed Chapter 500 rules.
5 We will be providing detailed comments by the October 26
6 deadline. But we're here today just to raise a few sort
7 of high-level comments and flag some just general
8 observations, and maybe bring in a few of the rules as
9 specific examples.

10 We'd like to start our comments today
11 with the recognition that, since this Commission has last
12 done any real comprehensive rulemaking in the gas safety
13 area, there have been significant movements in how gas
14 safety is regulated. And, specifically, if you look at
15 the federal level, the federal government has moved from
16 sort of prescriptive rulemaking, to a process of
17 distribution integrity management, and that's called
18 "DIMP" by shorthand. DIMP, or integrity management,
19 recognizes that, when regulating gas infrastructure, one
20 size fits all approaches really don't work very well.
21 There's diversity among your operators. There's diversity
22 among and within their systems. And, the Pipeline and
23 Hazardous Material Safety Administration has recognized
24 that. And, when they enacted their DIMP rules in 2009,

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1 which became effective in 2011, that's really what was
2 motivating this change in regulatory framework.

3 So, the integrity management plan that
4 operators have been required to develop are essentially
5 individualized, company-specific, comprehensive risk
6 management programs, and they have been tailored to that
7 operator's specific distribution system. The risk-based
8 approach was designed to promote a continuous improvement
9 in pipeline safety by requiring operators to identify and
10 invest in risk control measures beyond core baseline
11 regulatory requirements. And, the basic principle that
12 underlies integrity management is that the operators shall
13 identify and understand the threats that are on their
14 pipelines and apply safety resources that are commensurate
15 with the importance of each threat that they have
16 identified.

17 This risk-based approach is superior to
18 prescriptive rulemaking, because a prescriptive rule can't
19 adapt to the differences that naturally occur between gas
20 distribution pipeline operators and the systems that they
21 operate. Prescriptive rulemaking has the potential to
22 allocate pipeline safety resources in an ineffective or
23 inefficient manner. By contrast, integrity management
24 promotes effective gas safety, and efficiently deploys

1 resources by requiring each operator to identify the
2 threats that are on their system, to evaluate the risk
3 posted by those threats, and rank those risks. Then, the
4 operator identifies and implements measures to address the
5 risk. They continuously measure their performance, they
6 monitor the results, and they constantly evaluate their
7 program's effectiveness.

8 The benefits to integrity management
9 include the avoidance of this application of trying to
10 come up with prescriptive regulations that are essentially
11 one-size-fits-all solutions, when you have entities and
12 systems that you're regulating that aren't all one size.
13 We can make a lot of round-holed regulations, but you got
14 a lot of square pegs that you're trying to drive into
15 those round holes.

16 Integrity management promotes more
17 efficient use of gas safety resources, because it's those
18 highest ranked risks that are identified by your operators
19 that are going to receive the most attention. And, when
20 it comes to ratepayer dollars, ratepayers are going to
21 want their precious dollars spent on the highest risk to
22 public safety. And, that's what integrity management is
23 intended to do, that's what it's designed to do.

24 Now, the alternative to integrity

1 management is the old business-as-usual regulatory
2 approach, of basically saying "Look, utilities, this is
3 what you have to do. We're going to be very prescriptive.
4 We're going to require you to do this. And, we're going
5 to make you step through A, B, C, and D." But that's
6 one-size-fits-all regulation and it just doesn't work very
7 well. It's not effective. For example, if you look at
8 the proposed Rule 506.01(m) --

9 CMSR. HARRINGTON: I'm sorry. You went
10 a little fast there. 506. --

11 MR. HEWITT: 506.01, sub (m), as in
12 "Martha". I believe it's on Page 16 of your redline.
13 Now, this is a proposed rule that imposes a new mandatory
14 requirement for installing telemetering equipment on all
15 single feed distribution systems by January of 2016. I'm
16 sorry, I should have made sure you guys were there, before
17 I went on. Commissioner Scott, do I have you?

18 CMSR. SCOTT: You have me, yes.

19 MR. HEWITT: Chairman?

20 CHAIRMAN IGNATIUS: Yes, I there.

21 MR. HEWITT: Okay. Thank you. I'm
22 sorry. So, 506.01(m), that's a rule -- a proposed rule
23 that would impose a new requirement that telemetering go
24 on all single feed distribution systems by January 2016.

1 Now, under federal regs, and that's going to be at
2 192.741(b), as in "boy", the operator is responsible for
3 determining the necessity of installing telemetering
4 and/or a pressure gauge on these single feed systems.

5 Now, Unutil currently has 22 single feed
6 systems that it operates here. Three of those 22 are
7 currently with telemetry. The remaining 19 are with
8 pressure recording charts. And, Unutil estimates that the
9 cost to install telemetry at a single station is in the 30
10 to \$40,000 price range, with a total project cost to
11 comply with this new proposed rule somewhere in the
12 \$800,000 range.

13 Now, the proposed prescriptive
14 requirement that telemetering be installed at all single
15 feed systems, regardless of how many customers they may
16 serve, is an example of a one-size-fits-all approach.

17 CHAIRMAN IGNATIUS: Can I ask you a
18 question about that? My reading, maybe I misunderstood
19 you, I thought you said, of the 22, some have
20 telemetering, and most of them have pressure gauges?

21 MR. HEWITT: I'm sorry. We have 22
22 single feed systems. Three are with telemetry; 19 are
23 not. So, they have a pressure gauge and a chart recorder
24 on them.

1 CHAIRMAN IGNATIUS: And, so, your
2 concern is Section (2) that says "By 2016, telemetering is
3 the only" --

4 MR. HEWITT: Has to be done on all of
5 them, I believe. At least that's how we're interpreting
6 the rule.

7 CHAIRMAN IGNATIUS: Thank you. I
8 understand.

9 MR. HEWITT: So, just two examples.
10 That Unitil System Number 44 is a single feed system, and
11 it provides service to only three customers. Under this
12 rule, we would have to put telemetry on that single feed
13 system. Currently, we do not have telemetry on that. Our
14 System 2, by contrast, feeds 914 services and over 1,000
15 customers. That's a good candidate for telemetry. The
16 problem with prescriptive rules, again, is it isn't
17 flexible enough to allow the operator to distinguish
18 between when this telemetry really is necessary and
19 appropriate, and when it isn't.

20 The prescriptive regulation isn't just
21 inflexible, but it can also have negative effects on
22 public safety. And, I alluded previously to some of the
23 financial performance issues or the determination of how
24 ratepayer dollars are allocated to risk. But, even beyond

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1 that, if you look at proposed Rule 506.02(e), which I
2 believe is on Page 17 of your new redline, I mean, that's
3 a newly proposed rule that require -- that would require
4 operators to notify the Commission ten days in advance of
5 all new proposed construction or replacement projects, if
6 the pipeline operated at a pressure greater than 60 PSI.
7 This ten day limitation or ten day notice period really
8 would hamper an operator's ability to replace or install
9 pipe in an emergency situation. In certain emergency
10 situations, or even situations where the Company may --
11 where you may not classify it as an emergency, but the
12 Company may need to react quicker than ten days, it just
13 places, in our view, an unreasonable burden on the
14 Company's ability to operate and to replace -- replace
15 pipe quickly, if it should need to. And, we'll provide
16 comments and some suggested language. But that's another
17 example of where you really have to be careful with
18 prescriptive regulation, because it can get in the way,
19 and certainly unintended, but it can nonetheless get in
20 the way of the company discharging its responsibilities to
21 respond to emergencies and other necessities where the
22 company really needs to be more nimble than the regulatory
23 framework might allow.

