

Implementation Update 2019 Gas Transmission Regulation

Gas Pipeline Advisory Committee
October 20, 2021

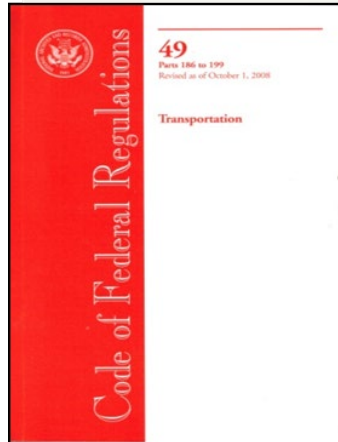


Overview Topics

- **Quick Rule Review**
- **Near Term Implementation Dates**
- **Compliance Tools - FAQs, Inspection Assistant (IA), State Forms**
- **Inspection Strategy and Training**
- **Specific Areas Where Expectations Between Regulator and Operator Are Different**



“Mega” Gas Rule – Split Into Three Smaller Rules



- **RIN 1 – Safety of Gas Transmission Pipelines: MAOP Reconfirmation, Expansion of Assessment Requirements, and Other Related Amendments**
 - Final Rule Published October 1, 2019
 - Response to Industry Petition Published July 6, 2020
- **RIN 2 – Repair Criteria, IM Improvements, Cathodic Protection, Management of Changes, and Other Related Amendments**
 - Final Rule under Department Review
- **RIN 3 – Gas Gathering**
 - Final Rule under Department Review



Summary of Final Rule

- **Two new long-term programs:**
 - 1. MAOP Reconfirmation (§192.624) - 15 years**
 - **Material Verification (§192.607)**
 - **Engineering Critical Assessments (192.632)**
 - 2. Assessments outside of HCAs (§192.710) – Initial by 2034 and reassessments every 10 years, e.g. piggable MCAs over 30% SMYS**
- **Other miscellaneous changes:**
 - **Minor IMP changes**
 - **Launcher/Receiver Safety**
 - **MAOP Exceedance Reporting**



Near-Term Implementation Dates What Are Inspectors Focusing On Now?



Near-Term Implementation Dates



- **By July 1, 2020 (Effective Date of Rule)**
 - Report pressure exceedances (§191.23(a)(10), §191.25(b))
 - Maintain records to document class locations, including determination methods (§192.5)
 - Follow IBR documents
 - Begin to identify, prioritize, and perform assessments (§192.710) outside HCAs, i.e. non HCA Class 3 and 4, and MCAs
 - Implement procedures addressing regulations without timeframes explicitly defined in final rule



Near-Term Implementation Dates



- **July 1, 2021**

- **Begin to use new Incident Report (Form PHMSA F 7100.2); current form posted to Docket PHMSA-2011-0023 on 10/24/2019**
- **Operators subject to §192.624, develop and document procedures for completing all actions required for MAOP reconfirmation by this date (Requires they know their MCAs)**
- **For GT pipe and components, have and begin to implement procedures for material properties and attributes verification**



Near-Term Implementation Dates



- **July 1, 2021**

- For GT pipe installed after this date, retain welder and/or plastic joiner qualification records for minimum of 5 years following construction
- Any launchers/receivers used after this date must meet conditions of §192.750
- Identification and preliminary assessment plans for moderate risk pipelines outside of HCAs per 192.710



Near-Term Implementation Dates (Enforceable Soon)



- **March 15, 2022 – Annual Report Due (Form PHMSA F 7100.2-1)**

- **Report on all MCAs and MAOP reconfirmation for pipeline segments operational as of December 31, 2021**



Compliance Tools for Operators Frequently Asked Questions (FAQs) and Inspection Forms



Integrity Management - High Consequence Areas

1. IM High Consequence Areas - HCA Identification *Does the process include the methods defined in 192.903 High Consequence Area (Method 1) and/or 192.903 High Consequence Area (Method 2) to be applied to each pipeline for the identification of high consequence areas? (IM.HC.HCAID.P) 192.905(a)*

