

**FISCAL AND ECONOMIC IMPACT STATEMENT
FOR ADMINISTRATIVE RULES**

Person
Preparing
Statement: Michael Peikert Dept. Department of Energy and Natural Resources

Phone: 225-219-3799 Office: Conservation

Return
Address: Office of Conservation Rule
Title: Pipeline Safety Amendments

Executive Division
P.O. Box 94275
Baton Rouge, LA 70804-9275

Date Rule Takes Effect: Estimated December 2025

SUMMARY
(Use complete sentences)

In accordance with Section 961 of Title 49 of the Louisiana Revised Statutes, there is hereby submitted a fiscal and economic impact statement on the rule proposed for adoption, repeal or amendment. THE FOLLOWING STATEMENTS SUMMARIZE ATTACHED WORKSHEETS, I THROUGH IV AND WILL BE PUBLISHED IN THE LOUISIANA REGISTER WITH THE PROPOSED AGENCY RULE.

I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO STATE OR LOCAL GOVERNMENTAL UNITS
(Summary)

The proposed rule changes are not anticipated to result in any implementation costs to state or local governmental units. The proposed rule change is required as part of the Department of Energy and Natural Resources' (DENR) certification agreement with the U.S. Department of Transportation (USDOT). The proposed rule changes codify existing federal regulations for the safety of gas transmission and hazardous liquid pipelines, including provisions on repair criteria, integrity management improvements, cathodic protection, management of change, editorial revisions, and other related technical amendments. The proposed rule changes also include a state-specific revision to LAC 43.VIII.322 and to LAC 33.V.30146 to correct the annual January 1 validation deadline to January 15 for Louisiana's OR-1 Operator Registration submission through SONRIS, which applies to operators of intrastate pipelines, including Special Class Systems, regulated by the Office of Conservation..

II. ESTIMATED EFFECT ON REVENUE COLLECTIONS OF STATE OR LOCAL GOVERNMENTAL UNITS
(Summary)

The proposed rule changes are not anticipated to have an effect on revenue collections of state and local government units. The proposed rule changes do not impose any new fees or modify the existing fee structure.

III. ESTIMATED COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS, SMALL BUSINESSES, OR NON-GOVERNMENTAL GROUPS (Summary)

The proposed rule changes directly affect pipeline operators and underground natural gas storage operators. Because the proposed rule changes codify federal regulations that these operators are already required to comply with, no additional economic impact to the regulated community is anticipated.

IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT (Summary)

The proposed rule change will have no effect on competition and employment.



Signature of Agency Head or Designee

Steven M. Giambrone, Commissioner of
Conservation

Typed Name & Title of Agency Head or Designee

July 23, 2025

Date of Signature



Legislative Fiscal Officer or Designee

7/22/25

Date of Signature

**FISCAL AND ECONOMIC IMPACT STATEMENT
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The following information is required in order to assist the Legislative Fiscal Office in its review of the fiscal and economic impact statement and to assist the appropriate legislative oversight subcommittee in its deliberation on the proposed rule.

- A. Provide a brief summary of the content of the rule (if proposed for adoption or repeal) or a brief summary of the change in the rule (if proposed for amendment). Attach a copy of the notice of intent and a copy of the rule proposed for initial adoption or repeal (or, in the case of a rule change, copies of both the current and proposed rules with amended portions indicated).

The proposed rule changes to LAC 43:VIII & 33:V update the state's pipeline safety regulations to align with federal requirements for gas transmission and hazardous liquid pipelines. The proposed rule changes include periodic updates to regulatory references for technical standards, miscellaneous editorial revisions, and technical corrections to ensure consistency with federal rules and judicial interpretations. The proposed rule changes also include a state-specific revision to LAC 43:VIII.322 and to LAC 33:V.30146 to correct the annual January 1 validation deadline to January 15 for Louisiana's OR-1 Operator Registration submission through SONRIS, which applies to operators of intrastate pipelines, including Special Class Systems, regulated by the Office of Conservation.

- B. Summarize the circumstances, which require this action. If the Action is required by federal regulation, attach a copy of the applicable regulation.

The proposed rule changes seek to implement Parts 192 and 195 of Title 49 of the Code of Federal Regulations, which govern the safety standards for gas transmission and hazardous liquid pipelines. These updates are required as part of the Department of Energy and Natural Resources' (DENR) annual certification agreement with the U.S. Department of Transportation and ensure the state retains its authority to regulate intrastate pipeline safety.

- C. Compliance with Act 11 of the 1986 First Extraordinary Session

- (1) Will the proposed rule change result in any increase in the expenditure of funds? If so, specify amount and source of funding.

No. The proposed rule changes will not result in any increase in the expenditure of funds.