24 A third issue we would spot with

1 prescriptive regulation is it can lead to unintended
2 consequences, because the regulatory, as I say it, the
3 regulatory fabric is just woven too tight. Prescriptive
4 regulation generally is going to require more regulatory
5 process.

6 We saw this in Maine. Maine recently
7 rewrote their Chapter 420 gas safety rules, did it over
8 2010 and 2011. Very specific regulations. But,
9 afterward, Unitil has had to go into the regulator twice
10 for blanket waivers to essentially correct the new rules.
11 And, don't get me wrong, it's not the Commission's fault
12 -- it's not the Maine Commission's fault that the Company
13 has had to go in for these waivers. The Commission
14 conducted a rulemaking process, very comprehensive, they
15 did it actually in two stages or two phases. They
16 accepted comments from the industry, comments from the
17 trade groups, and everyone worked very, very hard to come
18 up with workable gas safety rules. But, inevitably, when
19 you take detailed rules, and you try to apply them out in
20 the real world, you inevitably run into problems that no
21 one can foresee in the hearing room as they're sitting
22 there trying to figure out how these rules should be
23 written.

24 No rulemaking is immune from that, but,

1 when you're enacting rules that are tightly woven, and
2 don't give the operators a whole lot of room to maneuver,
3 if they're too specific or too prescriptive, then you can
4 expect that your operator is going to have to come back in
5 for waivers or for a request to revise rules, because they
6 can't apply them effectively out in the field. And, you
7 can't have -- when it comes to gas safety, they cannot
8 have the Hobson's choice between "well, I know what the
9 rule was intended to do, and I know this is -- but that's
10 not what the rule says." And, if the operator can't apply
11 the rule as written, on gas safety, you can bet they're
12 going to be back before you asking for deviation from the
13 rule, because they can't apply them.

14 Prescriptive regulation isn't
15 necessarily wrong, but we've evolved. And, integrity
16 management, placing more responsibility on your operators
17 to understand their system, to know their risks, to find
18 cost-effective ways to manage their risks, and to manage
19 the highest risk first, that really is the preferred
20 approach in the industry today.

21 Now, in these introductory comments,
22 we're not advocating for abandonment of all safety
23 regulations. We just think that, before the Commission
24 adopts prescriptive regulation, it really needs to ask

1 itself some questions. First, is there, in fact -- if
2 we're going to adopt this particular regulation, is there,
3 in fact, a safety risk that we have encountered that we
4 can document or point to? In other words, is there an
5 actual problem that we're addressing by this regulation?
6 And, then, if it is a risk, is it a risk that's common to
7 everyone? Or, is it just common to one operator or one
8 system, because of the specific nature of that system? If
9 it's not common to everyone, then you have to ask "well,
10 why should we have a regulation that applies to everyone,
11 if we have a problem only in a small pocket of our state
12 system?"

13 And, then, if you decide that the
14 regulation should be adopted, because there is a problem
15 and it is spread beyond just one system, is the regulation
16 narrowly tailored to address that specific risk? And,
17 then, finally, is the cost to ratepayers for the
18 operator's compliance with that new regulation, is that
19 justified? Or, could we take those dollars and would they
20 be better spent somewhere else, on some higher ranked
21 risk? Without this sort of disciplined analysis, the
22 Commission runs the risk of adopting a series of costly
23 prescriptive requirements, that really won't provide in
24 the end to ratepayers the corresponding improvement in

1 public safety.

2 And, one example that we see in the rule
3 that concerns us is the proposed Section 506.01, sub (1),
4 as in "Lucy", on Page 16, I believe, of your redline.

5 And, that's a proposed rule that would require the
6 installation of identification markers on service line
7 valves at multi-service installations to identify the
8 building or part of a building that is served by that
9 particular service line. And, while the tagging
10 requirement, to tag every service line, may seem like a
11 good idea, I mean, the cost for Unitil to achieve
12 compliance with this, with this one regulation, would be
13 about a \$100,000 cost to ratepayers.

14 Before requesting the LDCs to go through
15 this costly tagging process, we suggest that the
16 Commission really should ask "well, is the absence of tags
17 on these a problem? Has the lack of tags resulted in any
18 personal injury or property damage or even a close call on
19 personal injury or property damage? And, again, what's
20 the cost to implement this? Is that cost justified? And,
21 could you take that \$100,000 that you'd otherwise put on
22 service tags, service line tags, and deploy that somewhere
23 else, to a risk that companies have actually identified on
24 their system, and considered to be a higher risk than the

1 absence of these tags on these lines?

2 So, we appreciate the opportunity to
3 come in today. We appreciate the time we've been given to
4 provide these comments. And, we certainly appreciate your
5 attention and consideration of them. As I noted, we will
6 be providing next Friday detailed written comments. But
7 we did want to talk with you a little bit today about our
8 views on integrity management, where we think the industry
9 is headed, and also just to reaffirm our commitment to
10 this Commission that we're here to operate a safe system.
11 And, we want to continue to do that and do it as
12 efficiently as impossible with the ratepayer dollars that
13 we have.

14 CHAIRMAN IGNATIUS: Thank you.

15 MR. HEWITT: Thank you very much.

16 CHAIRMAN IGNATIUS: We appreciate your
17 comments. When you're putting together written comments,
18 it would be very interesting to see recommendations on
19 alternate language, if you think that you can come up with
20 anything. The challenge in rulemaking is that we have
21 extremely strict requirements from the legislative office
22 that manages rulemaking for the state. We're not allowed
23 to have a rule that says "The Commission may step in if it
24 thinks that it's necessary" or that "the company should do

1 what it thinks is in the best judgment of the company,
2 given its experience." Those kinds of rules get thrown
3 out. They have to be extremely specific. That doesn't
4 mean they necessarily have to read the way they read here.
5 But, if you can think of draft language that accomplishes
6 your needs, and keeps in mind the kind of rulemaking
7 strictures that we're under, that would be extremely
8 helpful.

9 MR. HEWITT: We will be sure to do that.
10 Thank you.

11 CHAIRMAN IGNATIUS: Thank you.

12 CMSR. HARRINGTON: And, just to follow
13 up on that, because I think that's an extremely important
14 point. I mean, what you're talking about is you don't
15 want compliance-based regulations, you're looking for
16 performance-based regulations. Which, in various fields,
17 that's been the trend over the last at least ten or
18 fifteen years now. But the problem is breaking ground on
19 that is extremely difficult. And, as Chairman Ignatius
20 just said, the way our rules are set up, if we go in with
21 a rule that says something that's pretty qualitative, and
22 not quantitative, we're going to get -- even if it's one
23 person comes up and says "well, how am I going to comply
24 with that, because this guy over in the Safety Department

1 ten years ago used to bust me all the time. I wanted to
2 say exactly what I have to do and what I don't do to
3 comply." So, that's the problem that we have with the
4 idea of performance-based regulation. I think there's a
5 lot to be said for it, but we also have to get over that
6 hurdle. And, you know, I've been on both sides of the
7 bench on this issue. I've been regulated, as well as a
8 regulator. And, there's always some people that will want
9 to hide, if you will, behind the specific regulations.
10 They want to hold up their checklist and say "well, you
11 know, I did 1, 2, 3, and 4, the boat sank anyways, but
12 don't blame me, because I did 1, 2, 3, and 4." That's,
13 obviously, we prefer to have regulations that say "don't
14 let the boat sink, and figure out how to do it because
15 you're an expert captain." I understand where you're
16 coming from, but you also have to understand, if we put
17 out a rule that says "require everyone to be an expert
18 captain and take actions as required to keep the boat from
19 sinking." Someone over there in the Rules Committee is
20 going to say "You can't do that. You have to be more
21 specific." Well, what actions do they have to take? How
22 do we know they took the right actions. It's a fine line,
23 but the more assistance you can provide us on that, the
24 better off these rules will be.

