



# UTILITY SAFETY, RELIABILITY, AND SECURITY DIVISION REGULATION OF FACILITIES IN THE CEI HUB

OSSPAC – January 8, 2019



# Public Utility Commission of Oregon

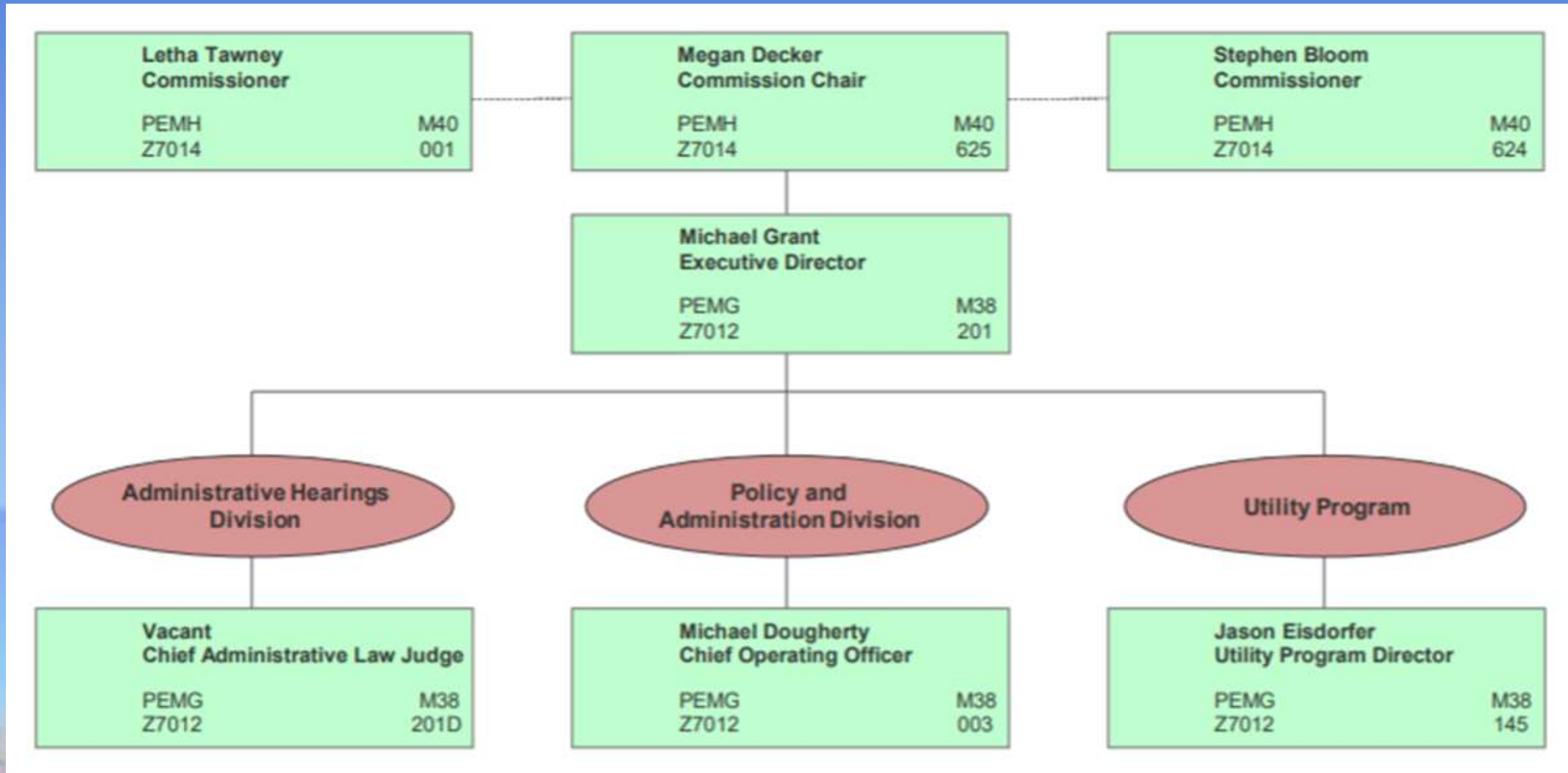


## Mission

*To ensure Oregon utility customers have access to safe, reliable, and high-quality utility services at just and reasonable rates. We do so through robust and thorough analysis and independent decision-making conducted in an open and fair process.*

