

Michigan Office of Administrative Hearings and Rules

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**AGENCY REPORT TO THE
JOINT COMMITTEE ON ADMINISTRATIVE RULES (JCAR)**

1. Agency Information

Agency name:

Licensing and Regulatory Affairs

Division/Bureau/Office:

Public Service Commission

Name of person completing this form:

Blair renfro

Phone number of person completing this form:

517-284-8089

E-mail of person completing this form:

RenfroB@michigan.gov

Name of Department Regulatory Affairs Officer reviewing this form:

Elizabeth Arasim

2. Rule Set Information

MOAHR assigned rule set number:

2019-59 LR

Title of proposed rule set:

Michigan Gas Safety Standards

3. Purpose for the proposed rules and background:

In order for Michigan to maintain jurisdiction over gas pipeline facilities and transportation, the state must certify that it has adopted each applicable federal standard, or is taking steps to adopt that standard, 49 USC 60105(b)(2). Failure to adopt the updates to the federal standards will eventually lead to reduction or termination of federal funding to the state to carry out enforcement of these standards. In addition, failure to maintain local jurisdiction over pipeline regulation will mean that pipelines located in Michigan will be forced to submit to federal regulators located in Washington D.C. or other out-of-state locations. Thus, the primary purpose of these amendments is to adopt by reference current federal regulations governing gas safety along with updating certain other technical standards contained in the rules. The MPSC also proposes to add record retention periods. The proposed amendments also make minor changes to Michigan rules so that the language in these rules conforms more closely to the federal rules.

4. Summary of proposed rules:

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The primary purpose of these amendments to an existing rule set is to adopt by reference current federal regulations governing gas safety along with updating certain other technical standards contained in the rules. The Michigan Public Service Commission also proposes to add record retention periods. The proposed amendments also make minor changes to Michigan rules so that the language in these rules conforms more closely to the federal rules.

5. List names of newspapers in which the notice of public hearing was published and publication dates:

Oakland Press, February 25, 2021
The Grand Rapids Press, February 25, 2021
The Mining Journal, February 25, 2021

6. Date of publication of rules and notice of public hearing in Michigan Register:

3/15/2021

7. Date, time, and location of public hearing:

3/24/2021 09:00 AM at Virtual Room , https://gcc02.safelinks.protection.outlook.com/ap/t-59584e83/?url=https%3A%2F%2Fteams.microsoft.com%2F1%2Fmeetup-join%2F19%253ameeting_MmI5MjIwYjUtZGF1Zi00NTliLTlkNmMtNzM0M0MGY4MDk3ZjI1%2540thread.v2%2F0%3Fcontext%3D%257b%2522Tid%2522%253a%2522d5fb7087-3777-42ad-966a-892ef47225d1%2522%252c%2522Oid%2522%253a%2522f0d5dc44-ac61-4b9a-9111-e8adef40a539%2522%257d&data=04%7C01%7CrenfroB%40michigan.gov%7C74825afad0034bb56e3808d8cecb6165%7Cd5fb7087377742ad966a892ef47225d1%7C0%7C0%7C637486720239207420%7CUnknown%7CTWFpbgZsb3d8eyJWljoicjoiMC4wLjAwMDAiLCJQIjoiV2luMzIiLCJBTiI6Ikk1haWwiLCJXVCi6Mn0%3D%7C1000&sdata=CB6x7AxsVrcVjWb1D54IGbn7%2FIOEBIfneQaYu12nKWY%3D&reserved=0

8. Provide the link the agency used to post the regulatory impact statement and cost-benefit analysis on its website:

<https://ARS.apps.lara.state.mi.us/Transaction/RFRTransaction?TransactionID=84>

9. List of the name and title of agency representative(s) attending public hearing:

Thomas Blair Renfro, Michigan Public Service Commission

10. Persons submitting comments of support:

None

11. Persons submitting comments of opposition:

Robert Beach-Consumers Energy Company
Alida D. Sandberg-DTE Gas Company

12. Identify any changes made to the proposed rules based on comments received during the public comment period:

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	Name & Organization	Comments made at public hearing	Written Comments	Agency Rationale for change	Rule number & citation changed
1	Robert Beach Consumers Energy Company		Consumers Energy Company proposes that to eliminate some confusion, the words “and inspect” should be removed from the first sentence in R 460.20329 (Rule 329). Consumers then recommends that the sentence “Plastic valves shall be inspected in accordance with the manufacturers’ requirements” be added to the end of rule.	The Commission agrees, in part, with Consumers’ recommendation. The Commission finds that removing the term “and inspect” from the proposed amended rule will make the intent of the rule clearer, since valve inspection is already covered under 49 CFR 192.747, which is adopted by reference in R 460.20606. However, the Commission disagrees with adding the recommended sentence at the end of the proposed amended rule. Consumers’ recommendation does not enhance the rule or make the intent of the rule any clearer.	R 460.20329

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2	<p>Robert Beach Consumers Energy Company</p> <p>Alida D. Sandberg DTE Gas Company</p>		<p>Consumers Energy Company recommends that the Commission amend the Rule 501(3) retention schedule in Table 1 to require a record retention period of a “Maximum of 2 inspection cycles, if applicable; or for 5 years per (per 460.20501 (3)).” DTE Gas Company recommends that the Commission amend the Rule 501(3) retention schedule in Table 1 to a “Minimum of 2 inspection cycles or a minimum of 5 years, whichever is longer.”</p>	<p>The Commission finds that Rule 460.20501(3) does not specifically require a record retention period and to create one within Table 1, as both Consumers Energy Company and DTE Gas Company suggest, may cause confusion, and therefore should not be included in the proposed rule. The Commission does, however, believe that clarity of intent within Table 1 could be heightened by adding “. . . or as otherwise directed in this table” to the “Additional Instructions” column for R 460.20501(3) within Part 5 of Table 1. column for each rule in Part 5 of Table 1.</p>	<p>Table 1- R 460.20501(3)</p>

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3	Alida D. Sandberg DTE Gas Company		DTE Gas Company notes that the Pipeline and Hazardous Materials Safety Administration standards were once again updated on October 1, 2020, and thus the hyperlinks in R 460.20606(1) and (2) should be updated accordingly.	The Commission agrees and the hyperlinks in these amended rules will be adjusted accordingly.	R 460.20606 (1) and (2)
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13.Date report completed:

10/14/2021