

TITLE 18 TRANSPORTATION AND HIGHWAYS
CHAPTER 60 PIPELINE CONSTRUCTION AND MAINTENANCE
PART 2 PIPELINE SAFETY GENERAL PROVISIONS

18.60.2.1 ISSUING AGENCY: New Mexico Public Regulation Commission.
[18.60.2.1 NMAC - N, 7-17-06]

18.60.2.2 SCOPE: This rule applies to all owners and operators of gas and hazardous liquid pipelines and underground facilities, excavators, and one-call notification systems in New Mexico subject to the jurisdiction of the commission pursuant to applicable laws.
[18.60.2.21 NMAC - N, 7-17-06]

18.60.2.3 STATUTORY AUTHORITY: Sections 8-8-4, 62-14-9.1, 62-14-10, and 70-3-13 NMSA 1978.
[18.60.2.3 NMAC - N, 7-17-06]

18.60.2.4 DURATION: Permanent.
[18.60.2.4 NMAC - N, 7-17-06]

18.60.2.5 EFFECTIVE DATE: July 17, 2006, unless a later date is cited at the end of a section.
[18.60.2.5 NMAC - N, 7-17-06]

18.60.2.6 OBJECTIVE: The purpose of this rule is to implement Chapter 62, Article 14 NMSA 1978, and the Pipeline Safety Act, Sections 70-3-11 to 70-3-20 NMSA 1978.
[18.60.2.6 NMAC - N, 7-17-06]

18.60.2.7 DEFINITIONS: In addition to the definitions in 49 CFR Parts 40, 190, 191, 192, 193, 194, 195 and 199, and Sections 62-14-2 and 70-3-12 NMSA 1978, as used in these rules:

A. applicable laws means the Hazardous Liquid Pipeline Safety Act, 49 USC Sections 2001 et seq; the Hazardous Materials Transportation Act, 49 USC Sections 1801 et seq; the Natural Gas Pipeline Safety Act, 49 USC Sections 60101 et seq; Chapter 62, Article 14 NMSA 1978; the Pipeline Safety Act, Sections 70-3-11 to 70-3-20 NMSA 1978; these rules, and commission orders issued pursuant to them;

B. director means the director of the transportation division of the New Mexico public regulation commission or his designee;

C. staff means the staff of the pipeline safety bureau of the transportation division of the public regulation commission; and

D. these rules means Title 18, Chapter 60.
[18.60.2.7 NMAC - Rp, 18.60.2.7 NMAC, 7-17-06; A, 8-15-12]

18.60.2.8 ADOPTION OF PORTIONS OF THE CODE OF FEDERAL REGULATIONS:

A. Adoption by reference. Except for the variances set forth in Subsection B of this section, the commission adopts the following portions of the code of federal regulations, as such may be amended from time to time, pertaining to gas and hazardous liquid pipeline operators and facilities, and concerning the health, safety, and welfare of persons and property in New Mexico, as part of this rule:

- (1) pipeline safety programs and procedures. 49 CFR 190.5, 190.233(a) and (b), and 190.237;
- (2) annual, incident, and safety related condition reports. 49 CFR Part 191;
- (3) minimum federal safety standards. 49 CFR Part 192;
- (4) transportation of hazardous liquids by pipeline, 49 CFR Part 195;
- (5) drug and alcohol testing, 49 CFR Parts 40 and 199.

B. New Mexico variances to adopted federal regulations.

(1) The reporting threshold in New Mexico shall be \$5,000 instead of the \$50,000 reporting threshold established in 49 CFR 191.3.

(2) Hazardous liquid pipeline operators must make telephonic notice to the pipeline safety bureau in accordance with 49 CFR Section 195.50.

(3) Leakage surveys of transmission lines in New Mexico shall be conducted using leak detection equipment but shall otherwise be conducted in accordance with 49 CFR 192.706(b).

