U.S. DEPARTMENT OF TRANSPORTATION

PIPELINE AND HAZARDOUS MATERIALS SAFETY ADMINISTRATION (PHMSA)

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VOLUNTARY INFORMATION-SHARING SYSTEM WORKING GROUP

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PUBLIC MEETING

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FRIDAY
JUNE 30, 2017

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The Working Group met in the Gallery Ballroom, Hilton Arlington, 950 North Stafford Street, Arlington, Virginia, at 8:30 a.m., Diane Burman, Chair, presiding.

MEMBERS PRESENT

DIANE BURMAN, New York State Public Services Commission; Chair
ERIC AMUNDSEN, Energy Transfer Partners
KATE BLYSTONE, Pipeline Safety Trust
BRYCE BROWN, The ROSEN Group
ROBERT BUCHANAN, Seal for Life Industries
DAN COTE, NiSource Gas
JASON CRADIT, TRC Oil and Gas
YIMING DENG, Ph.D., Michigan State University
SHERINA MAYE EDWARDS, Illinois Commerce Commission*
MARK HERETH, Process Performance Improvement Consultants

LEIF JENSEN, Sunoco Logistics*

WALTER JONES, Laborers' Health and Safety Fund of North America
JOHN MacNEILL, Utility Workers Union of America*
ALAN MAYBERRY, Associate Administrator for Pipeline Safety, PHMSA
SIMONA PERRY, Ph.D., Pipeline Safety Coalition*
JOE SUBSITS, Washington Utilities and Transportation Commission*
MICHELLE THEBERT, Georgia Public Services Commission
CHRISTOPHER WARNER, Mears Group, Inc.
MARK ZUNIGA, UniversalPegasus International, Inc.

PHMSA STAFF PRESENT

CHRISTIE MURRAY, Designated Federal Official
HUNG NGUYEN
CAMERON SATTERTHWAITE
CHERYL WHETSEL

ALSO PRESENT

TOBY FORE, Kinder Morgan

*** via telephone**

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P-R-O-C-E-E-D-I-N-G-S

8:37 a.m.

CHAIR BURMAN: Hello everyone. Thank you for joining us today, the second day of the Voluntary Information-Sharing System Working Group.

Can those on the phone hear us? Maybe there's no one on the phone.

MEMBER JENSEN: Yes. You are live.

CHAIR BURMAN: Okay. Thank you. We're going to first do roll call. I'm going to actually use the working group member list so that people can also see the different folks under the representation on the stakeholders.

I think that maybe helpful when we talk about committee representation. So I'm just going to go down, and I'll read the category as well as the person's name.

And so, PHMSA Representative, Alan Mayberry?

MR. MAYBERRY: Present.

CHAIR BURMAN: Okay. Industry

stakeholders, the first is Operators of Pipeline Facilities. Leif Jensen?

MEMBER JENSEN: I'm present on the telephone.

CHAIR BURMAN: All right. Dan Cote?

MEMBER COTE: Present.

CHAIR BURMAN: Eric Amundsen?

MEMBER AMUNDSEN: Amundsen, present.

CHAIR BURMAN: Thank you. Now under Inspection Technology Vendors. Bryce Brown?

MEMBER BROWN: Present.

CHAIR BURMAN: Jason Cradit?

MEMBER CRADIT: Present.

CHAIR BURMAN: Alicia Farag?

(No audible response.)

CHAIR BURMAN: Mark Zuniga?

MEMBER ZUNIGA: Present.

CHAIR BURMAN: The next is Coating, Cathodic Protection Vendors. Robert Buckingham?

MEMBER BUCHANAN: Buchanan. Present.

CHAIR BURMAN: Christopher Warner?

MEMBER WARNER: Present.

CHAIR BURMAN: Pipeline Inspection Organizations. Mike Lamont?

(No audible response.)

CHAIR BURMAN: Industry General. Mark Hereth?

MEMBER HERETH: I am present.

CHAIR BURMAN: Under Safety Advocacy Groups, Kate Blystone?

MEMBER BLYSTONE: Present.

CHAIR BURMAN: Dr. Simona Perry?

MEMBER PERRY: Yes. Yes.

CHAIR BURMAN: Research Institutions. Dr. Yiming Deng?

MEMBER DENG: Present.

CHAIR BURMAN: Michael Keller?

(No audible response.)

CHAIR BURMAN: State Public Utility Commissioners/State Officials. Diane Burman? Present. Sherina Edwards?

MEMBER EDWARDS: Present.

CHAIR BURMAN: State Pipeline Safety Inspectors. Joe Subsits?

MEMBER SUBSITS: I'm here.

CHAIR BURMAN: Michelle Thebert?

MEMBER THEBERT: Present.

CHAIR BURMAN: Labor Representatives. John MacNeill?

MEMBER MacNEILL: Present.

CHAIR BURMAN: Eric Sherman?

(No audible response.)

CHAIR BURMAN: Walter Jones?

MEMBER JONES: Here.

CHAIR BURMAN: Thank you. And then under Other Entities, Holly Perrin, which is with Environmental Defense Fund.

(No audible response.)

CHAIR BURMAN: Okay. Thank you. So we currently have a quorum. And our official meeting is called to order.

I'm going to turn it over now to Christie. Actually I'm just going to remind everyone that the meeting is being recorded. And a transcript will be produced for the record.

And the transcript on the

presentations will be available on the PHMSA website and on the eGov docket at www.regulations.gov. And again, the docket number for this meeting is PHMSA-2016-0136.