- (2) If the answer to (1) above is yes, has the Legislature specifically appropriated the funds necessary for the associated expenditure increase?

(a) _____ Yes. If yes, attach documentation.

(b) _____ NO. If no, provide justification as to why this rule change should be published at this time

**FISCAL AND ECONOMIC IMPACT STATEMENT
WORKSHEET**

I. A. COSTS OR SAVINGS TO STATE AGENCIES RESULTING FROM THE ACTION PROPOSED

1. What is the anticipated increase (decrease) in costs to implement the proposed action?

COSTS	FY 26	FY 27	FY 28
Personal Services	\$ 0	\$ 0	\$ 0
Operating Expenses	\$ 0	\$ 0	\$ 0
Professional Services	\$ 0	\$ 0	\$ 0
Other Charges	\$ 0	\$ 0	\$ 0
Equipment	\$ 0	\$ 0	\$ 0
Major Repairs & Constr.	\$ 0	\$ 0	\$ 0
TOTAL	\$ 0	\$ 0	\$ 0
POSITIONS (#)	0	0	0

2. Provide a narrative explanation of the costs or savings shown in "A. 1.", including the increase or reduction in workload or additional paperwork (number of new forms, additional documentation, etc.) anticipated as a result of the implementation of the proposed action. Describe all data, assumptions, and methods used in calculating these costs.

Not applicable. There are no costs or savings to state agencies resulting from the proposed rule changes.

3. Sources of funding for implementing the proposed rule or rule change.

SOURCE	FY 26	FY 27	FY 28
State General Fund	\$ 0	\$ 0	\$ 0
Agency Self-Generated	\$ 0	\$ 0	\$ 0
Dedicated	\$ 0	\$ 0	\$ 0
Federal Funds	\$ 0	\$ 0	\$ 0
Other (Specify)	\$ 0	\$ 0	\$ 0
TOTAL	\$ 0	\$ 0	\$ 0

4. Does your agency currently have sufficient funds to implement the proposed action? If not, how and when do you anticipate obtaining such funds?

Yes. While the proposed rule changes adopt federal requirements into the state administrative code, these regulations are already being implemented by existing state staff using current equipment and resources. As such, no additional funding is necessary.

B. COST OR SAVINGS TO LOCAL GOVERNMENTAL UNITS RESULTING FROM THE ACTION PROPOSED.

1. Provide an estimate of the anticipated impact of the proposed action on local governmental units, including adjustments in workload and paperwork requirements. Describe all data, assumptions and methods used in calculating this impact.

The proposed rule changes are not anticipated to result in costs or savings to local government units.

2. Indicate the sources of funding of the local governmental unit, which will be affected by these costs or savings.

Not applicable.

FISCAL AND ECONOMIC IMPACT STATEMENT
WORKSHEET

II. EFFECT ON REVENUE COLLECTIONS OF STATE AND LOCAL GOVERNMENTAL UNITS

A. What increase (decrease) in revenues can be anticipated from the proposed action?

REVENUE INCREASE/DECREASE	FY 26	FY 27	FY 28
State General Fund	\$ 0	\$ 0	\$ 0
Agency Self-Generated	\$ 0	\$ 0	\$ 0
Dedicated Funds*	\$ 0	\$ 0	\$ 0
Federal Funds	\$ 0	\$ 0	\$ 0
Local Funds	\$ 0	\$ 0	\$ 0
TOTAL	\$ 0	\$ 0	\$ 0

*Specify the particular fund being impacted.

B. Provide a narrative explanation of each increase or decrease in revenues shown in "A." Describe all data, assumptions, and methods used in calculating these increases or decreases.

There is no anticipated effect on revenue collections of state and local government units as a result of the proposed rule changes.

III. COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS OR NON-
GOVERNMENTAL GROUPS

A. What persons or non-governmental groups would be directly affected by the proposed action? For each, provide an estimate and a narrative description of any effect on costs, including workload adjustments and additional paperwork (number of new forms, additional documentation, etc.), they may have to incur as a result of the proposed action.

The proposed rule changes will directly affect pipeline operators and underground natural gas storage operators. However, all regulations adopted under the proposed rule change are existing federal regulations of which these entities are required to comply with; therefore, there should be no additional costs, workload adjustments, or documentation burdens on the regulated community as a result of the proposed rule changes.

B. Also provide an estimate and a narrative description of any impact on receipts and/or income resulting from this rule or rule change to these groups.

There are no anticipated impacts on receipts and/or income resulting from the proposed rule changes to these groups.

IV. EFFECTS ON COMPETITION AND EMPLOYMENT

Identify and provide estimates of the impact of the proposed action on competition and employment in the public and private sectors. Include a summary of any data, assumptions and methods used in making these estimates.

There are no anticipated effects on competition and employment resulting from the proposed rule changes.