1 MR. HEWITT: We will do that. Thank
2 you, Commissioner.

3 CHAIRMAN IGNATIUS: Thank you. The next
4 name, and I think it's marked off to speak, is Jose Costa,
5 is that right?

6 MR. COSTA: Yes. Thank you. Thank you,
7 Mr. Chairman and Commissioners. My name is Jose Costa.
8 And, I am the Vice President of Operations Services with
9 the Northeast Gas Association. We're a trade association,
10 headquarters in Needham, Massachusetts, and with an office
11 in New Jersey as well. And, we represent the natural gas
12 utilities in the states of New England, New York, and New
13 Jersey. The goal of the Association, our mission is to
14 work with the natural gas utilities, in this case, here in
15 New Hampshire. We are working with all three of our
16 utilities, Unitil, Unitil -- Liberty, New Hampshire Gas,
17 they're our members. And, our goal is to work on
18 operational efficiencies together with all the utilities,
19 and developing best practices, developing the training
20 qualification programs, and we also work on our end the
21 research and development side of the industry.

22 We will be submitting public comments as
23 well. And, I think some of the comments you've heard here
24 today already was similar to what I was going to express.

1 But I want to touch on an item that
2 Commissioner Harrington and Mr. Cody were talking about
3 earlier as an example on the quality assurance. About a
4 month ago, the Northeast Gas Association had a fall
5 conference in Saratoga Springs, New York. And, we had a
6 room of about 30 people that were dealing for a day and a
7 half specifically on quality control/quality assurance.
8 And, there were presentations being done by the industry
9 in regards to programs that companies have, and what they
10 found, and what has been working and what is not working.

11 And, from the discussion you heard
12 today, when you talk about prescriptive-based rulemaking,
13 is that, if any of these companies were there, and I know
14 Mr. Leblanc, in front of me, from Unitil, was there at
15 that conference was sitting in that room, many of the
16 things that he heard he might have been able to implement
17 some, but a lot he might not have, if the proposed rules
18 were in effect.

19 So, these plans that you have, a quality
20 assurance plan, and an operator qualification plan, public
21 awareness plan, these plans need to be fluid. And, it
22 continues to be looked at, and reviewed not only by the
23 companies, as well as Commission Staff.

24 Again, many of the comments that were

1 stated here today already were comments I was going to
2 state, so I'm not going to repeat them. But thank you
3 again for the opportunity to speak here today.

4 CHAIRMAN IGNATIUS: Thank you.
5 Commissioner Harrington.

6 CMSR. HARRINGTON: Excuse me. One
7 question. Does the Northeast Gas Association have any
8 model of plans or quality assurance plans or model
9 regulations or whatever that they could share with us?

10 MR. COSTA: On the quality assurance
11 side, what we can do is, and I will probably provide -- I
12 will provide comments on this, we can work with some of
13 other utilities. We work on them on a regular basis. We
14 do not have a quality assurance plan. The Northeast Gas
15 Association does have a public awareness plan and an
16 operator qualification plan and, an integrity management
17 plan.

18 But quality assurance and quality
19 control is a plan that we're actually discussing right now
20 in development of. So, as an option, and what you said
21 earlier, Commissioner Harrington, would be when you asked
22 the question of "how can you work together" -- "how can
23 you ensure that one company or all companies have a plan
24 that's conducive?" I can tell you that, in other states

1 where we work together as well with the commissions in
2 other states, all of the utilities in the Northeast Gas
3 Association come together, and we actually work on issues
4 like plans and work together as a group, outside of the
5 rulemaking process, and establish what should go into
6 those plans.

7 CMSR. HARRINGTON: Thank you.

8 CHAIRMAN IGNATIUS: All right.

9 Mr. Hodge? Tim Hodge, you listed your name, but didn't
10 mark off to speak, is that correct?

11 MR. HODGE: No, I'm all set. Thank you.

12 CHAIRMAN IGNATIUS: Okay. Thank you.

13 But feel free to submit anything later, if you want. The
14 next sheet, Jeff Cyr, of New Hampshire State Fire
15 Marshal's Office?

16 MR. CYR: Yes, ma'am. Thank you,
17 Commissioner. My name is Jeff Cyr. I'm the Chief
18 Inspector of the New Hampshire State Fire Marshal's
19 Office. And, I'm here today to represent Fire Marshal J.
20 William Degnon. He expressed his apologies for not being
21 able to attend, but wanted to support Section 506.01(1),
22 which would be on Page 13 of the rules proposal, if you
23 have it there. Do you have it, ma'am?

24 CHAIRMAN IGNATIUS: Is this on the

1 tagging of --

2 MR. CYR: This is on the "Gas service
3 lines at multi-service installations shall be plainly
4 marked by permanent means designating the building or part
5 -- the parts of the building being served, in accordance
6 with the following:" We find this a step in the right
7 direction, and something that's going to be very valuable
8 to first responders.

9 Speaking as a first responder, from an
10 incident that we actually attended last night, this would
11 have been a very helpful means to isolate a section of a
12 large condominium complex in which we were investigating a
13 gas leak. It turned out to be minor, but had no markings
14 at all. So, this is a -- this is a very good proposal,
15 and we'd like to support that.

16 In addition, Marshal Degnan wanted to
17 speak on the odorant, and this is going to be under
18 Page 54. It's going to be 512.09, and that will be
19 subsection (g).

20 CHAIRMAN IGNATIUS: All right. Give us
21 a moment to catch up.

22 MR. CYR: Yes, ma'am.

23 CMSR. HARRINGTON: It is on 54, the
24 middle of the page.

1 CHAIRMAN IGNATIUS: All right.

2 MR. CYR: Marshal Degnan asked me to
3 express the fact that he does support odorant testing --
4 odor testing through bona fide means of testing, other
5 than sniff test. And, he does look forward to working
6 with the Commission and submitting additional testimony on
7 behalf of the agency with regards to other means of
8 testing, as well as this paragraph.

9 CHAIRMAN IGNATIUS: Thank you.
10 Commissioner Scott, a question?

11 CMSR. SCOTT: Yes. Thank you. Mr. Cyr,
12 obviously, we've heard on the marking on 506.01(1) and the
13 tagging of the lines. Obviously, Attorney Hewitt spoke
14 well and talked about the cost. If I understood him
15 right, he was talking around \$100,000 just for Unitil to
16 comply, is that correct?

17 MR. HEWITT: That's right.

18 CMSR. SCOTT: It would be helpful, if
19 you're able to provide some little bit more detail, I
20 understand you referenced a case the other day, --

21 MR. CYR: Uh-huh.

22 CMSR. SCOTT: -- and that it would have
23 been helpful for the response. But, if there's some -- a
24 little bit more detail you're able to provide, I don't

1 know if you're inclined to give something in writing, but
2 that would help us to balance, okay, there's the cost, but
3 "why do we need to do that?" That argument and that
4 discussion, that would be helpful for us.