Also a reminder to folks that when you speak, please introduce yourself when you speak each time, stating your name and organization. So that your comments can be acknowledged in the meeting transcript.

And set your tent-a-card on its side if you care to make a comment. We're not going to turn it over to Christie to review the agenda for the day.

Again, remember that we are focused on the pathway forward and the next steps. So we should also be cognizant of trying to get to that in short order. Thank you.

DR. MURRAY: Well good morning everyone. Thank you for joining us for day two.

As indicated on the screen, we will have a brief recap in just a moment of yesterday's activities and some of the key take-

aways.

Then we'll have two operator challenges -- presentations from Energy Transfer and Kinder Morgan. And then we'll move into some of our Committee management work where we will introduce our alternate PHMSA designated federal officials.

We will raise the question of a co-chair to the Committee. Potentially for a vote. And then we will move into some of the report outs from the homework assignments.

Following that, we will discuss planning for future meetings. And what that may look like. And what the needs of the Committee will be.

And then we will discuss any remaining Action Items and recap the day. And adjourn.

CHAIR BURMAN: I also just want to recognize that when we do do the discussions, especially when it gets to operator challenges, there was a recognition that ILIs is not necessarily the be all and end all for what we're

discussing.

So to the extent that I'll warn you now, when you do your presentations that the focus really is on trying to get to where folks have been discussing. So, you don't need to go into detail on those aspects.

And if other folks want more information on that, we can also have that in some more of a planning meeting or a webinar that will -- might go deeper in that.

So, it's really about where we end up today. Knowing that we also have a hard stop at noon. Thank you.

DR. MURRAY: Okay. So I wanted to give a brief recap and highlight some of the key take-aways from a very robust conversation we had yesterday.

Our Acting Deputy Administrator, Howard McMillan came in and shared his thoughts on our voluntary information-sharing efforts.

And he mentioned that, you know, there's really a need for one mission, one focus

in the work that we're doing. And I think we share those sentiments.

And then Alan Mayberry shared some of his opening thoughts as well. And he talked about safety, infrastructure, and the future.

And that safety and infrastructure is good for business. Safety infrastructure is good for business.

And he talked about the future in terms of ways that we can still continue to improve pipeline safety.

Then we had a discussion on subcommittee requirements, Federal Advisory Committee Act requirements. And a couple of key take-aways from that conversation is, the subcommittees can only provide advice to the parent committee.

And that they cannot provide advice or recommendations directly to PHMSA. And there was a good question raised regarding the subcommittee work related to how others outside of the committee, i.e., the media may actually want

information about what subcommittees are working on.

And the group talked about that subcommittee work is not subject to public disclosure. And discussed various ways of handling that.

Then we talked a bit about forming subcommittees. And what that might look like with six committees proposed.

And in that robust discussion, it was noted that two buckets emerged for one of the committee members. One focused on protecting information. The other was sharing information more generally or in a broader sense.

And then that was followed up by, I want to say a third bucket that highlighted the needs for information to be shared internally with service providers. Even information shared after pipeline incidents.

We also had discussions on how our efforts should focus on how to prevent the next accident. That this work that we're doing in the

committee or the committee is doing, is going to be challenging.

But, there was a clear sentiment that clear guidance on the purpose, the task descriptions, and a mission statement that will advise and inform the work of this committee were very important to put some initial focus on.

Then there was another good point raised about the committee considering who we will share the data with. Is it operators? Is it regulators? Is it the public?

And each piece of the data or information could look different to different stakeholders. So the question will, you know, still looms, who should we be sharing information with?

Also there was sentiment that ILI technology or assessment focus was not the only focus. Although that might have been highlighted in the mandate. There certainly needs to look at what the work of this committee is doing.

And really look for other areas such

as direct assessment and other technologies for distribution operators, et cetera. And that there was a recommendation to add more focus, or increase the scope of what this committee will work on.

There was also a take away that this committee could leverage opportunities to learn from the airline industry. Also, in terms of the discussion around additional expertise that maybe needed on the committee.

Members of the public highlighted that legal representation on the committee to help with some of the sensitive data-sharing issues and security issues was a value. And that the committee needed to be clear on our ultimate objectives.

It was also a recommendation that there may need -- there may need to -- the committee may need to put focus on the programmatic aspects of this effort as well.

Then there was a discussion over the data and information. It should be relevant,

appropriate, and in real time.

Then we had various operator presentations. Some that were geospatial related in conversation. Others tied the geospatial aspects of their business with their integrity management aspects.

One of the operators highlighted that their ILI data extends beyond just their data. They actually input that information into their GIS system to provide a holistic view of their risk.

And used that to leverage. Be more strategic in leveraging what they may do next.

Amy Nelson provided a great presentation. And one of the key take-aways was to think spatially. And look at how information can be connected geospatially with other aspects and other parts of the organization, even in government.

Also, there was a lot of discussion on the mission statement. David Nemeth, I think he actually raised a good point that they put their

-- their GIS puts the where in everything else they do.

There was some conversation about the challenges they face with bandwidth, more data integration needs, and the fact that words count. And there was a key word, I think he had a mission statement that stuck out that maybe of interest to the committee that I heard emerge.

Promoting safety through data integration and information. Integration is just about all the information energy transfer gets.

Let's see, and then we had Michael Stackhouse share with us. He talked about front end loading their data questionnaire with information.

And what you really put in is really going to inform what you get out of any system. And I think that's a relevant point to consider when this group thinks about what kind of information needs to be shared. Variations affect the overall data quality.