2. IM High Consequence Areas - HCA Identification *Do records demonstrate that the identification of pipeline segments in high consequence areas was completed in accordance with process requirements? (IM.HC.HCAID.R) 192.947(d) (192.905(a);192.907(a);192.911(a))*



Frequently Asked Questions (FAQs) & Answers

- Solicited, and continue to solicit FAQs
 - Industry
 - State/Federal Regulators
 - Public
- Assist in implementation of final rule; provide
 - Clarity to existing requirements
 - Guidance
 - Information Sources
- Batched, draft FAQs posted in Federal Register to solicit public comment - Docket ID: PHMSA-2019-0225



FAQs & Answers – 1st Batch

Gas Rule FAQs

- 44 FAQs and Answers were posted to PHMSA public site on September 15, 2020
- Posted draft FAQs for public comment 1/30/2020; comment period open until 3/27/20.
- Topical Areas include:
 - General
 - Reporting
 - Other Technology Notification
 - Moderate Consequence Area
 - MAOP Establishment and Reconfirmation
 - Spike Hydrostatic Testing
 - Material Verification
 - Failure Mechanics
 - Assessments Outside HCAs



FAQs & Answers – 2nd Batch

Gas Rule FAQs

- Content includes 24 more FAQs to address:
 - New questions received at February 27, 2020 Public Meeting
 - New questions received on Docket (PHMSA-2019-0225) before March 27, 2020
- Similar topical areas as 1st Batch
- **Posted Draft Batch-2 FAQs posted to Federal Register December 22, 2020 for comment (Closed March 16, 2021)**
- **Final Batch 2 FAQs Under Legal Review**



FAQ Comments & Additional Questions

- Propose new FAQs:

Submit additional questions/clarifications/hypothetical scenarios to docket PHMSA-2019-0225, at

<https://www.regulations.gov/docket?D=PHMSA-2019-0225>

- **Batch-1 and 2 FAQs public comments**

Read comments to docket, PHMSA-2019-0225, at

<https://www.regulations.gov/docket?D=PHMSA-2019-0225>



Gas Rule – Public Question Set is Posted to PHMSA Website

As of 7.28.21

U.S. Department of Transportation
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U.S. Department of
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Email:
phmsa.pipelinesafety@dot.gov

Phone: 202-366-4595

Fax: 202-366-4566

Business Hours:
9:00am-5:00pm ET, M-F

Operator Reports Submitted to PHMSA - Forms and Instructions

[Annual Reports, Incident and Accident Reports, National Registry Notifications, and OpID Assignment Request](#)

Drug and Alcohol Forms

[Inspection Forms](#)

[Reporting Forms](#)