5 MR. CYR: Okay. Absolutely.

6 CMSR. SCOTT: Thank you.

7 MR. CYR: We can certainly include that.

8 CHAIRMAN IGNATIUS: Thank you. Joseph
9 Rose, from the Propane Gas Association of New England?

10 MR. ROSE: Thank you, Commissioner. My
11 name is Joseph Rose. I'm the President and Chief
12 Executive Officer of the Propose Gas Association of New
13 England. We represent 38 retail New Hampshire propane
14 marketers who distribute propane from 102 locations
15 throughout the State of New Hampshire. Plus numerous
16 other companies who distribute propane into New Hampshire
17 from the border towns of Maine, Massachusetts, and
18 Vermont. We specifically have comments on two portions of
19 the proposed rulemaking. The first is Section 512.02(b),
20 Subsection (2).

21 CHAIRMAN IGNATIUS: Give us a moment.
22 So, this is on Page 50, of our copies at least.

23 MR. ROSE: This one line section was
24 stricken from the new rule. And, this deals with the

1 relationship between the federal regulations Part 192 and
2 conflicts between the NFPA 58. Currently, Part 192.11 of
3 the Code of Federal Regulations states that when a
4 conflict arises between Part 192 and NFPA 58, that NFPA 58
5 prevails.

6 We know that there have been discussions
7 at the federal level about changing that. And, we would
8 encourage, instead of removing that section, that it could
9 be modified to say that "The State of New Hampshire
10 recognizes Part 192.11 of the Code of Federal Regulation.
11 So that, as it exists today, 58 would prevail. But, if
12 the Code of Federal Regulations changes, then
13 automatically the New Hampshire rule would change.

14 We think that the reason this is
15 critical is that it provides clarity for propane marketers
16 who use NFPA 58 daily in their business, as the Liquefied
17 Petroleum Gas Code, and are familiar with it, and that way
18 that it removes questions about compliance.

19 CHAIRMAN IGNATIUS: Can I ask you a
20 follow-up question?

21 MR. ROSE: Sure.

22 CHAIRMAN IGNATIUS: In Section (b) just
23 above that, that now would require "All LPG operators to
24 comply with NFPA 58." Does that not solve your problem?

1 Maybe I'm missing something here.

2 MR. ROSE: Well, we're concerned that,
3 should something change in Part 192, that that may no
4 longer be applicable.

5 CMSR. HARRINGTON: But it says "NFPA 58
6 as referenced by 49 CFR 192.7". Isn't that sort of what
7 you're asking? Seems like it's already there. If 192 --
8 "as referenced by 49 CFR 192.7", if that was to change,
9 then that would change our rule as well, because we're
10 referencing the federal rule to take precedence here.

11 MR. ROSE: Well, if it meets the
12 approval of the Commissioners, I'd be happy to go back and
13 take another long look at that and --

14 CMSR. HARRINGTON: Sure.

15 MR. ROSE: -- comment in writing by next
16 Friday.

17 CHAIRMAN IGNATIUS: Sure. And, we will
18 also think about that, too. Thank you.

19 MR. ROSE: The second concern that we
20 have is in Part 512.09, Subsection (g), which I believe is
21 on Page 54.

22 CMSR. SCOTT: Can you give the cite one
23 more time please?

24 MR. ROSE: 512.09, Subsection (g), as in

1 "George".

2 CHAIRMAN IGNATIUS: All right. Thank
3 you.

4 MR. ROSE: This new requirement in the
5 State of New Hampshire for using an "odorometer or
6 equivalent device" to test propane odorant would require
7 those marketers that I mentioned earlier to go out and buy
8 this expensive piece of equipment. Currently, there's a
9 conflict between Part 192 and NFPA 58. And, as we
10 identified a minute ago, currently, NFPA 58 prevails, and
11 only requires that a sniff test be done. As evidence that
12 that sniff test is sufficient, there's never been an
13 accident in New Hampshire due to the improperly odorized
14 propane. As an industry, we are concerned that the
15 propane is properly odorized, but we feel that we have
16 documentation and procedures in place to ensure that it
17 is.

18 We know that, if an employee of a
19 propane company smells the odorant of propane, it has been
20 verified through gas chromatograph testing that it is
21 definitely present in the levels prescribed or greater.
22 And, we would object to the fact that we would have to go
23 out and spend in excess of \$100,000 on this equipment,
24 which then would have to be maintained and calibrated on a

1 regular basis. And, again, ultimately, these costs would
2 be passed on to the consumers.

3 CHAIRMAN IGNATIUS: Can I ask you the
4 source of the \$100,000, where does --

5 MR. ROSE: We know that these
6 odorometers are approximately \$2,500 each. And, there are
7 approximately 40 companies that would have to buy one.

8 CHAIRMAN IGNATIUS: Thank you.

9 MR. ROSE: So, at this point, based on
10 the track record of history, we don't feel that adding
11 this requirement increases the level of public safety,
12 and, at this point, would only add a financial burden that
13 would ultimately have to be passed on to the consumer.

14 The other concern we have with that
15 section is it talks about "equivalent devices". And,
16 "equivalent device" is a pretty vague term. Many of our
17 member companies have a device called a "stain tube test".
18 And, that stain tube measures the amount of odorant in
19 propane through a chemical reaction inside of a glass
20 tube. So, one of the questions, I guess, if the
21 Commission decided not to strike that section, I guess we
22 would ask that the "equivalent device" be quantified a
23 little better, specifically as it relates to the stain
24 tube. And, that concludes my testimony.

1 CHAIRMAN IGNATIUS: All right. Thank
2 you. Carl Bisson, from Suburban Propane?

3 CMSR. HARRINGTON: Just want to make a
4 comment.

5 CHAIRMAN IGNATIUS: Oh, I'm sorry.

6 CMSR. HARRINGTON: Excuse me. Not to
7 pick on you, Mr. Rose, but, I mean, that's just a classic
8 example of what I was referring to. When the words
9 "odorometer or equivalent device", which is broader and
10 allows the company to make you use their judgment as to
11 what is equivalent and what's not. You're saying "Be much
12 more specific. Tell us we can use this particular device.
13 You determine it's equivalent for us." And, that was the
14 point I was trying to get across before. You really can't
15 have it both ways. And, that's something we have to be
16 really careful on, because if we're going to look at these
17 regulations, you can't pick out a particular one and say
18 "Be specific here, because we want you to say that the
19 device that we're using is okay", and someplace else, "No,
20 no, no. Let us make a decision as to what's best, because
21 we can figure it out ourselves." I'm not looking for
22 criticism with you or anything.

23 MR. ROSE: No, no, no.

24 CMSR. HARRINGTON: I'm just saying, for

1 everybody, that's an example of exactly what I was
2 referring to before.

3 MR. ROSE: Well, we'd be happy to make
4 the determination. Our concern is that it would not be
5 found to be acceptable.

6 CMSR. HARRINGTON: Okay.

7 CHAIRMAN IGNATIUS: All right. Mr.
8 Bisson.

9 MR. BISSON: Thank you, Commissioners.
10 My name is Carl Bisson. Can you hear me okay? My name is
11 Carl Bisson. I'm with Suburban Propane. My office is
12 located in Portland, Maine. And, I have safety compliance
13 oversight for our locations in the six New England states,
14 New York, and a couple locations in New Jersey.

15 If I may, if I could just comment on the
16 questions that Commissioner Harrington had for Mr. Rose.
17 The Section 192.7 is actually the section in the Federal
18 Code that covers the documents by reference, okay? So,
19 58, we don't anticipate 58 ever going away. But the
20 section that Mr. Rose was commenting on in particular is
21 192.11, which gives 58 priority, if there's a conflict
22 between 192 and NFPA 58. Currently, the language in 192
23 says "If there's a conflict between 192 and NFPA 58, 58
24 will prevail."

