

# SENATE BILL 503

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CF HB 345

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By: **Senator Smith**

Introduced and read first time: January 20, 2021

Assigned to: Finance

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Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: February 16, 2021

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## CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Public Utilities – Gas Service Regulator Safety**  
3 **(Flower Branch Act)**

4 FOR the purpose of requiring that any gas service newly installed at an occupied structure  
5 may have a gas service regulator installed only outside the structure; requiring an  
6 existing interior gas service regulator in a multifamily residential structure to be  
7 relocated outside whenever a gas service line or regulator is replaced; requiring a  
8 gas company, on or before a certain date, to file a plan with the Public Service  
9 Commission to relocate any gas service regulator that provides service to a  
10 multifamily residential structure; requiring the Commission, on or before a certain  
11 date, to ~~approve, disapprove, or approve with modifications~~ issue a final order  
12 approving or disapproving a gas company's plan to relocate any gas service regulator  
13 after considering certain factors; requiring an order approving a gas company's plan  
14 to relocate any gas service regulator to include certain conditions under certain  
15 circumstances; requiring a gas company to submit a new plan to the Commission  
16 within a certain number of days under certain circumstances; authorizing the  
17 Commission to exempt a gas service regulator from relocation if the Commission  
18 finds that an exemption is warranted after considering certain factors; authorizing  
19 the Commission to delegate the authority to grant a certain exemption to the  
20 Commission's technical staff division; requiring a gas company, on or before a certain  
21 date each year, beginning in a certain year, to report to the Commission on progress  
22 through the end of the immediately preceding calendar year related to implementing  
23 a certain plan; requiring the Commission to submit a certain report to the Governor  
24 and the General Assembly on or before a certain date each year, beginning in a

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 certain year; providing for the application of this Act; stating the intent of the  
2 General Assembly; requiring certain gas service regulators to be enclosed in a certain  
3 manner under certain circumstances; defining certain terms; and generally relating  
4 to gas service and regulator safety.

5 BY adding to

6 Article – Public Utilities

7 Section 7–312

8 Annotated Code of Maryland

9 (2020 Replacement Volume and 2020 Supplement)

10 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,  
11 That the Laws of Maryland read as follows:

12 **Article – Public Utilities**

13 **7–312.**

14 (A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS  
15 INDICATED.

16 (2) “GAS SERVICE REGULATOR” MEANS AN INSTRUMENT THAT:

17 (I) IS INSTALLED TO A METER INLET TO CONTROL THE GAS  
18 PRESSURE BEING INTRODUCED INTO A STRUCTURE; AND

19 (II) INCLUDES A RELIEF VALVE TO VENT EXCESS GAS TO THE  
20 OUTSIDE ATMOSPHERE IF THE PRESSURE OF THE REGULATED GAS EXCEEDS A  
21 SPECIFIED PRESSURE.

22 (3) “MULTIFAMILY RESIDENTIAL STRUCTURE” MEANS A BUILDING  
23 CONTAINING SIX OR MORE DWELLING UNITS, INCLUDING:

24 (I) AN APARTMENT HOUSE;

25 (II) A BOARDING HOUSE;

26 (III) A CONVENT;

27 (IV) A DORMITORY;

28 (V) A FRATERNITY OR SORORITY HOUSE;

29 (VI) A HOTEL OR MOTEL;

1 (VII) A MONASTERY;

2 (VIII) A VACATION TIME-SHARE PROPERTY;

3 (IX) A CONDOMINIUM, AS DEFINED IN § 11-101 OF THE REAL  
4 PROPERTY ARTICLE; AND

5 (X) A COOPERATIVE PROJECT, AS DEFINED IN § 5-6B-01 OF  
6 THE CORPORATIONS AND ASSOCIATIONS ARTICLE.

7 (B) (1) WHENEVER GAS SERVICE IS NEWLY INSTALLED AT AN OCCUPIED  
8 STRUCTURE, A GAS SERVICE REGULATOR MAY BE INSTALLED ONLY OUTSIDE THE  
9 STRUCTURE.

10 (2) ANY EXISTING GAS SERVICE REGULATOR THAT IS INSTALLED IN  
11 THE INTERIOR OF A MULTIFAMILY RESIDENTIAL STRUCTURE SHALL BE RELOCATED  
12 TO THE OUTSIDE OF THE STRUCTURE WHENEVER THE GAS SERVICE LINE OR  
13 REGULATOR IS REPLACED.