There was another key point raised

about cognitive integrity management. And that is where you focus on -- you try to answer the question, what to share, data or learning, in terms of algorithms.

The ability to learn and capture threats, share the knowledge in a way that you may not necessarily need to share all the data. Surface and leverage business intelligence to act on threats.

Look at it as more than just an integrity management focus, but as a complete holistic system. And there maybe value in sharing facts about incidents earlier then after -- then maybe a five-year period.

So there's a gap between when some may have access to post-accident information, and making it available to the whole industry.

Thank you very much.

CHAIR BURMAN: Thank you. I just want to also acknowledge that when we get to the committee management and the action item recaps before, we're going to also have Mark with two

slides that he has, help us with setting the stage.

Right now we're going to go to the -- are you okay with that Mark? Okay.

(Off microphone comment.)

CHAIR BURMAN: Right. Yes. That's what we're going to do.

So, right now next, we're going to go now to the operator challenges. And we're going to have Eric and then Toby.

And just again, Eric and Toby, just, you know, keep in mind in terms of focusing so that we can get to the next steps. Thanks.

MEMBER AMUNDSEN: Okay. Good morning again. Eric Amundsen with Energy Transfer. And I've taken, I think, some liberty with my topic here this morning.

After all the great presentations and a pretty rich discussion yesterday, I really kind of went back and recalibrated, you know, what I needed to do here. And so this is going to probably take the form of a proposition or a

proposed framework as opposed to more challenges.

You know, I think what we don't need right now is how difficult this is going to be. But rather just trying to move in a positive direction and what might this look like.

So, our presentation is really going to focus on that. And it's really only a couple of slides.

And so with that, I'll get started. And we talked yesterday about some context. And Dan brought this up and I think I reinforced that.

And Mark made some comments as well. But I think the context that we're talking about here is, you know, integrity management processes and technology improvements.

So, you know, before something bad happens, or an incident happens, what can we be doing as an industry, and all of our stakeholders, you know, the regulators, the service providers, and the operators, to get better at what we do, you know, day in and day

out?

And so the sharing should occur kind of in this context of, you know, how are we getting better as operators? Identification of current gaps that the operators or the technology providers have identified.

You know, sharing in that context will probably be primarily between operators and those providers in trying to solve those problems. Sharing of enhanced processes and practices, i.e., solutions to known problems, or just getting better within an operator context at doing data analytics.

Capturing data that we didn't capture before. Or doing that in a different way.

Training and education of lessons learned with respect to execution of the various integrity management process. So again, not just ILI centric, but DA and hydro testing and the whole scope of integrity management.

How do we again, how are we as operators getting better at executing those

different processes? And how do we share that with others?

Post-incident related RCFAs and subsequent company regulator learning. So again, we as operators always learn something from every incident.

And I think the regulators learn something from every incident. And what we don't do very well is share that amongst the operators and the industry.

So again, those things manifest themselves in, you know, systemic or acute process improvements. You know, cultural improvements. We talked a lot about safety culture. And you know, that's the root of a lot of the issues that we discover.

And then technology or technology deployment improvements. So again, do we have a gap in technology? Or is there just a gap in the understanding of the technology and where it's applicable or not? And how can we close those gaps?

And then lastly, communication to stakeholders. Again I think we could do a better job at describing and communicating, you know, share how we do share.

You know, I think we do a lot of the things that I just talked about fairly well. But, are we doing them, you know, systematically and in an integrated fashion? And how do we share that with the stakeholder community?

In terms of framework, you know, this might take the approach as this is kind of our test, if you will. You know, so what would this framework look like?

You know, one, high value. I think what we would target at least initially, are high value learning opportunities.

So an opportunity that would result in an increase in knowledge, process improvement, or best practice at a company level. You know, and to the same, we've talked a lot about, you know, kind of the data of value change if you will, or information value change which goes from, you

know, data information to knowledge to understanding to wisdom.

I think what we're talking about sharing here are the things on the right side of this value chain. It's, you know, the knowledge, understanding and wisdom as opposed to the value.

I think a lot of the work has to get done, you know, on the data and information side by those that are closest to it. And then we share what we've learned from that process.

As opposed to getting, you know, the entire industry looking at data and trying to make sense of it when -- and I think that's just where we're going to spin our wheels doing that.

And I think the other thing that we've got to guard against too is we've talked about the identification of data and so it doesn't go back to a specific operator. I think that just devalues that information even further.

You've moved to the left instead of to the right if we take that approach. So again, it's got to be high value.

And I think again, we focus on, you know, the wisdom, understanding and knowledge pieces of that. I think the process of the system has to be deliberate.

You know, what I mean by that is the sharing process has to be engaged -- it has to be an engagement, you know, of one or more operators.

So again, there's got to be a pitch-catch relationship. An operator with knowledge, understanding or wisdom is sharing with another operator or operators or service providers that wisdom for the benefit of that audience.

And I think that has to be very deliberate and not just by chance. We just don't -- we don't want to just put things out there and hope somebody picks up on it and uses it.

So again, I think the deliberate nature of this framework is a key component. And that goes hand in hand with the next piece, which is actionable.

I think you've got to take what you've

learned and put it in action. That action has to be manifested in, you know, an improved process or an improved practice within that company.

And that should be measurable. And you know, not just taking that and making it, turning it into action, but as well as the safety value of that.

So that's the last piece, is measurable. You know, so I think this whole process can be measured, you know, from a sense of how valuable is the information to be shared?