(4) Intrastate gas and hazardous liquid pipeline operators must submit annual reports, written incident/accident reports and safety related condition reports as prescribed in 49 CFR 191.9, 191.11, 191.12, 191.15, 191.17, 191.23, 191.25, 195.49, 195.50, 195.54, 195.55 and 195.56 to the transportation division director or his designee at Post Office Box 1269, Santa Fe, New Mexico 87504-1269.

(5) Regulated intrastate gathering operators in New Mexico shall:

(a) establish and follow written operating and maintenance procedures as prescribed in 49 CFR 192.605 for all applicable requirements of 49 CFR 192.9;

(b) establish and follow written emergency procedures as prescribed in 49 CFR 192.615;

(c) establish and follow written maintenance procedures as prescribed in 49 CFR 192.703(b) and (c);

(d) establish and follow written procedures for prevention of accidental ignition as prescribed in 49 CFR 192.751;

(e) establish and follow written valve maintenance procedures as prescribed in 49 CFR 192.745;

(f) keep records necessary to administer the procedures established under Subsection B of 18.60.2.8 NMAC; and

(g) conduct leakage surveys of its regulated gathering line(s) using leak detection equipment at intervals not exceeding fifteen (15) months but at least once each calendar year.

C. Interpretation of references and terms in federal regulations.

(1) References in the code of federal regulations to "state agency" shall be deemed references to the transportation division of the New Mexico public regulation commission.

(2) References in 49 CFR 190.233(a) and (b) to the "associate administrator, OPS" shall be deemed references to the director of the transportation division of the New Mexico public regulation commission.

(3) References in 49 CFR 190.233(a) and (b) to 49 CFR 190.233(c), 49 CFR 190.233(c)(2), or 49 CFR 190.233(g) shall be deemed references to 18.60.4.9 NMAC through 18.60.4.15 NMAC.

(4) References in 49 CFR 192.723(b)(1) to "business district" shall have the meaning given by the United States department of transportation in correspondence interpreting the term.

(5) References in 49 CFR 192.383(a) to "replaced service line" includes piping within three (3) feet of the fitting that connects the service line to the main.

(6) References in 49 CFR 192.605(b), 192.615(a)(7) to "procedures for making safe any actual or potential hazard to life or property" shall include specific procedures for emergency response to excavation damage near buildings that adequately address the possibility of multiple leaks and gas migration into nearby buildings.

(7) References in 49 CFR 192.617 to "accidents and failures" shall include an unintentional release of gas.

[18.60.2.8 NMAC - Rp, 18.60.2.8 NMAC, 7-17-06; A, 8-15-12]

18.60.2.9 NOTICE OF INTENT TO CONSTRUCT: Prior to the start of construction of any new or replacement intrastate natural gas or hazardous liquid pipeline with a total construction value of \$50,000 or more, the operator of such pipeline shall give written notice of its intent to construct to the Transportation Division Director, Post Office Box 1269, Santa Fe, New Mexico, 87504-1269. The notice of intent to construct shall state:

A. the pipe material;

B. the finished diameter, length, and approximate location of the pipeline;

C. the size and capacity of any compressors or pumps;

D. and the contemplated date construction will commence.

[18.60.2.9 NMAC - Rp, 18.60.2.18 NMAC, 7-17-06; A, 8-15-12]

18.60.2.10 REPORTS OF MASTER METERS: Annually, by March 15, each owner or operator of a gas distribution or transmission system shall report to the director the name, address, and location of any master meter operator connected to its facilities.

[18.60.2.10 NMAC - Rp, 18.60.2.19 NMAC, 7-17-06]

18.60.2.11 OPERATION AND MAINTENANCE MANUAL: Each owner or operator of gas or hazardous liquid pipeline facilities in New Mexico, whether above ground or underground, shall file with the director a manual prescribing its procedures for emergencies and for inspection and maintenance of each pipeline facility it owns or operates and a plan for classification and repair of leaks consistent with 18.60.2.12 NMAC. Any change to procedures set forth in the manual must be filed with the director within twenty (20) days after the change is made.