<https://www.phmsa.dot.gov/forms/pipeline-compliance-forms>

Pipeline Inspection Forms

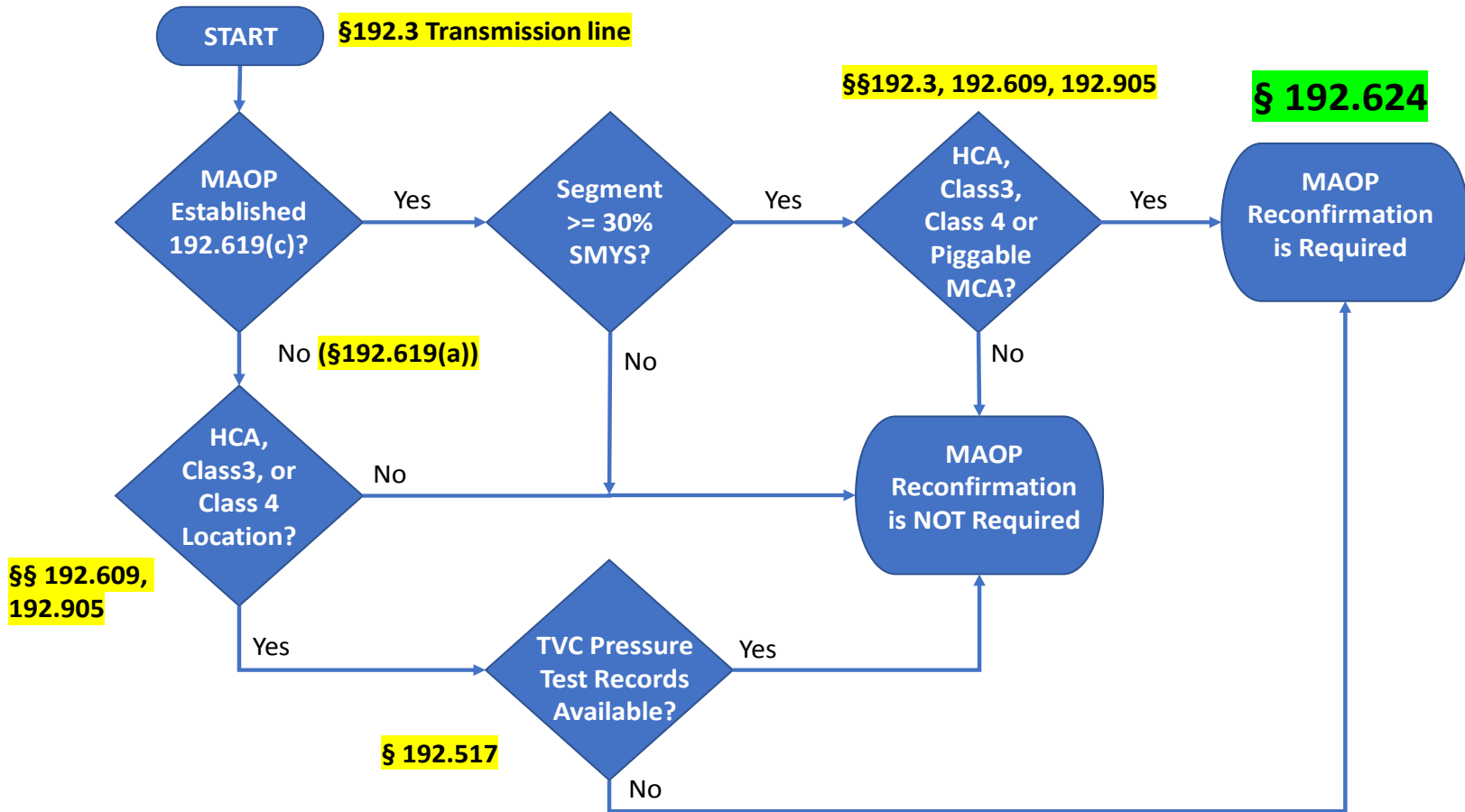
Title	Description
PHMSA Gas Distribution IA Question Set	PHMSA Gas Distribution IA Question Set
PHMSA Gas Transmission IA Question Set	PHMSA Gas Transmission IA Question Set
PHMSA Hazardous Liquid IA Question Set	PHMSA Hazardous Liquid IA Question Set
PHMSA LNG IA Question Set	PHMSA LNG IA Question Set
PHMSA Underground Natural Gas Storage IA Question Set	PHMSA Underground Natural Gas Storage IA Question Set
PHMSA 2019 Gas Rule IA Question Set	PHMSA 2019 Gas Rule IA Directive
PHMSA Drug Alcohol IA Question Set	PHMSA Drug Alcohol IA Question Set

Last updated: Wednesday, July 28, 2021



§192.624 Applicability – Flow Chart

§192.624(a) Applicability of MAOP Reconfirmation: Onshore steel transmission pipelines.