1 And, I just would like to make a few
2 informal comments. We'd like to submit some formal
3 written comments by the October deadline. I'd like to
4 refer first to Section 512.09. I believe that's on Page
5 54.

6 CMSR. HARRINGTON: Got it.

7 CHAIRMAN IGNATIUS: Fifty-three in our
8 version.

9 CMSR. HARRINGTON: Goes to 54.

10 CHAIRMAN IGNATIUS: Go ahead.

11 MR. BISSON: Okay. It's under
12 "Construction and Maintenance". And, I would like to read
13 a section for that, the section containing odorization,
14 using an odorometer for testing odorization. I'm going to
15 read a section from the Federal Register from June 6th,
16 1996. And, it's actually on Page 28781 of that Federal
17 Register. Section is "192.625, Odorization of Gas".
18 "Based on a suggestion by the Oregon Public Utilities
19 Commission, the NPRM proposed to allow operators of master
20 meter systems to comply with this sampling requirement by
21 (1) receiving written verification from their gas supplier
22 that odorant meets the required concentration, and (2)
23 conducting periodic sniff tests at system extremities to
24 confirm that the gas contains odorant."

1 "The purpose of the proposal was to ease
2 the sampling requirements for operators of master meter
3 systems, who largely do not have the training or resources
4 to adequately carry out the requirement. The alternative
5 of getting written verifications and conducting sniff
6 tests should be much less burdensome than purchasing,
7 maintaining, and using an odorometer or contracting for
8 odorant testing. We do not feel that this advantage is
9 outweighed by any of the negative considerations the
10 commenters raised. First of all, most master meter system
11 operators purchase odorized gas from local distribution
12 companies."

13 It goes onto say that, "Testing details
14 would be specified in the operator's operations and
15 maintenance manual under 192.605 and reviewed for adequacy
16 by government inspectors. Finally, the charge that master
17 meter systems" -- I'm sorry, strike that last part.

18 So, I guess what we're trying to make a
19 correlation to is that, in 1996, they decided that master
20 meter -- master meter operators -- it was burdensome for
21 the master meter operators to comply with the requirement
22 of 192.625, which required them, required LDCs and natural
23 gas operators to use an odorometer or an odorator. And,
24 to make the point of using alternative equipment, that

1 specific regulation requires a percentage of gas and air.
2 So, it requires a specific type of reading in that section
3 of the code. So, currently, there is only two methods --
4 two pieces of equipment that meet that requirement.

5 There's an odorator that's made by Health -- Heath
6 Consultants, and then there's an odorometer that's made by
7 Bacharach Company, that gives a percentage of gas and air.

8 The reason that propane -- propane
9 systems weren't called out in this particular section of
10 the Federal Register coincidentally, in the same Federal
11 Register, in pages prior to that, RSPA at the time
12 affirmed the section that we were referring to in 192.11,
13 which says "We proposed that NFPA standards prevail in the
14 event of a conflict between 192 and NFPA Standards 58 or
15 59. At the same time, we said that a conflict does not
16 exist when NFPA Standards 58 and 59 are silent or
17 nonspecific on a subject (such as for corrosion protection
18 or leak detection)."

19 "We explained in the NPRM why we believe
20 that NFPA standards should have priority in direct
21 conflict situations. The main reason is that in contract
22 to Part 192, the NFPA standards specifically cover
23 petroleum gas...technology and safety practices. Given
24 this special attention to perform gas -- to petroleum gas,

{DRM 11-077} [RULEMAKING: Puc 500-Gas Service] {10-19-12}

1 we do not think there is sufficient reason to require
2 operators to follow Part 192 instead of NFPA standards in
3 the event of a conflict, even if 192 is more stringent."

4 So, 58 is part -- NFPA 58 Section 4.2 is
5 specific in its requirements for odorant testing and the
6 requirement to have the amount of odorant that's required
7 in LP gas. So, we'd just like to echo the comments of my
8 colleague, Mr. Rose, in that we just think that the
9 requirement to have this type of specific equipment would
10 be extremely burdensome.

11 I'd like to just add, too, that
12 Mr. Rose's figure is a bit conservative, because,
13 understanding that it's \$2,500 or so, give or take, times
14 the 40 LPG companies that market in New Hampshire, these
15 specific pieces of equipment need to be sent out for
16 calibration. And, depending on the serviceability of that
17 piece of equipment and the turnaround time, like the
18 natural gas companies, they need to have a backup. So, if
19 this regulation, this specific part of the rules were to
20 go into effect, the propane companies would need to buy
21 two, not just one, but two. Because, if they're unit was
22 required to have to be calibrated that specific time, and
23 during that three month period their piece of equipment
24 was sent out for calibration, they would still be required

1 to do the test. So, they would have to have a separate
2 backup. So, whatever that -- whatever that number that
3 Mr. Rose said, I would essentially double it. Because
4 instead of the marketers to buy one, they would have to
5 buy two.

6 So, in closing, I'd just like to say
7 that, you know, for the same reasons that I originally
8 stated and referenced in the Federal Register, in June 6,
9 1996, getting written verifications and conducting sniff
10 tests would be much less burdensome than purchasing,
11 maintaining and using an odorometer or contracting for
12 odorant testing. So, some of the propane marketers that
13 don't have a large staff, would end up entering into some
14 type of agreement with some contractor that would be able
15 to do this odorant testing at the specific requirements in
16 192. And, consequently, these people would have to be
17 trained in that marketer's OQ program, have to follow that
18 marketer's -- that particular marketer's operations and
19 maintenance plan.

20 And, currently, it also states in the
21 Commission's proposed rules that they should -- that LP
22 operators should follow the training guide for operators
23 of small LP gas systems.

24 Coincidentally, Richard Marini, who was

1 the Committee Chair, I believe was the Gas Safety Program
2 Manager at the time for the State of New Hampshire. He
3 was the Committee Chair that helped develop the training
4 guide for operators of small LP gas systems. And, Chapter
5 II of this guide, "Plans required by the Federal
6 Government", under "Odorization", it states: "The LP-Gas
7 Code specifies that LP gas be odorized prior to delivery
8 to the bulk plant. It goes on to require verification by
9 sniff testing or other means, and the results shall be
10 documented, when gas is delivered to the bulk plant or in
11 the case where a delivery bypasses the bulk plant. If the
12 documentation required by the LP-Gas Code is not available
13 to the LP gas system operator, then the operator will need
14 to do his own sniff tests to verify odorization and
15 document the results."

16 So, currently, just to recap, currently,
17 in our industry, we're already required to do a sniff test
18 as the propane is delivered to the stationary bulk plants.
19 We're required to do a test when we transfer the product
20 from the -- if the product gets delivered directly,
21 bypasses the bulk plant. So, if we get it from a
22 terminal, and it goes directly to a customer, whether it's
23 a jurisdictional customer or not, we're required to do a
24 sniff test there.

1 In addition to that, many marketers, I
2 can't speak for all of them, but I can only speak for
3 ours, and a lot of the major marketers that market in New
4 Hampshire, we document a sniff test when our bobtails are
5 loaded at our bulk plant, bulk facilities, for the
6 delivery to the customers, and we document a sniff test
7 each time that a liquid transfer is made. So, each time a
8 customer's tank is filled, a documentation is made, a
9 notation is made that there is odorant and a sniff test
10 was performed at that point. So, we're testing, we're
11 doing a sniff test much more than is required by code
12 anyway.

13 But we'd just like to say that that
14 particular section called out in the Commission's rules
15 would be extremely burdensome to the marketers. And, we
16 feel that we're already doing an adequate test, and which
17 is currently required by the federal requirement, which
18 refers to NFPA 58, which 58 is not silent. So, we feel
19 that we're following the federal regulations now, and that
20 this extra regulation would be burdensome. Thank you.