[18.60.2.11 NMAC - Rp, 18.60.2.21 NMAC, 7-17-06]

18.60.2.12 CLASSIFICATION AND REPAIR OF LEAKS: Immediately upon discovery, and in accordance with generally accepted industry criteria, an owner or operator shall classify a leak as:

- A. a hazardous leak, grade I or C, if it is a leak which, due to its location and/or magnitude, constitutes an immediate hazard to persons or property;
- B. a potentially hazardous leak, grade II or B, if it is a leak that does not constitute an immediate hazard, but may become hazardous if not repaired within a reasonable time period; or
- C. a non-hazardous leak, grade III or A, if it is a leak which does not constitute a hazard and shows no indication of becoming hazardous before routine scheduled repair could be accomplished.

[18.60.2.12 NMAC - Rp, 18.60.2.22 NMAC, 7-17-06]

18.60.2.13 OIL PIPELINE TARIFFS:

- A. An owner or operator of an oil pipeline shall file with the commission at least ten (10) days prior to its effective date two (2) copies of its tariff covering intrastate movements within New Mexico.
- B. An owner or operator of an oil pipeline shall file with the commission at least ten (10) days prior to its effective date two (2) copies of any changes to its tariff.
- C. If an owner or operator of an oil pipeline assesses separate charges for the gathering of oil and for its transportation and delivery, the charges shall be separately specified in its tariff.
- D. In determining whether an oil pipeline's rates for the transportation of oil are reasonable, the commission shall consider:
 - (1) the actual costs to transport;
 - (2) market factors;
 - (3) the range of rates being charged by other oil pipelines for similar services;
 - (4) any other factors the commission deems relevant.

[18.60.2.13 NMAC - N, 7-17-06]

History of 18.60.2 NMAC:

Pre-NMAC History: The material in this rule was derived from that previously filed with the Commission of Public Records - State Records Center and Archives.

SCC 69-29, Order No. 2966, Cause No.516, filed 9-24-69.

SCC 71-2, Amended Order No. 2966, Cause No.516, filed 3-18-71.

SCC 72-1, Amended Order No. 3096, Cause No.516, filed 1-12-72.

SCC 77-2, Order No. 3096-C, Docket No.750, filed 3-04-77.

SCC 79-4, Regulations Relating to Minimum Safety Standards for the Transportation of Natural and other Gas by Pipeline, filed 6-27-79.

SCC 84-9-PL, Regulation for the Transportation of Natural and other Gas by Pipeline - Minimum Standards, filed 11-26-84.

History of Repealed Material: 18 NMAC 60.1, General Provisions; 18 NMAC 60.2, Reports Required for New Master Meters and Third Party Damage; 18 NMAC 60.3, Requirement of Filing of Procedural Manual; 18 NMAC 60.4, Classification and Repair of Leaks; 18 NMAC 60.5, Pipeline Safety Program Procedures; 18 NMAC 60.6, Transportation of Natural and Other Gas by Pipeline: Minimum Federal Safety Standards: Annual and Incident Reports; 18 NMAC 60.7, Transportation of Natural and Other Gas by Pipeline: Minimum Federal Safety Standards; 18 NMAC 60.8, Transportation of Hazardous Liquids by Pipeline; 18 NMAC 60.9, Pipeline Safety Regulations: Drugs & Alcohol Testing; 18 NMAC 60.10, Procedures for Transportation Workplace Drug & Alcohol Testing Programs (all filed 5-1-96) repealed 7-1-03.

Other History:

SCC 84-9-PL, Regulation for the Transportation of Natural and other Gas by Pipeline - Minimum Standards, filed 11-26-84, was renumbered into first version of the New Mexico Administrative Code as 18 NMAC 60.1 through 18 NMAC 60.10, effective 6-5-96.

18 NMAC 60.1 through 18 NMAC 60.10 (all filed 5-1-96), were replaced by 18.60.2 NMAC, Pipeline Safety, effective 7-1-03.

18.60.2 NMAC, Pipeline Safety (filed 6-16-2003) replaced by 18.60.2 NMAC, Pipeline Safety General Provisions, effective 7-17-06.