Inspection Strategy and Training



Inspection Strategy

- Pilots Inspections (October 2020 – April 2021) **Done**
- Specialized Inspections (July 2021 – July 2028) **Underway**
 - Some regions combining with previously scheduled Integrated Inspections.
- Integrated Inspections (TBD)



Pilot Inspections

- **Were Used to Align PHMSA, States, and pipeline operators**
 - **Expectations**
 - **Guidance (FAQs)**
 - **Compliance criteria (Be based on 2 FAQ batches and explicit parts of regulation) - Fair Notice is Key**
- **Focused on nearer term requirements**
 - **Class location confirmation**
 - **MCA identification procedures and completion if applicable**
 - **Applicability of §§192.607, 192.624 and 192.710**
 - **Material verification procedures**
 - **MAOP reconfirmation procedures**
 - **Reporting**



Pilot Inspections

- Boardwalk – **October 2020**
- Iroquois Gas – **November 2020**
- Louisville Gas & Electric – **February 2021**
- National Grid/MMT (192.607 only) – **March 2021**
- Dominion Energy Questar Pipeline – **March 2021**
- Southern Star Central Gas – **April 2021**

Note: Draft inspection questions used during pilots shared with NAPSR (changes slightly when IA updated 6/30/21)



Overarching Pilot Results

- **What went well: Most Companies had Robust Databases to House TVC and MAOP records**
- **Areas Needing Operator Attention:**
 - Not clear whether operator was designating a pipeline grandfathered or not.
 - Need to find Subpart J compliant records if they are going to claim “non-grandfathered” status regardless of when the pressure test was done
 - Need a good definition of “Opportunistic Digs” to collect missing material attribute information
 - Have an ECA analysis that works for each system’s threats and materials
 - Determine which components are applicable under material testing



Training

Objective: Conduct Virtual 3 ½ day long classes on the 2019 Gas Rule

Purpose: Help inspectors navigate regulations, prioritize the most impactful parts of the regulation for inspection, and ensure consistency between Federal and State inspectors by using real life examples

Goals:

- **Short Term (2021):**
 - Series of 4 virtual learning classes – May 18-20, June 22-24, August 3-6; **Oct. 12-15**
 - 22 Federal Inspectors Trained from 5 PHMSA regions
 - 59 State inspectors trained from 43 State programs
- **Long Term (2022)**
 - Integrate Materials into PHMSA's Training and Qualification (TQ) normally scheduled classes primarily aimed at new students



Training (cont.)

Renewed Emphasis on:

- MAOP Determination per 192.619
- Class Location Studies and Resulting MAOP Revisions per 192.609 and 192.611
- Adequacy of Subpart J hydrotests and supporting records per Subpart J

Rationale: During the Pilot Inspections the most issues arose with original and updated MAOP determination methods



Specialized Inspections

By PHMSA after 7/1/2021

- **Conducted on Pipeline Systems (Operator Approach Planned for Common Procedures)**
- **Interstate Systems will be targeted by PHMSA based on March 15, 2021 Annual Report Data**
- **GRIT provided a prioritized list of OPIDs based on following to the PHMSA regions:**
 - **Interstate Operators with most grandfathered (192.619(c)) transmission pipe in Class 3, 4 and HCAs (Parts B & D).**
 - **Pipelines that have had ILIs run in them (Part F)**
 - **May screen out small diameter pipe systems initially (Part H)**



Specialized Inspections

Interstate Pipelines: Performed by Interstate Agents/Federal Region Staff as a Joint Inspection Team

- Utilize PHMSA's Inspection Assistant (IA) software and guidance materials based on FAQs (Industry has equivalent forms sans inspector considerations available on the PHMSA website)
- Timeframe: Began in July 2021
- Focus Mostly on What Pipelines fall under the new regulations, aka covered segments, and Adequacy of Procedures and Plans



Specialized Inspections

Intrastate Pipelines:

- PHMSA provided inspection form to NAPSRS for non-IA using states on 7/26/2021 (Analog version of the IA questions)
- Recommended to States that this form be used to conduct specialized inspections by staff well versed in all parts of Part 192, particularly Subpart O and MAOP determination.
- Recommended that the States Also Focus Mostly on Applicability and Adequacy of Procedures and Plans



Specific Areas Where Expectations Between Regulator and Operator are Different



Big 4 Compliance Concerns Seen to Date

- 1. MAOP Reconfirmation Applicability**
- 2. Non TVC hydrotests**
- 3. Opportunistic Dig Definition and Procedures**
- 4. Proper application of ECA**



Thank You!!

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