You know, was it deliberate? Was it a pitch-catch? Did it result in an action? And did those actions result in improved safety?

So again, I think if we take this and kind of use this as a yard stick or a test against whatever it is we come up with, we'll be moving the ball forward.

And in that context, I didn't make this up yesterday, okay? So I'm not going to take any credit for that.

This kind of represents a system that

we've had in place in our company for a number of years. We instituted this as part of a safety learning just culture initiative many, many years ago.

And we established this system within a software system, a management system, to manage what we called unwanted events. You know, just really a check -- you know, a continuous improvement process where an unwanted event, whether it was an actual incident or a near miss was identified.

That was, analyzed by SMEs within the company. They came up with action items. And those action items result in, again, improved practices or process or just awareness within our company.

Within that, we had a high value learning opportunity, you know, that we identified. And those got elevated to a -- again, to a much higher level in the company where very deliberate action was required at every step of that process.

So again, I think what we want to focus on here again is to at least get started is the very high -- you know, the highest value learning opportunities that there are before us.

So any questions about that or any comments?

CHAIR BURMAN: Dan?

MEMBER COTE: First of all Eric, thank you. That is an excellent piece of work. And at a strategy level, I support everything that you said.

Just one question though, just to drill in a bit. You know, it's clear in this there are aspects of a company-specific program.

And the one area that I just wanted to ask you about was the notion of that pitch-catch relationship. In order for this to be scalable, I can see a couple of different formats.

I think at its very best, it is what you've described, a pitch-catch relationship that stands actually between two companies, one learning and the other offering learnings based

on their experience.

I think that's about perfect. But recognizing the size and scope of the industry, I'm not sure that's always possible.

Could you also as a corollary to that envision a repository of those learnings? So for example, if I'm doing ILI and I have a technical question on the best way to analyze seam welds for example, that should be available to me and accessible.

Almost like a library of excellence if you will.

MEMBER AMUNDSEN: Um-hum. Yes.

MEMBER COTE: Can you envision that in combination? I mean, I like the -- at it's best I like the notion of the pitch-catch.

MEMBER AMUNDSEN: Yes.

MEMBER COTE: But I'm not sure that's going to be possible in many cases. And so I want to make valuable information and learning available to the industry as readily as possible.

Do you take issue with any of that?

MEMBER AMUNDSEN: I don't. In fact that's kind of a good segue into a couple more slides I have here.

But I think the, you know, the notion of being, you know, a deliberate and active process, I mean, it could take place between one or more operators in the form of just a discussion and a deliberation.

It could take the form of a seminar or a workshop where multiple companies are involved. You know, hosted by an operator and a service provider, you know, however.

Or it could take the form of Dan, exactly what you mentioned, is a repository, a compendium of best practices, best way to do things. And that leads me kind of to, and I don't mean this to be a PRCI pitch, okay.

But that's kind of what PRCI, that's kind of their mission statement. That's why they exist. Is to kind of provide industry research, industry best practices, industry knowledge base.

And one of the things that they've

done recently, and I bring this up because this is a project that was initiated in 2014 that really very acutely addresses the -- kind of the mandate in the legislation, which is compare ILI measured data to field measured data.

I mean, this project does that. And so it established a database to collect all of that, those measurement data. Established a database to house that information and analyze that information.

And collected over 50 thousand crack features within that database. And then set up some analytics around that whole process.

And that's available. I mean, the results of this project is available in a report that I've talked to Cliff that we can make available to the committee.

So again, it goes into 160 pages of, you know, in excruciating detail about how this was done. But again, I think this provides kind of to your point Dan, a model for if we want to do, you know, this type of analysis or this type

of data sharing. This is a way to do it.

Specifically if we want to really go down the path of collecting and sharing ILI measured data versus fuel measured data. This is a way to do it.

We don't have to create this. This is already done. So again, just some more information about this project.

Next is the TDC. So, several years ago PRCI developed the Technology and Development Center in Houston. And it is -- its intent is really purpose built to be an information technology sharing center.

And again, don't need to go through all the details. But it is really -- it focuses on all of the assessment technologies, not just ILI.

But at the Center we've collected, you know, over a thousand pipe samples that include just about every possible defect type and threat type. It's got the means to pull ILI tools through samples of those types of defects. Both

in a closed loop and an open loop.

It's got the means in the space to conduct qualification testing for NDE professionals and tools. So it does all of these things already.

So again, we've got a -- we've got brick and mortar in place to facilitate the sharing that we've kind of talked about here.

So again, just some quick information. This is the sample inventory that's there.

So again, I think -- and to your point, yes. I mean, this can take a lot of different forms as the need dictates. Okay.

And that's what I have to share this morning.

CHAIR BURMAN: Thank you. Really appreciate it. Especially for you changing up your presentation from yesterday.

Does anyone have any questions on the phone?

(No audible response.)

CHAIR BURMAN: Anyone else at the

table? Oh, sorry, Alan?

MR. MAYBERRY: I like how you articulated framework.

MEMBER AMUNDSEN: That was for you.

MR. MAYBERRY: Yes. I was just curious. Okay, so your internal system was developed as part of your initiative the way just culture. That's cool.

And so you shifted from that to more of the PRCI initiative was just really more focused on ILI. I was curious, on your internal system, how did you address, you know, prevent, I guess, developing a system that's basically a rat out your boss system?

Because that's a concern I've heard on, you know, it's a pitfall.

MEMBER AMUNDSEN: Um-hum. Yes.

MR. MAYBERRY: You know, of systems of like this.