14 (3) ON OR BEFORE JANUARY 1, 2022, A GAS COMPANY SHALL FILE A  
15 PLAN WITH THE COMMISSION TO RELOCATE ANY GAS SERVICE REGULATOR THAT  
16 PROVIDES SERVICE TO A MULTIFAMILY RESIDENTIAL STRUCTURE.

17 (4) (I) ON OR BEFORE JANUARY 1, 2023, THE COMMISSION SHALL  
18 ~~APPROVE, DISAPPROVE, OR APPROVE WITH MODIFICATIONS~~ ISSUE A FINAL ORDER  
19 APPROVING OR DISAPPROVING A GAS COMPANY'S PLAN SUBMITTED UNDER  
20 PARAGRAPH (3) OF THIS SUBSECTION TO RELOCATE ANY GAS SERVICE REGULATOR  
21 AFTER CONSIDERING:

22 ~~(I)~~ 1. THE NUMBER OF GAS SERVICE REGULATORS  
23 DESIGNATED FOR RELOCATION IN THE GAS COMPANY'S SERVICE TERRITORY;

24 ~~(II)~~ 2. THE AVAILABILITY OF QUALIFIED PERSONNEL TO  
25 SAFELY RELOCATE GAS SERVICE REGULATORS;

26 ~~(III)~~ 3. THE ENGINEERING AND PERMITTING CHALLENGES  
27 WITHIN THE GAS COMPANY'S SERVICE TERRITORY;

28 ~~(IV)~~ 4. A SCHEDULE FOR RELOCATING GAS SERVICE  
29 REGULATORS THAT IS CONSISTENT WITH THE PUBLIC INTEREST;

30 ~~(V)~~ 5. ANY OTHER GAS COMPANY PROGRAMS, INNOVATIONS,  
31 INITIATIVES, PRIORITIES, OR INVESTMENTS THAT IMPROVE THE SAFETY OR  
32 RELIABILITY OF THE GAS SYSTEM; ~~AND~~

1 ~~(VI)~~ 6. ANY OTHER FACTOR IDENTIFIED BY THE  
 2 COMMISSION COMMISSION; AND

3 7. WHETHER THE GAS COMPANY HAS:

4 A. MADE EVERY REASONABLE EFFORT TO  
 5 EXPEDITIOUSLY ADDRESS ANY FACTORS THAT MAY CONTRIBUTE TO A DELAY IN  
 6 RELOCATING GAS SERVICE REGULATORS; AND

7 B. COMMITTED TO A REASONABLE IMPLEMENTATION  
 8 TIMELINE THAT DOES NOT UNDULY DELAY REGULATOR RELOCATION.

9 (II) 1. IF THE COMMISSION ISSUES AN ORDER APPROVING A  
 10 GAS COMPANY'S PLAN, THE ORDER SHALL INCLUDE ANY CONDITIONS OF APPROVAL  
 11 THAT THE COMMISSION REQUIRES.

12 2. IF THE COMMISSION ISSUES AN ORDER  
 13 DISAPPROVING A GAS COMPANY'S PLAN, THE GAS COMPANY SHALL SUBMIT A NEW  
 14 PLAN TO THE COMMISSION WITHIN 60 DAYS AFTER THE COMMISSION ISSUES THE  
 15 DISAPPROVAL.

16 (5) THE COMMISSION MAY EXEMPT A GAS SERVICE REGULATOR  
 17 FROM THE REQUIREMENTS OF THIS SUBSECTION IF THE COMMISSION FINDS THAT  
 18 AN EXEMPTION IS WARRANTED AFTER CONSIDERING:

19 (I) WHETHER GRANTING THE EXEMPTION IS CONSISTENT WITH  
 20 THE PUBLIC INTEREST;

21 (II) CONFLICTS WITH FEDERAL, STATE, OR LOCAL LAWS OR  
 22 REGULATIONS;

23 (III) PHYSICAL OBSTRUCTIONS OR SPACE CONSTRAINTS; ~~AND~~

24 (IV) ANY OTHER FACTOR IDENTIFIED BY THE COMMISSION; ~~AND~~

25 (V) WHETHER THE GAS COMPANY HAS:

26 1. MADE EVERY REASONABLE EFFORT TO  
 27 EXPEDITIOUSLY ADDRESS ANY FACTOR THAT MAY CONTRIBUTE TO A DELAY IN  
 28 RELOCATING GAS SERVICE REGULATORS; AND

29 2. COMMITTED TO A REASONABLE IMPLEMENTATION  
 30 TIMELINE THAT DOES NOT UNDULY DELAY REGULATOR RELOCATION.