21 CHAIRMAN IGNATIUS: Thank you. Lyndon
22 Rickards? Sir, please continue.

23 MR. RICKARDS: Can you hear me okay?

24 CHAIRMAN IGNATIUS: Yes.

1 MR. RICKARDS: Is this on? Testing,
2 testing. Well, I'm going to be real brief, because
3 Mr. Rose and Mr. Bisson have already pretty much covered
4 all of the comments that my company would make as well.
5 My name is Lyndon Rickards. I'm a Safety and Training
6 Manager for Eastern Propane Gas, based out of Rochester,
7 New Hampshire.

8 We have many jurisdictional facilities,
9 propane systems in New Hampshire, probably more than many
10 of the companies. And, we have also, as Joe mentioned,
11 have never had any issues with odorant problems on
12 jurisdictional facilities. There was a scare, obviously,
13 that started back in 2010, where railcar issues were
14 coming into the state and other New England states
15 unodorized and there was some issues there. They have
16 pretty much been cleaned up. There are spot ones here and
17 there. We have a large terminal up in Rochester, New
18 Hampshire, where we bring product in there odorized.
19 We've only come across two railcars in the entire time
20 since 2010 that was a problem.

21 Some of the problems, and I think
22 Mr. Cyr would agree, from the State Fire Marshal's Office,
23 has been, obviously, on the rail side, coming in, and then
24 getting distributed into tanks.

1 The real problem comes in is, not so
2 much as unodorized product distributed into large
3 facilities, where there are multiple tanks, because they
4 will commingle and mix in with all the other product
5 that's there. And, you could dump a 33,000 gallon railcar
6 into a large bulk plant facility, and you would never
7 notice any issue with it. The problem comes in is when
8 the product is pulled into smaller systems or directly
9 into some bobtails and things like that.

10 We basically will submit written
11 comments as well before the deadline, regarding the only
12 two issues in 512.02 and 512.09 that have already been
13 discussed. The odorant is the big issue. And, it's not
14 the odorant that's an issue, we obviously want to make
15 sure we have odorized propane out there for the end-user
16 of our product. And, we all feel that that's extremely
17 important. And, one of the things that, when looking into
18 these odorometers or the odorator made by Heath
19 Consultants, there's a limitation on the operating
20 temperature. Obviously, we sell a lot of product
21 throughout the winter months to these jurisdictional
22 facilities. And, they have a low temperature range of
23 being able to utilize that at 32 degrees. So, if it's
24 quarterly tests, I mean, at some point we would think that

1 we would want to be testing these during the winter
2 months. Even though we're still going to continue to do
3 our sniff testing even if this regulation goes through,
4 there's a limitation there during the cold months that
5 you're supposed to not -- really, not supposed to be able
6 to use that instrument, based on the manufacturer's
7 specifications.

8 I also wanted to echo the thought, the
9 same philosophy on the cost. You know, obviously, we can
10 get that back ultimately from our consumers. But it's not
11 so much as the cost there, it's also the inconvenience of
12 having to, in our case, travel through 20, 25 different
13 bulk plant facilities in New Hampshire to test these on a
14 quarterly basis, there's also a cost associated with that,
15 for the manpower to go out and do that.

16 The other -- the only other thing that I
17 just want to publicly comment on today is, I believe that
18 a stain tube test, even though technically you can't argue
19 that it's an equivalent device to an odorometer, because
20 it doesn't give you that percentage of gas and air when a
21 person can literally smell the gas. We have been using
22 those for some time, and it does tell us when there's a
23 problem. This all started back in Massachusetts. And,
24 the stain tube test is an accurate test, and we'd like to

1 see that as part of this requirement. And, we'll submit
2 some regulatory requirements language to be able to do
3 that.

4 As Mr. Bisson just mentioned, we also,
5 and many other companies in the state, do much more than
6 what NFPA 58 requires for an odor test. Our employees are
7 required to document any time that product is transferred
8 into our bulk plant, which is required by 58. They're
9 also required, if they haul product out of there in a
10 transport load or a bobtail load, or whatever it may be,
11 they're required to do a sniff test and document that on a
12 log sheet every day.

13 DOT requires us to make sure we're
14 hauling odorized product over the road. Our shipping
15 papers have to reflect that. So, you got to remember
16 there's unodorized propane shipped over the rails, and
17 it's used for manufacturing and for propellants and for
18 things like that without odorant in it. So, obviously,
19 the rails not going to stop shipping unodorized product,
20 we just hope they stop shipping unodorized product to our
21 bulk plants and any other propane facility. So, I think
22 we can work with the Commission to come up with some
23 alternative language to help ease the burden there on the
24 marketers, and, ultimately, the consumers.

1 So, that's all I really wanted to say
2 today. And, we'll submit written comments. And, thank
3 you for your time. And, I'll answer any questions that
4 you have.

5 CHAIRMAN IGNATIUS: Thank you.
6 Commissioner Harrington.

7 CMSR. HARRINGTON: One question. Please
8 educate me. This term has come up a couple of times, and
9 I don't know what it means. What's a "bobtail"?

10 MR. RICKARDS: That's a propane delivery
11 truck. That's the workhorse of our industry, the ones you
12 see rolling over the road.

13 CMSR. HARRINGTON: Thank you.

14 CHAIRMAN IGNATIUS: And, you had said, I
15 may have gotten lost, you had said that -- I think you
16 were talking about the odorometers, perhaps you said that
17 "they can't operate below -- if it's below 32 degrees
18 out"?

19 MR. RICKARDS: Yes. I'm looking at a
20 Heath Consultants spec sheet here in front of me for
21 odorators, their odorators. It says the "Temperature
22 Range: 32 degrees to 120 degrees operating temperature."

23 CHAIRMAN IGNATIUS: So, if it were
24 25 degrees outside, and you were trying to use that as a

1 tester, that would not be effective?

2 MR. RICKARDS: I'm not 100 percent sure
3 whether it would be effective or not. All I'm referring
4 to is the fact that we would probably want to be testing
5 these during the cold months, because that's where a
6 majority of the product is going through our facilities,
7 into these jurisdictional facilities. But, if a
8 manufacturer says that's the temperature range they
9 recommend operated in, then, obviously, that's where we're
10 coming from.

11 CHAIRMAN IGNATIUS: Thank you. All
12 right. I have three other names, but they didn't check
13 off to speak, although let me just double check. William
14 Monette? You're good?

15 MR. MONETTE: Good.

16 CHAIRMAN IGNATIUS: Okay. Shaun Caisse?

17 MR. CAISSE: All set.

18 CHAIRMAN IGNATIUS: All right. And, I
19 apologize if I'm mispronouncing your name. And, John
20 Cocarus?

21 MR. COCARUS: Right on the money, and
22 I'm all set. Thank you.

23 CHAIRMAN IGNATIUS: All right. Anyone
24 else who wanted to say anything further than we haven't,

1 and then I'm going to ask Staff if there's any responses
2 or comments that you have?

3 (No verbal response)

4 CHAIRMAN IGNATIUS: If not, does Staff
5 have comments at this point?

6 MS. FABRIZIO: Yes. Thank you,
7 Chairman. First of all, Staff wants to thank the
8 participants for coming today, because the comments today
9 have been very helpful. Staff has held several tech
10 sessions with a number of the participants. And, we've
11 heard some of these comments in other forms, but today has
12 been particularly useful.

