



Class Location Requirements

Pipeline & Hazardous Materials Safety Administration
Class Location Workshop
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Pipeline Safety Act of 2011 (Section 5(a)(2))

“whether applying integrity management program requirements, or elements thereof, to additional areas would mitigate the need for class location requirements.”

- Concepts clearly demonstrated in risk management projects in mid 90s
- Basis of cost / benefit of IM rule.

Key Areas

Class Location Change-outs

New Construction (Bi-furcated options)

Class Location Change-outs

(Changing out good pipe)

“...The improved knowledge of pipeline integrity that will result from implementing this rule will provide a technical basis for providing relief to operators from current requirements to reduce operating stresses in pipelines when population near them increases...with no reduction in public safety.”

PHMSA

Class Location Change-outs



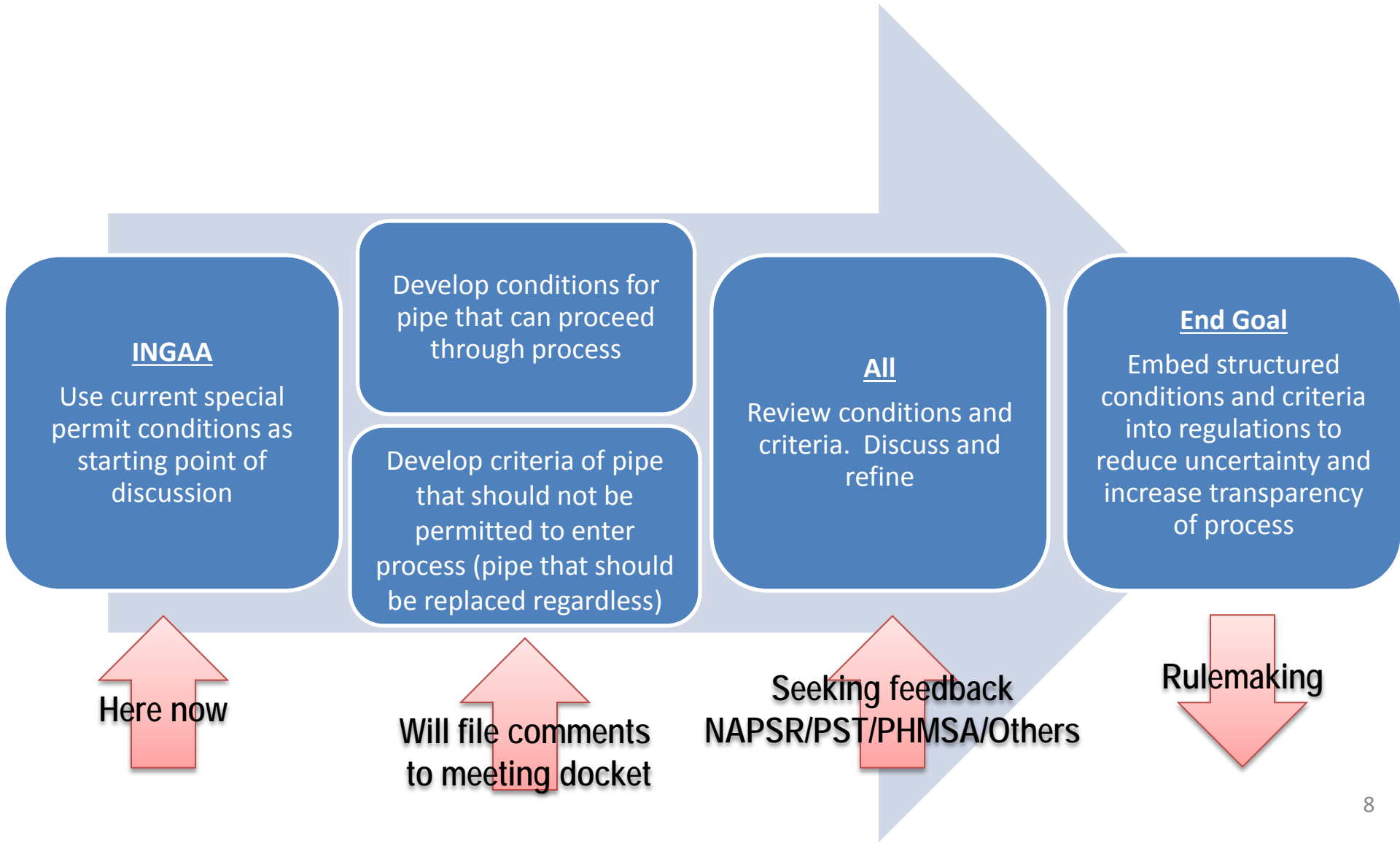
- Why change-out good pipe?
- PHMSA cost/benefit decision in December 2003
 - Indicated process was going to be provided for operators as alternative to change-outs
- Special permit process
 - Little certainty in process, requirements continue to escalate
 - Criteria for special permit process has become onerous, essentially eliminating option
 - Revisit with practicable/appropriate criteria
 - PHMSA has gained knowledge and is ready to move on
- INGAA agrees in certain situations the pipe should be changed out

Developing a structured process to address process of changing out good pipe



- INGAA has formed a class location working group
- Developing process to ensure integrity in lieu of changing out good pipe
 - Using existing special permit conditions as starting point for discussion on what is effective in mitigating the risk associated with increased population densities
- End goal would be to embed such structured conditions into the CFR to provide operators a consistent/transparent process by which good pipe doesn't have to be changed out
- INGAA is seeking to engage all stakeholders to reach agreeable conditions and discuss what type/condition of pipe should just be replaced

Proposed Transparent Process – Seek Alignment on Appropriate Conditions



Examples of conditions being reviewed



- Many conditions are already built into existing IM practices and O&M best practices
 - Apply IMP to segment, Pressure Test, CIS, Inline Inspection
 - Remove shielded coating/shrink sleeves, CGA best practices
- Some conditions require modification
 - Applicability to lines with flow reversals
 - Conduct appropriate SCC assessment along entire special permit inspection area
 - Response to anomalies (FPR)
- Other conditions require open discussion of technical merits in public
 - ACVG or DCVG anomaly response requirements

New Construction (bi-furcated option)

Providing alternative to constructing by class location



- Provide alternative to existing class location methodology (not eliminating it as option) for new construction
 - Will require deliberate revisiting of entire code
 - Would only apply to new construction going forward
- Integrate with aggressive Integrity Management Program
- Construct with one design factor (.72)
 - Different design factor for special areas
- Recognize a more effective way to mitigate risk and understand consequence using the PIR
- Use PIR to drive O&M requirements by defining different levels of activity based on population density
 - All levels include IM principles

- Two topics
 - Class location changes
 - New construction (bi-furcated options)
- Two separate topics, not all or none
- INGAA is looking forward to discussion on both items
- Related commitments
 - Extending Integrity Management
 - 90% of population by 2020 (B31.8S) , 100% by 2030 (IM Princp.)
 - Fitness for Service

Questions?