1           **(6) THE COMMISSION MAY DELEGATE THE AUTHORITY TO GRANT**  
2 **EXEMPTIONS UNDER THIS SUBSECTION TO THE COMMISSION’S TECHNICAL STAFF**  
3 **DIVISION.**

4           **(C) (1) A GAS SERVICE REGULATOR SHALL BE INSTALLED AWAY FROM**  
5 **ROADS, DRIVEWAYS, PARKING AREAS, OR OTHER LOCATIONS EXPOSED TO**  
6 **VEHICULAR TRAFFIC OR OTHER EXTERNAL FORCES THAT MAY DAMAGE THE GAS**  
7 **SERVICE REGULATOR.**

8           **(2) IF IT IS IMPRACTICAL TO INSTALL A GAS SERVICE REGULATOR IN**  
9 **ACCORDANCE WITH PARAGRAPH (1) OF THIS SUBSECTION, GUARDS SHALL BE**  
10 **INSTALLED TO PROTECT THE GAS SERVICE REGULATOR FROM EXTERNAL FORCES**  
11 **THAT MAY DAMAGE THE GAS SERVICE REGULATOR.**

12           **(3) GUARDS MAY CONSIST OF POSTS, BOLLARDS, RAILINGS, OR ANY**  
13 **OTHER SAFETY STRUCTURE THAT WILL PREVENT DAMAGE TO THE GAS SERVICE**  
14 **REGULATOR.**

15           **(D) (1) SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, ON OR**  
16 **BEFORE FEBRUARY 1, 2023, AND EACH YEAR THEREAFTER, A GAS COMPANY SHALL**  
17 **REPORT TO THE COMMISSION ON PROGRESS THROUGH THE END OF THE**  
18 **IMMEDIATELY PRECEDING CALENDAR YEAR ON THE IMPLEMENTATION OF THE**  
19 **PLAN APPROVED UNDER SUBSECTION (B) OF THIS SECTION.**

20           **(2) THIS SUBSECTION MAY NOT BE CONSTRUED TO APPLY TO A GAS**  
21 **COMPANY THAT HAS FULLY IMPLEMENTED AN APPROVED PLAN UNDER SUBSECTION**  
22 **(B) OF THIS SECTION.**

23           **(E) ON OR BEFORE MARCH 1 EACH YEAR, BEGINNING IN 2023, THE**  
24 **COMMISSION SHALL PROVIDE A REPORT TO THE GOVERNOR AND, IN ACCORDANCE**  
25 **WITH § 2-1257 OF THE STATE GOVERNMENT ARTICLE, THE GENERAL ASSEMBLY**  
26 **ON EACH GAS COMPANY’S PROGRESS IN RELOCATING GAS SERVICE REGULATORS IN**  
27 **ACCORDANCE WITH THIS SECTION.**

28           SECTION 2. AND BE IT FURTHER ENACTED, That it is the intent of the General  
29 Assembly that:

30           (1) the statutory changes enacted under Section 1 of this Act should be  
31 interpreted in light of the significant concerns for public safety raised by the Flower Branch  
32 explosion, as investigated by the National Transportation Safety Board, whose  
33 recommendations this Act embodies; and

34           (2) each gas company in the State shall:

1 (i) use best efforts to identify gas service regulators in the  
2 company's service territory that may fail or are most vulnerable to damage;

3 (ii) prioritize replacing the regulators identified under item (i) of this  
4 item; and

5 (iii) educate the public on:

6 1. identifying older, vulnerable, or potentially failing gas  
7 service regulators; and

8 2. procedures for reporting regulators identified under item  
9 1 of this item to gas companies and local authorities.

10 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect  
11 October 1, 2021.

Approved:

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Governor.

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President of the Senate.

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Speaker of the House of Delegates.