13 Staff would recommend that, to the
14 extent companies have concerns regarding cost
15 implications, whether to the operators or to ratepayers,
16 of any of the proposed rule changes, it would be helpful
17 if they could provide specific detailed cost estimates
18 supported by workpapers with their written comments, to
19 facilitate the Commission's consideration of those
20 concerns. And, that would go as well to some extent for
21 the odorometer cost concerns that have been raised.

22 With respect to comments made earlier
23 regarding the prescriptive "one-size-fits-all rules",
24 Staff would note that we have only three gas distribution

1 companies in New Hampshire, and the Staff's experience and
2 knowledge of the gas industry here in New Hampshire
3 indicates that the differences among and between those
4 three companies are not so significant. But, that said,
5 we would welcome specific comments regarding any
6 differences that warrant a change in the specific
7 provisions as proposed in the Initial Proposal.

8 With regarding -- with regard to the
9 comments made on Puc 506.02(e), this is -- we would just
10 note that the intent of the provision was not that the
11 advance notice requirement prior to new construction and
12 installation was to in any way delay emergency
13 construction or installation of pipelines. A quick
14 off-the-cuff proposal is we could add in the word "plan"
15 there that would alleviate that concern that was raised.

16 I'd like to turn the mike to
17 Mr. Knepper.

18 CHAIRMAN IGNATIUS: That's fine.
19 Mr. Knepper.

20 MR. KNEPPER: Yes. There was a lot of
21 statements here today that are made and some things that I
22 guess Staff doesn't necessarily agree with. I think this
23 Commission's very fortunate that, within the New Hampshire
24 Staff, you have some people leading -- that lead not just

1 the state, but I think we lead the region or our nation in
2 pipeline safety. You know, Dave Burnell of your Staff is
3 on the NFPA 58 Committee -- Technical Committee. So, he's
4 at the meetings and knows this stuff very well. I
5 represent Association of State Regulators, and I know what
6 -- how regulators feel about certain things, and this
7 whole prescriptive versus performance-based things. So, I
8 think we kind of bring some of that into the table.

9 The other thing that we do is, we only
10 try to put things in rules that -- on issues that we find
11 either that are happening nationwide or regionally, or
12 within our own state, based on past inspections that have
13 actually occurred here. And, once they do, we want our
14 rules to address them. We don't want necessarily to wait
15 for something to happen. If we waited for something to
16 happen, if we have to have an incident that results in
17 bodily harm, property damage or a fatality, then I believe
18 our rules will have failed at that point in time. And, at
19 that point in time, it's too little to address them,
20 because a lot of these are safety-related conditions
21 within these rules.

22 So, a couple things. The information
23 about master meter operators, master meter operators are
24 not LP operators. They are defined differently in that

1 code. So, that whole registration or stuff that talked
2 about master meter operators doesn't really apply to the
3 LP operators. So, master meter operators are typically
4 like a housing authority, that's not in the business of
5 transporting gas. It doesn't have qualified people on
6 staff and those kind of things. They have conditions.
7 And, in that one incidence, the Federal Code allows them a
8 little bit less. It did not purposely apply that same to
9 LP operators, which is, by the very nature of their
10 business, is they should be knowing the products of the
11 gas, the safety conditions with it, and they should be
12 doing certain things above and beyond what master meter
13 operators do.

14 Comments like "the odorometers only work
15 at 32 degrees", I hope that's not the case, because this
16 is the exact same equipment that the natural gas companies
17 that are in this room, and maybe they could attest to it,
18 use on a daily basis or a weekly basis in the winter on
19 the same pipelines that transport natural gas in this
20 state. So, if -- we would have a very large problem if
21 that is true.

22 We do feel that odorometers are, and I'm
23 not speaking about a specific brand, but we do feel they
24 clearly meet the code that talks about one meeting things

1 -- ability to detect the gas at 150 LEL, it measures it
2 directly, and without a lot of magic. It's very well
3 proven, and it's used throughout the United States on
4 natural gas systems, and it would easily work on LP
5 systems.

6 As far as the cost, I kind of don't
7 necessarily agree with a lot of those issues. There's a
8 lot of ways to reduce costs. They can -- a company does
9 not have to go and buy a lot of these units. They can buy
10 one unit and take it to a lot of their bulk plants. They
11 can share things, just like many other companies do. We
12 don't it all the time. I don't expect to have my own
13 library of everything. I go through and I share things
14 all the time. It's a piece of equipment that can easily
15 be shared within the propane industry. The Propane
16 Association, right here behind me, they could easily
17 purchase it and work out something so that there isn't a
18 cost thing. There's lots of ways to do that. So, I'm
19 very interested and glad to see why -- how the costs are
20 determined, because I believe these companies can be
21 innovative in determining that.

22 The reason we talked about the LP is
23 because, yes, in 2010, we did have unodorized propane
24 enter the State of New Hampshire, it entered the State of

1 Massachusetts. The Fire Marshal's Office there discovered
2 it. It wasn't discovered by the propane operators, it was
3 actually discovered by the Fire Marshal's Office in an
4 incident.

5 And, so, once we have had that occur
6 here in this state, we think we would be remiss to not
7 address it in our rules, because the ability to smell gas,
8 leaking gas, is the last line of defense for the end-user.
9 And, I'm an end-user of propane myself. So, I want that
10 ability to know that I can always, at all times, 24 hours
11 a day, under any condition, be able to smell that gas,
12 when it's not contained in the system.

13 So, I'm going to kind of go through my
14 notes, because I kind of took some notes as we were going
15 through here. It is kind of a circuitous argument that
16 the -- as Commissioner Harrington said, that the NFPA 58
17 is a very, very prescriptive document. So, we have one
18 industry that wants that. We have other operators in this
19 room that don't. And, this is the balance that we find
20 all the time.

21 Actually, within the NFPA 58 code, there
22 is also a section within there that says "the local" --
23 "the local authority having jurisdiction is the one that
24 has to approve the methods and the piece of equipment."

1 In this case, it ends up coming back to us on the
2 jurisdictional propane facilities anyways, because we are
3 that. In the State of New Hampshire, it's not the Fire
4 Marshal's Office, it would be us.

5 But the Fire Marshal's Office would
6 certainly benefit out of all of the non-jurisdictional
7 facilities, which is a lot more numerous than the
8 jurisdictional facilities we have. We feel we've already
9 kind of done a compromise already, because we didn't
10 require sniff testing or didn't require testing of each
11 system. We've done it at the bulk plant. So, instead of
12 doing it at 800 locations, we're already done to 40. It's
13 different than the natural gas operators, where we're
14 requiring monthly, we're only requiring quarterly. So, we
15 think we've already kind of made some things that work for
16 the industry. But I think they would like to have it just
17 business as usual. And, certainly, from a public safety
18 perspective, I don't think I can ignore that anymore.
19 And, so, we need to address our rules.

20 As far as the manual written -- or, I
21 would not say it was written by Mr. Marini of this office,
22 that's probably 11 years old. And, it's only a guidance
23 material, and it was put out there on behalf of trying to
24 address small LP operators, because a lot of the 192 code

1 got confusing for them. It's written for an industry that
2 has a wide range of things. They actually have it very
3 narrow, and that's exactly precisely why this Commission
4 has separated LP rules within our own 500 rules from the
5 rest of the natural gas utilities in the 500 rules. The
6 only ones that apply are 5.12 and 5.13.

7 So, what else has been said today? I do
8 believe that some performance-based regulation is good. I
9 also believe some prescriptive-based regulation is good.
10 I believe a proper balance between the two is what we --
11 is what we're trying to achieve here at the Safety
12 Division. I think that's exactly what the Commission does
13 here all the time, is trying to achieve the proper
14 balance. I don't think it should be all performance-based
15 and I don't think it should be all prescriptive.