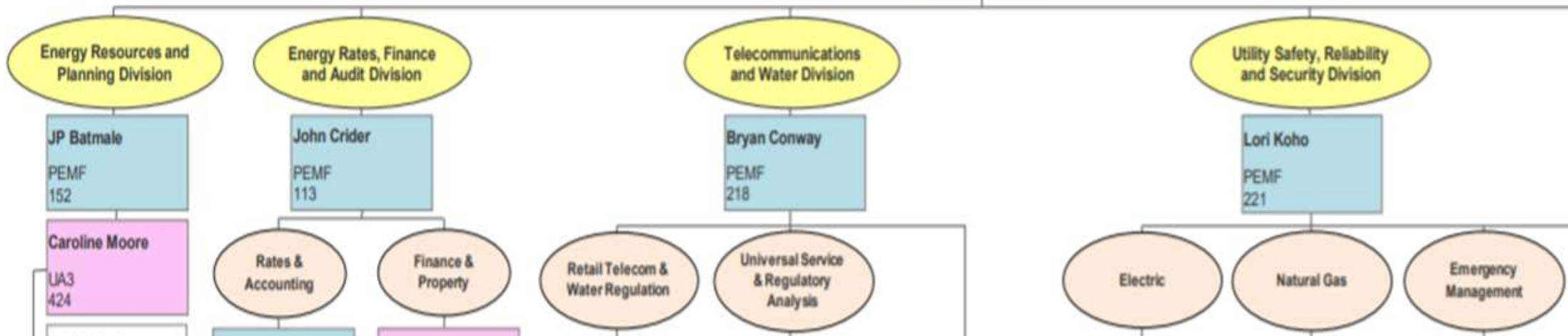
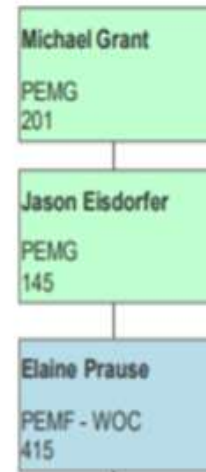


# Public Utility Commission of Oregon



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## Utility Program



# Public Utility Commission of Oregon



## ENERGY RESOURCES & PLANNING DIVISION:

Integrated Resource Plans, EE & renewables programs, transmission planning impacts, distribution system planning, analysis of utility need to add a transmission line to maintain service in its territory (CPN)\*, energy utility territory allocation\*

## ENERGY RATES, FINANCE, & AUDIT DIVISION

Financial analysis, rate design, rate spread, financial audits, ROI, ROE...

\*The PUC has statutory authority for the entire state, not just the economically regulated utilities.

# Public Utility Commission of Oregon



## TELECOMMUNICATIONS & WATER DIVISION

Two Incumbent Local Exchange Carriers (ILEC) are regulated. Century Link & Frontier for basic rates and service quality. Some water companies are regulated for rates and/or service quality.

## SAFETY, RELIABILITY, & SECURITY DIVISION

Electric & natural gas pipeline compliance with safety codes. Emergency response for ESF-2, Communications (jointly with DAS) & ESF-12, Energy (jointly with ODOE), utility seismic & cyber resilience planning, reliability tracking and analysis...

# Public Utility Commission of Oregon



## TELEPHONE ASSISTANCE PROGRAMS

- TDAP – Telecommunication Devices Access Program
- OTAP – Oregon Telephone Assistance Program
- OTRS – Oregon Telecommunications Relay Service

## CONSUMER SERVICES

- Staff works with utility customers to resolve billing & service conflicts and other customer complaints.



