STATE OF WISCONSIN DEPARTMENT OF ADMINISTRATION DOA-2049 (R09/2016) DIVISION OF EXECUTIVE BUDGET AND FINANCE 101 EAST WILSON STREET, 10TH FLOOR P.O. BOX 7864 MADISON, WI 53707-7864 FAX: (608) 267-0372

ADMINISTRATIVE RULES Fiscal Estimate & Economic Impact Analysis

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1. Type of Estimate and Analysis	2. Date
☐ Original ☐ Updated ☐ Corrected	1/2/2024
 Administrative Rule Chapter, Title and Number (and Clearinghouse Number if applicable) PSC 135 Gas Safety 	
4. Subject Revision of Wisconsin Administrative Code Chapter PSC 135 Gas Safety to Adopt Updates to the Federal Gas Pipeline Safety Code	
5. Fund Sources Affected GPR FED PRO PRS SEG SEG-S	6. Chapter 20, Stats. Appropriations Affected N/A
7. Fiscal Effect of Implementing the Rule ☑ No Fiscal Effect ☐ Increase Existing Revenues ☐ Indeterminate ☐ Decrease Existing Revenues	☐ Increase Costs ☐ Decrease Costs ☐ Could Absorb Within Agency's Budget
8. The Rule Will Impact the Following (Check All That Apply) State's Economy Local Government Units Public Utility Rate Payers Small Businesses (if checked, complete Attachment A)	
9. Estimate of Implementation and Compliance to Businesses, Local Governmental Units and Individuals, per s. 227.137(3)(b)(1).	
\$0	
10. Would Implementation and Compliance Costs Businesses, Local Governmental Units and Individuals Be \$10 Million or more Over Any 2-year Period, per s. 227.137(3)(b)(2)?	
☐ Yes ☐ No	
11. Policy Problem Addressed by the Rule	
An existing agreement with the U.S. Department of Transportation, Pipeline and Hazardous Materials Safety	
Administration (PHMSA), Office of Pipeline Safety, authorizes the Commission to enforce federal natural gas pipeline	
safety requirements as set out in the Code of Federal Regulations, 49 C.F.R. Parts 192, 193, and 199. As part of the	
agreement, the Commission adopts the federal pipeline safety code in Wis. Admin. Code PSC 135.019. Section PSC	
135.019 currently adopts the federal code as it exists through March 21, 2021. Since that date, PHMSA updated the	
federal code with respect to gas gathering pipelines, valve installation and rupture detection standards, and safety of gas	
transmission pipelines. As a result, the Commission needs to amend its rule to include those federal rule changes made	
since March 2021. Adoption of these amendments will keep the Commission in compliance with its obligation to adopt	
all federal changes in the pipeline safety area.	
12. Summary of the Businesses, Business Sectors, Associations Representing Business, Local Governmental Units, and Individuals that may be Affected by the Proposed Rule that were Contacted for Comments.	
All gas utilities, Wisconsin Utilities Association, Utility Workers' Coalition, and National Federation of Independent	
Businesses.	
13. Identify the Local Governmental Units that Participated in the Development of this EIA. N/A	
14 Summary of Rule's Economic and Fiscal Impact on Specific Rusinesses Rusiness Sectors Public Hillity Rate Payers Local	

14. Summary of Rule's Economic and Fiscal Impact on Specific Businesses, Business Sectors, Public Utility Rate Payers, Local Governmental Units and the State's Economy as a Whole (Include Implementation and Compliance Costs Expected to be Incurred)

Pipeline operators are required, under federal law, to follow the federal regulations regardless of the Commission adopting the regulations. The changes to ch. PSC 135 proposed in this rulemaking to adopt federal code will authorize the Commission to enforce these regulations in Wisconsin. Without this rulemaking, Commission authority to administer the federal pipeline safely program in Wisconsin will likely revert to PHMSA, and federal funding for the Commission's pipeline safely program would likely be cancelled. Other changes to ch. PSC 135 proposed in this rulemaking may result

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in minimal economic impact. Some proposed changes will reduce operations and maintenance costs to intrastate pipeline operators while others may minimally increase costs. It is estimated that these costs will result in an approximate offset of each other.

15. Benefits of Implementing the Rule and Alternative(s) to Implementing the Rule

Adoption of these amendments will keep the Commission in compliance with its obligation to adopt all federal changes in the pipeline safety area and ensure that the Commission continues to receive similar amounts of federal program funding. Without this rulemaking, Commission authority to administer the federal pipeline safety program in Wisconsin will likely revert to PHMSA, and federal funding for the Commission's pipeline safely program will likely be cancelled.

16. Long Range Implications of Implementing the Rule

The Commission's pipeline safety enforcement authority will be updated to remain in compliance with its agreement with the federal government, and enforcement of the pipeline safety regulations will remain with the Commission rather than reverting to the federal government.

17. Compare With Approaches Being Used by Federal Government
This rulemaking is intended to adopt federal updates to pipeline safety regulations.

18. Compare With Approaches Being Used by Neighboring States (Illinois, Iowa, Michigan and Minnesota)
All states, including the neighboring states, adopt the federal pipeline safety regulations.

19. Contact Name

20. Contact Phone Number

408-267-7709

This document can be made available in alternate formats to individuals with disabilities upon request.

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ATTACHMENT A

 Summary of Rule's Economic and Fiscal Impact on Small Businesses (Separately for each Small Business Sector, Include Implementation and Compliance Costs Expected to be Incurred) N/A
2. Summary of the data sources used to measure the Rule's impact on Small Businesses $N\!/\!A$
3. Did the agency consider the following methods to reduce the impact of the Rule on Small Businesses? Less Stringent Compliance or Reporting Requirements Less Stringent Schedules or Deadlines for Compliance or Reporting Consolidation or Simplification of Reporting Requirements Establishment of performance standards in lieu of Design or Operational Standards Exemption of Small Businesses from some or all requirements Other, describe:
4. Describe the methods incorporated into the Rule that will reduce its impact on Small Businesses N/A
5. Describe the Rule's Enforcement Provisions N/A
6. Did the Agency prepare a Cost Benefit Analysis (if Yes, attach to form) ☐ Yes ☐ No