MEMBER AMUNDSEN: Well, you hit on a great point. And then you know, a part of our initiative was called, you know, I mentioned the

word just.

You know, so the intent was to kind of take the personal aspect out of the equation. And really focus on, you know, how do we make our systems better? How do we improve our culture?

You know, and you don't improve a culture by punishing those that come forth and tell on themselves and tell on others. So, that was the just piece of it.

And I will say, we don't tolerate, you know, just blatant disregard either. You know, so that had to be an aspect of the, you know, the cultural development.

But we really focused on a way from the individual and more on, you know, the root issue and solutions to that. So, you bring up a great point.

And it's not easy to do that. It's not easy to change a culture where people have been punished, you know, for a vehicle accident or a personal injury or worse, so.

CHAIR BURMAN: Okay.

MEMBER AMUNDSEN: And I will tell you just from a -- from a systems standpoint, you know, it's not easy either.

So a system we put in place was termed HARRC. And the acronym stood for hazard and risk reduction culture. Okay?

And so it was a software system that we purchased. And it was deployed. And you know, it became known in the field as hard and really, really, complicated.

So the field didn't view it quite the way that the way that the management team did. But, so again, there's difficulties in rolling out a system like that, you know, that we have to be cognizant of.

But I think that's maybe a piece that it might be missing on the committee is, you know, people with knowledge about how to, you know, design, or develop, or deploy those kind of systems. Because I think at the end of day we're going to need some sort of management system, you know, that's deployed to the industry to

facilitate what we're talking about here.

And I think that's maybe an area that might be missing right now in the discussion.

MR. MAYBERRY: Yes. I would agree that we need to make sure. And I think Mark, the preview I saw of your slides, this maybe a connection to SMS.

And I think there's definitely, we talked a little bit about it yesterday. But there's definitely a connection between what we're doing here and SMS.

This is really, you know, would support SMS.

MEMBER AMUNDSEN: Yes.

CHAIR BURMAN: Okay. Great. Mark?

MEMBER HERETH: I just want -- this is Mark Hereth. I just want to reinforce the presentation that Eric made. And particularly the importance of understanding the context in which you're looking at data and information.

I don't think we can under estimate the challenges that relate to understanding

context. That the way in which the data exists, the way in which it's collected, the involvement of the human factor side of that I think is very, very important.

And I really like the structure of your four points. High value, actionable, I mean, those are really, really key points.

And I just want to reinforce those. Thank you.

CHAIR BURMAN: Thank you. And then next we're going to have -- oh, Jason?

MEMBER CRADIT: Yes. Eric, thank you. I appreciated it. And I agree with you as well.

And I think that you started down with your framework. And you got to that point where it was measurable at the end.

And I think that's a really important point to understand what are we measuring? And how do we measure success at the end?

But I was hesitant at first when you started talking about, you know, kind of the operator owned managed system. And I thought you

were going to stop there, and you didn't, which I like.

One of the things I read in my research last night about MITRE was how not -- MITRE and the FAA with the ASIAS, however you pronounce that acronym.

One of the advantages of moving towards a central model for database was they could have been aggregated with other data sets. In their case, weather and wind and radar and air space and other things that made it relevant.

And I think that's where you were headed with PRCI. Is that it's not just about the data that we have today, but what else can we aggregate it with to get the measurable effect at the end.

So, I appreciate that. And I think you're right.

CHAIR BURMAN: Okay. Thank you. Then next -- does anyone have any questions on the phone?

(No audible response.)

CHAIR BURMAN: At the table? Mark? You still have a question or no? Okay. That's all right.

And anyone in the audience? Okay. Do we have a mic? You can come up here. Because I think we have a mic up here for you.

MR. BOSS: Okay. Terry Boss with INGAA. Really appreciate the dialog this morning.

Eric's pitch-catch where, you know, analogy that it was using there, and trying to expand this beyond a certain district, a certain company, getting across companies, getting across from gas to liquids is very, very difficult.

The PRCI project that he was mentioning was actually done back in the mid 90's with GRI to share some of this information. But, getting the culture set up, getting the focus on these things, is very important.

And I think the effort that we've got going on with the realization of safety management systems, and realizing everybody's

accident that it is everybody's accident, I think is helping change the culture so that we can get these wider solutions out there.

Because what -- and Eric did this correctly by saying value at the top. Because if you see value individually on this thing, it's going to help your job.

You're going to want to have this happen. And we've got to get that communication across to folks that -- and on the systems that we put together or the process that will do that.

Thank you.

CHAIR BURMAN: Thank you very much. Now we're going to go to Toby for the next segment.

MR. FORE: Okay. Good morning. I appreciate the opportunity to come before you guys this morning.

Toby Fore with Kinder Morgan, Pipeline Integrity Director. Here's the outline of what I'm going to discuss.

I'll try to, this is my best attempt

in a single slide, to summarize Section 10 of the PIPES Act. I'm going to discuss some of the Kinder Morgan practices related to Section 10 and how we go about some of these things.

ILI dig verification, data sharing, some of the challenges with that. And then some general data sharing concerns.

My best one slide attempt, Section 10(c)(1) and 10(c)(3), are explicit about data sharing of dig verification between ILI service provider. We had extensive discussions yesterday about that.

Unfortunately, my presentation was developed some time back. I'll try to be efficient with that part of it.

In 10(c)(2) and (4) rather, speak to encouraging development of advanced technologies, enhanced risk analysis, and exchange of pipeline information. And so I'll -- I think I'll be able to talk about the advanced technologies piece and certainly the exchange of pipeline information.

