

UNGS Frequently Asked Questions UNGS Public Meeting – Broomfield, CO May 16, 2023 David Hippchen



U.S. Department of Transportation

Pipeline and Hazardous Materials Safety Administration



Frequently Asked Questions "FAQs"



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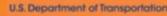
Pipeline and Hazardous Materials Safety Administration



What Are They?

- Clarify, explain rule
- Promote better understanding of issues concerning integrity assessment of UNGS
- Not substantive rules
- Do not create rights, assign duties, or impose new obligations
- FAQs are subject to change!





Interim Final Rule

- IFR effective date 1-18-2017
- Initial FAQs posted 4-03-2017
- Good cause basis cited to issue IFR
- Comment period reopened, stay of enforcement issued 6-15-2017
- Final rule originally expected 1-18-2018
- Final rule effective date 3-13-2020



Final Rule

- FR effective date 3-13-2020
- IM program (192.12d) effective date 3-13-2021
- Initial FAQs remained in effect
- Revised FAQs published and effective 12-14-2021
- Original date noted in footer as 11/18/2021





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DEPARTMENT OF TRANSPORTATION Pipeline and Hazardous Materials Safety Administration

49 CFR Parts 191, 192, and 195

[Docket No. PHMSA-2016-0016; Amdt. Nos. 191-27; 192-126; 195-103]

RIN 2137–AF22

Pipeline Safety: Safety of Underground Natural Gas Storage Facilities AGENCY: Pipeline and Hazardous Materials Safety Administration (PHMSA), Department of Transportation (DOT). **ACTION:** Final rule.



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"Integrity management is PHMSA's risk management program for identifying, assessing, and addressing potential threats that can have adverse consequences a and a finite probability of occurring. . . . PHMSA expects that applying similar integrity and risk management practices to UNGSFs will have a similar effect on improving safety." See 85 FR 8114





"First, PHMSA is extending the risk management provisions of section 8, to salt-cavern UNGSFs, to the extent they apply to the physical characteristics and operations of solution-mined salt caverns, within one year of the effective date of the final rule." *See* 85 FR 8114



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"Second, § 192.12(d) uses slightly different terminology than what was used in the IFR to describe the risk management provisions that operators must follow. Whereas subsection 8.1 is titled "Risk Management for Gas Storage Operations," § 192.12(d) is titled "Integrity management program."

See 85 FR 8115



"This change is intended to confirm that the risk management program under the final rule has been broadened beyond what is provided solely under the RPs and that it is a variation of the IM programs established under parts 192 and 195 for gas transmission pipelines, interstate liquid pipelines, and gas distribution systems."

See 85 FR 8115





Current FAQs

- Definitions
- Reporting requirements and notifications
- When constructed? New wells or additions
- Existing state regs
- Applicability of other subparts of Part 192
- Safety related conditions
- Key dates



Current FAQs – Integrity Management

- IM Program follows 192.12(d)
- Risk analysis
- Baseline assessments
- Reassessments
- Downhole integrity inspections
- Preventive and mitigative measures (P&M)



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Definitions

- FAQ #1. "any other equipment, facility, right-ofway, or building used in the underground storage of natural gas"
- FAQ #2. "incidental to transportation"



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Reporting Requirements

- FAQs #3, #4, #5.
 - Incidents
 - Annual reports
 - New facilities and changes to existing facilities
 - Safety related conditions
- FAQs #13, #14. Safety Related Conditions





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General Considerations

- FAQ #6. Constructed after July 18, 2017 means that construction onsite activities commenced after that date
- FAQ #7. State and local licenses or permits not affected by PHMSA UNGS regulations
- FAQs #8, #9. Distinguish between new well work and maintenance on existing storage wells



Other Applicable Parts or Subparts?

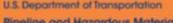
- FAQ #11. Drug and alcohol testing programs in accordance with 49 CFR Part 199
- FAQ #12. Compliance with 49 CFR Part 192 Subpart N – No – but training as required by API RP1170, Section 9.7.5 and API RP1171, Section 11.12, and 192.12(d)(1)(iv) for IM program staff
- FAQ #15. Reporting requirements (49 CFR Part 191) and drug and alcohol testing (49 CFR Part 199)



FAQ #17 - Key Dates

- January 18, 2017 Interim Final Rule (IFR)
- July 18, 2017 IFR + 6 months
- March 13, 2020 Final Rule (FR)
- March 13, 2021 FR + 1 year
- March 13, 2024 FR + 4 years
- March 13, 2027 FR + 7 years





FAQ #17 – When Constructed?

- March 13, 2020 Caverns, after FR
- March 13, 2021 Caverns, between IFR+6 and FR
- March 13, 2021 Caverns, before IFR+6
- March 13, 2021 Reservoirs, after IFR+6
- March 13, 2021 Reservoirs, on/before IFR+6



FAQ #17 – Baseline Risk Assessments

- March 13, 2024 Completion of all reservoirs, caverns and 40% of wells
- March 13, 2027 Completion of all wells



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Integrity Management Program

- FAQ #10. Use of prior integrity assessments
- FAQ #16. IM program requirements 192.12(d)
- FAQ #18. What is a risk analysis



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Integrity Management Program

- FAQ #19. What is in a baseline assessment
- FAQ #20. What is in a reassessment cycle
- FAQ #21. Intervals for downhole inspections
- FAQ #22. P&M measures





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Web Portal Links

• UNGS – All

<u>https://www.phmsa.dot.gov/pipeline/underground-</u> <u>natural-gas-storage/underground-natural-gas-storage</u>

UNGS – Frequently Asked Questions
<u>https://www.phmsa.dot.gov/pipeline/underground-</u>
<u>natural-gas-storage/ungs-frequently-asked-questions</u>



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Questions?



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