# Safety, Reliability, and Security Division



## ELECTRIC SAFETY

Inspects facilities owned by all electric & telecommunication operators for compliance with the National Electrical Safety Code (NESC). Inspects the IOU territory's vegetation management effectiveness for compliance with OAR.

## EMERGENCY PLANNING/MANAGEMENT

Liaison to OEM in emergencies. Providing utility status to OEM & PUC management, facilitate access to resources for utilities. Work with utilities on cyber & seismic utility standards and planning, regulatory structure. Ensure depth in PUC to back-up primary in emergencies.



# Safety, Reliability, and Security Division



## PIPELINE SAFETY PROGRAM

The PUC has been certified by US DOT Pipeline Hazardous Materials and Safety Administration (PHMSA) to inspect and enforce federal code. The program is supported by a federal grant that reimburses approximately 60% of the cost of the program. The program is audited annually and a successful audit is required to maintain the certification and receive the reimbursement grant. The PUC's certification is limited to intrastate natural gas pipelines and the LNG facilities associated with those intrastate pipelines.

# Safety, Reliability, and Security Division



## PIPELINE SAFETY PROGRAM - continued

The purpose of the code is to “assure safety in design, construction, inspection, testing, operation, and maintenance of pipeline facilities and in the siting, construction, operation, and maintenance of LNG facilities.”\*

The safety code requires new facilities be built to building and siting codes in place at the time of the construction. There aren't any requirements to retrofit facilities when the codes change. Facility operators are required to evaluate risks and prioritize remediation based on risk/benefits/costs.

\*from PHMSA's website

# Public Utility Commission of Oregon



## ORS 757.039 (2) appears to give the Commission broad authority

*(2) The Public Utility Commission has power, after a hearing had upon the commission's own motion or upon complaint, to require by general or special orders embodying reasonable rules, every person or municipality, their agents, lessees or acting trustees or receivers, appointed by court, engaged in the management, operation, ownership or control of facilities for the transmission or distribution of a hazardous substance or material by pipeline; or of facilities for the storage or treatment of a hazardous substance or material to be transmitted or distributed by pipeline or upon the public streets or highways; or of any other premises used, whether leased, owned or controlled by them, to construct, maintain and operate every pipeline, plant, system, equipment or apparatus used in the transmission, distribution, storage or treatment of a hazardous substance or material to be transmitted by pipeline or upon the public streets or highways in such manner as to protect and safeguard the health and safety of all employees, customers and the public, and to this end to adopt and prescribe the installation, use, maintenance and operation of appropriate safety or other devices, or appliances, to establish or adopt standards of construction or equipment, and to require the performance of any other act which seems to the commission necessary or proper for the protection of the health and safety of all employees, customers or the public.*

# Public Utility Commission of Oregon



ORS 757.039 – some history...

1907 – the Railroad Commission was created

1912 – the Railroad Commission's jurisdiction was extended to utilities and transportation regulation

Post 1996 – the regulation of motor transportation and rail safety was transferred to ODOT.

*The statute reflects PUC regulatory authority pre-1995 when the Commission had jurisdiction over motor transportation and rail safety.*

# Public Utility Commission of Oregon



ORS 757.039 (3) clarifies the limits of the PUC's jurisdiction

*(3) The commission is authorized to cooperate with, make certifications to and enter into agreements with the Secretary of Transportation of the United States of America and to assume responsibility for, and carry out on behalf of the Secretary of Transportation, safety jurisdiction relating to pipeline facilities and transportation of hazardous substances and materials in Oregon in any manner not otherwise subject to the jurisdiction of any other agency of this state.*

DOJ has confirmed that our jurisdiction over hazardous materials is limited to intrastate natural gas pipelines if (and only if) we have certification from US DOT.



# Questions?

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