Other considerations, collaborative,

proprietary, sensitive, voluntary, confidential, so some other considerations for achieving that. I won't try to beat this too much. I know this was again, hit pretty hard yesterday.

But, the who is sharing what data, who is the data shared with, what is the explicit in sharing the data, what is pipeline information, those are some of the ambiguities in the statute that I know this Committee is working through. And we'll answer the coming weeks.

So the data sharing piece of ILI and in-line inspection, dig verification information, I want to speak to that just a little bit. As Drew mentioned yesterday, Kinder Morgan performs about 160 to 200 segments in one given year.

That's piggable ILI segments. Typically we use three to six technologies per segment. And typically six to eight thousand miles of pipeline.

And so we have a great deal of ILI dig verification information at our disposal. And we have robust internal processes. We use the

application of advanced technologies such as laser scanning profilometry.

We train our NDE vendors on our specific procedures. We test them. If they don't pass the test or make a very high grade, it's not a passing level. It's a very high level of testing, they don't get to go out on our pipeline and perform the in-ditch examinations.

We have in field audits for the technicians that the -- it's a standard checklist that says, are you following our procedures and processes. Then we have a robust QA/QC review of all the documentation.

And I highlight all that just to say that we gather a lot of dig information. And the data we capture in the dig verification, the ILI service providers can count on the quality of that information and leverage it.

And finally, what I want to emphasize is, we share, Kinder Morgan shares all dig verification information with all the ILI venders that perform the ILI surveys.

So that part of the initiative at least I can speak for, Kinder Morgan, we certainly leverage that data for the advancement of the technology.

In terms of technology development, we have over the years collaborated and are continuing to, ongoing and active collaboration with ILI service providers to develop, advance, refine, and validate technologies.

We've done some similar things to validate and refine NDE technologies. I again will echo the Pipeline Research Council international efforts that are ongoing.

The intent here is to -- with this slide is really to emphasize some of the efforts that are already actively underway. There's some tendency when a Statute or mandate comes out like this that we've got to start from scratch.

And really, there's a lot of activity, a lot of organizations out there, and I think we need to take credit for that one. But also leverage it in what we're doing going forward.

I think there's certainly opportunities for improvements in how we share this information. But, I think we can leverage a lot of the efforts that are ongoing.

Joint industry projects, those are typically industry initiated projects. Not exclusively. But typically pipeline operator initiated.

And the object of those is to address kind of threats that don't have a well-defined standard or procedure. And discuss the emerging technologies or the latest state of the art technologies to address those threats.

Case in point, we have -- we're just wrapping up a joint industry project on management of ground movement hazards. We're looking to publish that report.

That discussion's ongoing. We're doing reviews of that report. And so there's a lot of those activities that take place. And that will be shared with the industry.

And then Kinder Morgan, and I know a

lot of other companies are doing the same thing, we're working with advanced engineering companies to focus on solving problems that don't have a well-defined solution to study the mechanisms of certain threats.

And then to develop innovative solutions. And again, I know other companies are doing the same.

Ultimately, some of that type of information is shared with industry through various conferences. And I'll speak to that just a little bit later.

But, the IPC conference in Canada is one of those. And I'll speak to that again just a little bit later.

With regard to the development or advancement of technologies, I just wanted to, since we've gotten at Kinder Morgan an extensive amount of that in the past years, and have an ongoing effort certainly on the ILI side.

This speaks to advancement of technologies piece. Not just the sharing of dig

information, but how do you advance technologies. And I just wanted to share a recipe that's worked well for Kinder Morgan.

One of the things that we have found key in advancing those technologies is the relationship between the pipeline operator and the ILI service provider. That relationship of trust, transparency, confidentiality, is a key component of being able to have that interaction with the service provider and have it be a productive interaction.

We have also found that interaction between the ILI service provider and the pipeline operator is a key element. We work collaboratively to educate one another on our respective areas of expertise.

So, that's one of the key areas of interaction that's been necessary to advance from these technologies. As an example, the pipeline operator might have expertise in the mechanisms for stress corrosion cracking, the morphology of stress corrosion cracking.

The ILI service provider certainly has the expertise and the technologies. And we marry those together. And then we are able to come together and develop a solution.

It's also an iterative process. In other words the vendor either develops a technology, or they're working on refining an existing technology.

We get a report. We do digs. Depending on the results of those digs, we provide feedback to the ILI service provider.

They may perform adjustments through the analysis process. They may perform adjustments to the tool itself.

We may rerun the tool if it's a developing technology. And do some more digs. And then there may be some more adjudgments.

So it's an iterative process. So that relationship with the vendor, the ability to work collaboratively and have that interaction, has been a key component for us in being able to move technology forward.

And then finally, ultimately if the ILI service provider is to leverage the data, they've got to have full confidence in the data. And that speaks back to robust QA/QC processes.

And really, what we found is, the relationship with the vendor has been a key component as they understand that we have those robust processes and procedures.

And the culture of our company and the way we go about doing our work, it's enhanced our ability. They have the confidence in the work product that they are getting from our dig data has grown.

So existing industry collaboration, again, I want to -- I just want to highlight some of the efforts that are already going on. The collaboration that's already going on in the industry.

And I think there's a real opportunity to leverage a lot of the work that's been ongoing. I referenced earlier the International Pipeline Conference. I think that's a good one,

one of the better ones in fact that happens every other year.