16 That being said, Part 192 is not, I
17 guess, in any way, shape or form a very prescriptive
18 regulation to start with. It was pretty much
19 performance-based from the get-go, and has become even
20 more performance-based. The hard part about
21 performance-based is, it's very hard to inspect, makes it
22 very difficult, makes it hard for this Commission to
23 determine if people are doing things properly. It's
24 almost a type of thing that you have to wait until

1 something fails. And, it's hard to be proactive when you
2 have that kind of thing.

3 So, we kind of tried, you know, the
4 whole intent is to mix it with a balance. Many of the
5 things that were said that the people object to I think
6 can be tweaked. This is an Initial Proposal. It's not to
7 be the beginning or just the end of things, but I don't
8 think it needs to be "throw the whole baby out with the
9 bath water" on things. I think a lot these things, these
10 things that say -- that I heard today, we just don't find
11 necessarily from our viewpoint of being regulators.

12 The reason that we asked for
13 telemetering on single fed systems was because right here
14 in New Hampshire, back in 2006, prior to utility -- prior
15 to Unitil being here, but the exact same systems, they had
16 a failure on a system. And, they had no way of knowing
17 it, and it was only by chance. So, because of those
18 things, we look to incorporate in the next cycle of rules,
19 and this is the next cycle of rules, and try to occur
20 those things from -- eliminate those things from occurring
21 again. So, we use that experience of what's happened
22 here. Now, again, no fatalities happened, but we had a
23 condition where we had some potential problems. And, it
24 was only by circumstance and by chance that it wasn't a

1 worse condition.

2 As far as tagging things, we heard that
3 one mentioned. This is a very small part of their
4 systems. There's not that many buildings that are
5 multimeter. And, so, we're looking for -- I don't want to
6 be construed that you have to go to every meter set in
7 their system. This is very small. They have to already,
8 by regulation, go to each of those systems to do
9 inspections. I believe they all -- almost all of them
10 probably come up above the ground. And, so, there's some
11 sort of atmospheric inspection, and that's required by
12 code already every three years. We could probably put in
13 there a certain date, and then you could just do it at
14 that time, and do it on a cycle. There's lots of ways to
15 do it that don't have to rise to these costs. But I do
16 know that, you know, depending on how you want to look at
17 things, you can put high cost factors to everything.

18 I do want people to know that, you know,
19 I take safety very seriously here. And, I'm not going to
20 be totally swayed by cost issues. We look at that all the
21 time. And, we think we've done a lot of that already with
22 the rules and as a proposal to avoid costs. We have
23 looked at each other's O&M manuals. We try to -- we're
24 very intimate with the companies. We've been to their

1 sites. This isn't like we have 25 different companies in
2 here. We don't have the diversity and the
3 one-size-that-fits-all regulations.

4 The problem we have is the balance that
5 we have. Mr. Costa from NGA is trying to get
6 one-size-fit-all type of manuals at work. Yet, at the
7 same time, we have, on other issue, they don't want
8 one-size-fit-all. So, these are the issues that we
9 constantly are trying to wrestle with. And, I hope that
10 the Commission can appreciate some of those things that we
11 do.

12 Overall, I mean, I'm not saying that the
13 Initial Proposal was perfect, but I think it's a good step
14 forward. And, it shouldn't need a whole lot of major
15 modifications.

16 CHAIRMAN IGNATIUS: Thank you. Is there
17 any other -- are there any other comments? I think we
18 don't want to just do a whole go back around through
19 everything, because people will have an opportunity to
20 file written comments. If we do want to go further, we're
21 going to give the court reporter a break. But, if we're
22 about done, then I guess, is that all right with everyone?
23 I don't see any looks of anguish. Maybe if I said "we're
24 going to keep going", then I'd get the looks of anguish.

1 Mr. Cody, yes?

2 MR. CODY: I just have one question.
3 Can I find out what town that response was in that you
4 were talking about?

5 MR. CYR: Pembroke.

6 MR. CODY: I'm sorry?

7 MR. CYR: Pembroke.

8 MR. CODY: Thank you.

9 CHAIRMAN IGNATIUS: Good. And, feel
10 free afterwards to stay here and keep talking, if it's
11 helpful. The date for written comments again is
12 October 26th. And, the rulemaking process, you know, has
13 its own calendar and notice requirements. And,
14 ultimately, works its way towards -- it comes back again
15 before the Commission for a vote, and then the final
16 proposal goes before the Legislative Committee on Rules.
17 And, there's a public hearing at that stage as well. We
18 can -- obviously, we'll get re-drafts out to people when
19 the final proposal is adopted, it will be posted again and
20 you'll be notified. But I suspect there will be further
21 give-and-take of drafts after the written comments come
22 in. Our hope is to find something that's effective and
23 workable for everyone. Commissioner Harrington.

24 CMSR. HARRINGTON: Yes. I just want to

1 make a final comment on this concept of the compliance
2 versus performance-based regulation. I don't think that
3 anyone's come up with a perfect system one way or the
4 other. I guess maybe the closest for absolute
5 compliance-based regulation was the nuclear Navy. I
6 remember that was verbatim compliance. If you took a
7 screw out, that meant you turned the screw four times. If
8 it didn't come out in four times, you stopped, got
9 permission to turn it a fifth time. No one wants to go
10 there.

11 On the other hand, risk-based assessment
12 or performance-based regulation is still somewhat of an
13 evolving art, and there's always the question of how much
14 specificity do you have to have.

15 So, I would ask people to comment on
16 that clearly, but, when you do the comment, try to put
17 yourself, just for a little bit, in our situation. Could
18 you regulate to those rules? If you had to regulate
19 yourself in the fields, would you feel comfortable going
20 out there with the set of rules you're proposing, whether
21 it be how risk-based, how compliance-based, and could you
22 actually work with those? Would you want to be regulated
23 by them? But could you regulate with them as well?
24 Because that's the situation that we have to deal with

1 here. Getting out there, I mean, I know there's been
2 circumstances, maybe not with anyone in this room, but
3 there has been cases where someone goes out and they have
4 been saying, well, the inspector will come out and say
5 "well, this isn't a good practice, because of this, this,
6 and this." And, you said "what rule am I violating? Show
7 me what I'm not doing right, because the rule says I got
8 to do A, B, and C, and I've done that." That's not what
9 we want to get to, because we want to have rules that, the
10 bottom -- the end result is we want the rules to be
11 effective, not just compliant. We don't want a bunch of
12 filled out checklists. We want to make sure that no one
13 gets hurt, that's the basic thing.

14 So, it's a very delicate balance. But I
15 ask you to keep that in mind when you're putting in your
16 proposals. You know, is it something that you could use
17 as a tool if you were a regulator? And, as the Chairman
18 said, we also have that other thing we have to deal with,
19 which is political reality, that it's got to be a rule
20 that we can get through JLCAR or it's never going to
21 become a rule one way or the other. So, if you just
22 please keep that in mind. And, I appreciate the fact of
23 all you people showing up today. Thank you.

24 CHAIRMAN IGNATIUS: Thank you. All

1 right. Well, thank you for all your comments. We'll
2 consider them. We'll take a look at your written
3 comments. We appreciate the thoughtfulness that you
4 brought today, and hope that you can keep working together
5 to get to the best rules we can. So, thank you. We're
6 adjourned.

7 (Whereupon the hearing ended at 3:13
8 p.m.)

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