

Pipeline Safety: Regulatory Agenda

Office of Pipeline Safety



Recent Events

Significant drivers of our Regulatory Program

- ❑ PIPES ACT of 2016 - Signed into law on June 22, 2016
 - ❑ Emergency Orders
 - ❑ Underground Storage
 - ❑ MSDS's for HL incidents
 - ❑ LNG –small scale
 - ❑ Changes in HL HCA definition
 - ❑ 12 month assessments of certain HL lines
 - ❑ Reporting requirement for unfinished mandates

❑ Additional mandates from 2011 Act (Sections, 4, 8, and 23)

❑ NTSB/GAO/OIG

❑ Recent Executive Orders on regulatory reform

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Recent Events

- **Fall/winter of 2016 - 2017**
 - January 20, 2017 – COS issues regulatory freeze memo
 - Impacts on OPS:
 - HL rule withdrawn from Federal Register
 - OQ FR publishes, no rules are required to be delayed
 - No other rules affected
 - January 30, 2017 – Executive Order 13771
 - 2 for 1 initiative – Significant rules only
 - FY 2017 - Zero sum cost
 - FY 2018 – awaiting further guidance



Recent Events

- **Fall/winter of 2016 – 2017**
 - February 24, 2017 - Executive Order 13777
 - Establishes Regulatory Reform Officers and Regulatory Reform Task Forces
 - To identify regulations that are:
 - » Outdated, unnecessary, or ineffective
 - » Impose costs that exceed benefits, etc
 - March 28, 2017 - EO 13783
 - Identify existing regulations that potentially burden the development or use of domestic energy
 - Appropriately Suspend, Rescind, or Revise



Regulatory Review

PHMSA needed a systematic response to address the regulatory reform mandate

PHMSA process relies on input from multidisciplinary teams, (Field, Rulemaking, Engineering, Lawyers and Economists) and input from Stakeholders (OST FR notices)

- Reviewing:
 - Existing regulations
 - Petitions for rulemaking
 - Active rulemakings
 - Special Permits



SME Team Topics

- Applicability
- Design and construction
- Liquefied natural gas
- Operations and maintenance
- Operator qualification
- Integrity management (gas, liquid and distribution)
- Spill mitigation and response
- Cathodic protection
- Info collection
- Drug and alcohol
- Storage tanks
- Control room mgt.
- Underground storage rule
- Gas transmission rule
- Hazardous liquid rule



Process

- SME Teams complete their review
- Stakeholder input
- Management review of Issues
- Executive Leadership Approval
- Economic Analysis Developed
- Rulemaking Initiated/Identified, if appropriate



Current Rulemakings in Process

Plastic Pipe (Final rule stage)

- ❑ NPRM published May 21, 2015; Comment period ended 7/31/2015
- ❑ GPAC meeting June 1-3, 2016
- ❑ Final Rule designated Significant
- ❑ Address the following plastic pipe topics:
 - Authorized use of PA12
 - AGA petition to raise D.F. from 0.32 to 0.40 for PE pipe
 - Tracking and traceability
 - Miscellaneous revisions for PE and PA11 pipelines
 - Additional provisions for fittings used on plastic pipe



Current Rulemakings in Process

Safety of On-Shore Hazardous Liquid Pipelines (Final Rule stage)

- ❑ NPRM published 10/13/2015
- ❑ LPAC meeting 2/1/2016
- ❑ Major topics under consideration:
 - Assessments beyond High Consequence Areas (HCAs)
 - Leak detection beyond HCAs
 - Repair criteria in HCA and non-HCA areas
 - Piggability of lines in HCA's
 - Reporting requirements for Gathering lines
 - Reporting requirement for Gravity Lines



Current Rulemakings in Process

Safety of Gas Transmission and Gathering Lines (Final Rule stage)

- ❑ NPRM published 4/8/2016
 - Comment period closed 7/7/2016
- ❑ Major Topics under consideration:
 - Expansion of assessments beyond HCA's – MCA's
 - Repair criteria for both HCA and non-HCA areas
 - Assessment methods
 - Corrosion control
 - Gas gathering; additional reporting and regulations
 - Assessment methods for GT Lines
 - Grandfathered pipe/pipe records/legacy – IVP
- ❑ GPAC meeting held January, 2017; June, 2017. Additional meeting in December 2017 (more in March and June 2018)



Current Rulemakings in Process

Emergency Order (Final Rule Stage)

- ❑ Interim Final Rule Published 10/14/2016
- ❑ Establishes regulations implementing the emergency order authority as outlined in the “Protecting our Infrastructure of Pipelines and Enhancing Safety Act of 2016” (PIPES Act).
- ❑ Provides PHMSA with an enforcement tool to address unsafe practices or conditions that pose an imminent hazard that exist in a subset of, or across the industry.