There's research that's shared in that conference. There's best practices, et cetera. And the operators leverage that information in those papers to their own benefit.

And you can see, there's a number of other major conferences that occur on a regular basis. NACE International Regional and National Conferences aimed predominantly at corrosion control. I think we certainly need to be leveraging those efforts.

Joint industry projects, I've spoken to that. PRCI, I've spoken to that. Major consensus standards organization, certainly there's a lot of stakeholders there between pipeline operators, between regulators that are involved.

Many stakeholders are involved in developing these consensus standards. We leverage those standards to the benefit of the industry.

And to emphasis, these are some of the ongoing efforts that I think we need to leverage in context of this mandate.

Major associations, I'm going to highlight. Southern Gas Associations, annually they have roundtables where operators sit around the table and we discuss challenges, best practices. And we leverage those as well.

One of the things I want to highlight with INGAA is directly associated with this effort of exchange of pipeline information. Is annually, we have a lessons learned among the member companies.

We have a lessons learned meeting so that operators share information among each other about pipeline incidents, lessons learned. And the operators that are part of that meeting are able to take that back and leverage it to their benefit.

I like that model. We over the years, I've received a lot of information, valuable information that we've been able to put into

action.

I think we've provided some information ourselves that others have been able to put into action. And I certainly like that kind of forum for exchange of pipeline information, improvement of pipeline safety.

This is an ILI process. We've pretty much went through that thoroughly yesterday. So, I'll move on from there.

In context of a data repository for ILI data, improving ILI, I just wanted to mention some of the challenges there with having a repository and leveraging that data.

Part of that I've already spoken to earlier with the slide that talked about the importance of a relationship of interaction with the vendor. But I want to highlight just some of the challenges that need to be considered with regard to a repository.

There are more than 30 ILI vendors globally. They all have their own unique tool designs, their own unique processes, their own

unique algorithms.

And based on the tool designs, processes, algorithms, et cetera, they all have their own essential variable. So, what's important to one ILI service provider in being able to leverage actionable data may be different from another ILI service provider.

So ultimately they've got to have confidence in the data in a repository to be able to utilize it.

Examples of uniqueness in tool design that would need to be considered in any repository is sensor density, sensor footprint, specific technologies used on a tool. In other words, one in for the same technology an axial MFL tool that might have different types of sensor technology, coil sensors versus hall sensors.

Some might use -- some tools might use eddy current sensors or eddy current technology. And so the technology that's being used on the tool that are specific to any ILI service

provider, is important in terms of the service provider being able to leverage that information and advance the technology.

Obviously you have emerging technologies. And one of the challenges with a data repository is the technology is rapidly advancing. So, as you have existing technologies that are improving, a repository or database based on the continuous improvement could get dated fairly quickly.

In terms of new technologies, certainly they're developing at a much more rapid pace. So, where a tool might have been a year ago, it may be dramatically different from where it's at today.

And we've experienced that through collaboration, development of technologies with service providers. We've experienced that ourselves. We -- I could list specifically, but will avoid doing so in this forum, some technologies that have advanced substantially over the last couple of years and even the last

year -- over the last year.

Certainly difference in performance specifications. One of the concerns I have with the repository is painting a technology with a broad brush. Because every vendor's tool is uniquely designed and the capabilities are unique.

Further to that is the ILI analysis piece. I consider the analysis as or maybe more important than the tool design itself.

So, examples of differences from an ILI service provider perspective, you have the analysis processes are different. The maturities of algorithms.

And they can be developed further along or less -- not as developed in terms of maturity, in terms of the time on the market. There's vendors that are coming on the market all the time.

There's vendors that have been in the market for a long time that have had -- that have much greater maturity with their technology today

then maybe some venders that are coming in the market.

And even some vendors that have been in the market, what are the available resources to move those technologies forward? And what level of focus have they had on any given technologies?

Many vendors have a suite of technologies that they offer. And they may have a disproportionate focus on one technology or another. So that affects the level of maturity for their technology.

There's differences in analysis software, differences in user interfaces. So there's a lot of differences out there from one tool to the next.

And again, it makes it challenging to put anyone ILI technology in the same bucket because of the uniqueness of the tools, uniqueness of the analysis processes, and the maturity and development of those associated processes from one vendor to the next.

During the last meeting I wasn't here. But I read a lot of the transcript. And I saw that somebody mentioned what's too much information? What's too little information?

And it's really not about too much or too little as much as it's about the right data with all those different variables and uniquenesses of the ILI service provider.

A thousand pages of data can be too little information if it's not the right information. And two pages might be perfectly sufficient if it's the right data.

Different tools have different essential variables. We've talked about that sensor type, sensor density, unique flux directions in some cases that are unique to a specific tool vendor.

Wall thickness saturation capabilities, all these things are challenges again, based on the uniqueness of vendors, their technologies, and maturity level.

Ultimately, I echo what Eric said. As

we've got to have actionable data at the end of the day.

Here's some typical considerations that underscore this relationship piece between the ILI service provider and the pipeline operator. This interaction is critical for the ILI service provider to have actionable data.

Question number one. You will always get from a service provider if there's any significant deviation between the published call on the ILI's report.

And the verification information is, were you in the right place? Are you sure you're in the right place? Did you measure the right anomaly?

So that exchange of information, what did you do to verify that you're in the right location, again interaction critical was the evaluated anomaly the one that was referenced in the report?

And one example I would give for that is, we have conservative what's called clustering

rules or sometimes they're called interaction rules. So the size of how interaction, how one defect interacts with another in terms of how you call that the length of a given cluster of individual areas of corrosion.