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Current Rulemakings in Process

Operator Qualification, Cost Recovery and Other Pipeline Safety Amendments

(Final Rule stage)

- ❑ Final rule published 1/23/2017; effective date 3/24/2017
- ❑ This rule addresses issues related to:
 - Incident Reporting
 - Cost Recovery
 - Assessment methods for HL lines
 - Renewal process for special permits
 - API 1104 and in-service welding

- ❑ *OQ for new construction will be addressed in the future



Current Rulemakings in Process

Underground Storage Facilities for Natural Gas (Final rule stage)

- ❑ Interim Final Rule (IFR) Published (12/19/2016)
- ❑ IFR requires operators of underground storage facilities for natural gas to comply with minimum safety standards, including compliance with:
 - ❑ API RP 1171, Functional Integrity of Natural Gas Storage in Depleted Hydrocarbon Reservoirs and Aquifer Reservoirs
 - ❑ API RP 1170, Design and Operation of Solution-mined Salt Caverns Used for Natural Gas Storage
 - ❑ Annual and Incident reporting requirements



Current Rulemakings in Process

Underground Storage Facilities for Natural Gas (Final rule stage)

- ❑ PHMSA adopted the non-mandatory provisions of the RPs in a manner that would make them all mandatory, except that operators would be permitted to deviate from the RPs if they provide justification.
- ❑ Notice Published (6/20/17)
 - ❑ Stay of enforcement for non-mandatory provisions
 - ❑ Delay of UGS Annual Report (March 2018)
- ❑ Comment period re-opened until 11/20/17



Current Rulemakings in Process

Rupture Detection and Valve Rule (NPRM stage)

- ❑ This rulemaking would address the installation of ASV/RCV or equivalent technology being installed on newly constructed or entirely replaced natural gas and hazardous liquid transmission pipelines with the objective of improving overall incident response for new and replaced pipelines.
- ❑ This rule would establish and define rupture detection and response time metrics including the integration of Automatic Shutoff Valves (ASV) and Remote Control Valve (RCV) placement as necessary.
- ❑ Rulemaking is in response to Section 4 and 8 of the 2011 Act, NTSB Recommendations and studies perform by both PHMSA and GAO.



Current Rulemakings in Process

Standards Update (NPRM stage)

□ Major Topics:

- Addresses the set of IBR standards throughout PHMSA's part 192, Part 193 and Part 195 code with updated revisions of standards from all standard organization bodies.
- This NPRM would impact approx. 20 of the 60+ standards that we currently IBR.
- Miscellaneous amendments to PSR
 - Stakeholder petitions
 - Agency initiative



Current Rulemakings in Process

USA Definition – Beaches and Coastal Waterways (ANPRM stage)

- ❑ Section 19 of 2016 PIPES Act requires PHMSA to expand definition of USA's to include Great Lakes, coastal beaches and marine coastal waterways.
- ❑ Subjecting pipelines in such areas to Integrity Management regulations in 49 CFR 195
- ❑ Public meeting held on November 17, 2017



Current Rulemakings in Process

Class Location Requirements (ANPRM stage)

- ❑ ANPRM examining issues for existing pipe when class locations change due to population increases near pipeline and MAOP is not commensurate w/new class location.

- ❑ Current requirements when class locations change:
 - ❑ Reduce operating pressure
 - ❑ Confirm new MAOP w/pressure test
 - ❑ Replace pipe w/thicker wall pipe
 - ❑ Note: Operators may also request special permits to operate segments at previous MAOP while performing certain measures to mitigate risk and ensure safety.



Current Rulemakings in Process

QUESTIONS?

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U.S. Department of Transportation
Pipeline and Hazardous Materials
Safety Administration

To Protect People and the Environment From the Risks of
Hazardous Materials Transportation