So an example is, they may say you have -- they may report, the ILI service provider may report that you have a six-inch anomaly when -- at 30 percent deep.

When you get out to the field, you actually establish that it's three anomalies that are an inch and a half long each that have been tied together through the analysis process.

So now you have that one depth at 30 percent. And the NDE examination technician that's in the field is breaking that out. And they're -- one of those might be 30 percent.

Now you have two more anomalies that may be at 15 percent. But we're comparing the 30 percent to the 15, because it's been broken up into three anomalies.

And so again, that's the type of

interaction that clarification that's required between the operator and ILI service provider. And one of the challenges of a repository for that -- those kind of reasons.

General data sharing concerns. Just beyond ILI service provider data, advanced technologies, et cetera.

Obviously this is fundamental. It's got to be credible, reliable, consistent, complete. Any compromise of that data can yield an inaccurate conclusion.

Obviously the data that you -- that is stored in a data repository has a specific purpose and intent. And that purpose and intent, the use of that data has to be consistent with that purpose and intent. Or again, you might yield an inaccurate or invalid conclusion.

And then third, it's important in the analysis of that data to understand how all the technical components or variables relate to each other so that you can come out with a -- come up with a good conclusion based on the technical

interaction of all the variables that you gather.

And the general data analysis pitfalls, confirmation bias, where you're looking for a certain pattern to support a hypothesis or philosophy point of view, these are just common to whatever you're analyzing.

And these are some of the challenges you see from taking a database and trying to derive a conclusion from a set of data. And data irrelevancy. A focus on data not relevant to the analysis or data not connected to the analysis goal.

Causation without correlation. Correlation without cause and effect, relationship not in common. And then apples versus oranges where you compare unrelated data sets and inferring a relationship.

So these are the standard data analysis pitfalls. In conclusion, what I would just summarize is the relationship is important. Or we've seen that the -- a critical piece of advancing technologies for ILI.

We're already doing a lot of things in terms of developmental research, exchanging best practices. I think it would be wise to leverage a lot of that.

Maybe we can do it in a more systematic method or way. And I think there's certainly some considerations if we're looking at a repository that would have to be looked at in terms of how do you use that data and make it actionable.

Any questions? Comments?

CHAIR BURMAN: Any questions on the phone?

(No audible response.)

CHAIR BURMAN: At the table?

MEMBER DENG: Great presentation. I just -- I really appreciate you mentioning all those like data analysis pitfalls, you know, current -- a very good summary.

And I really appreciate you mentioning the raw data. So when you mentioned the raw data rather than volume, which I think when you hear a

lot of terms here like data information and sometimes we use exchangeably.

But to me, I think that is ultimately different from information. Because you can have a lot of data, but with very little information. Or you can have a small amount of data, but critical information is there.

So what I -- my take away from here when you mention that there are more than 30 ILI vendors, they have unique tool designs, process algorithms, yes they might call and talk about mission learning, and then talk about not just ILI data or dig data.

We should actually focus on the information, not just the data. So probably that's the reason we're an information sharing system, not a data system work group.

Right, so you know, so a little bit of follow on about data analysis and mission learning. I think what we should do is extract useful information out of the data.

And then I really, you know, I

appreciate what Eric mentioned, the high value of it. From data to information. Then from information to knowledge.

How we advance those knowledge during research and development. And then go to understanding and the wisdom. Yes thanks.

CHAIR BURMAN: Okay, great. Does anyone else have any questions? Comments?

(No audible response.)

CHAIR BURMAN: Okay. In the audience?

MS. KELLER: Hi. This is Heidi Keller with API. I just wanted to comment on the content regarding best practices sharing.

And I wanted to offer that API and AOPL would be happy to assist in sharing some of the practices that we have. We recently just released a strategic plan for the next three years where best practices sharing is one of our key strategic initiatives.

And we have a number of ways in which we share learnings from incidents through our PIPES Portal, through in person information

exchanges, and through webinars.

So, if there's any information that we can offer to assist, we'd be happy to do so.

CHAIR BURMAN: Thank you. Bryce and then Alan.

MEMBER BROWN: Yes. Bryce Brown here with the Rosen Group. Thank you Toby.

You've actually explained quite a bit exactly around what we provide to pipeline operators. And specifically I appreciate the highlight on relationship partnership.

Just a quick thing just so that people don't get uncomfortable with some of the things that you mentioned. And the fact that there are a lot of ILI providers out there.

You know, a lot of the things that Toby just mentioned were, in fact, questioned going back in time many years. I've been with this company for going on 26 years.

And I remember, you know, an operator would come to me early on in my career, and I was an analyst at the time, and say, well, you bring

your black box out here. You run it. You go away.

You send me a report in the mail. And I never hear back from you. And that was kind of -- I didn't understand that concept at the time because I was new to the industry.

And if you think about where inspections come from, the mid '60s and up until that time in early 1991, a lot has changed. And I think going back to 2001, bringing up INGAA, you know, pre the 2003 IMP, INGAA brought together some of the major service providers at the time, ILI service providers.

And recognized some of the things that Toby's just mentioned, and said look, we need to think about what it is you provide to us as a service provider, to our industry. And wrap our arms around developing industry standards best practices. Because if we look at operator qualification, everything that you do for us is really not covered.

And so we worked together tirelessly

in a group of about 45 people to develop API 1163 with the assistance of API. Which is an ILI systems qualification.

From that we started talking about it as peers in our service provider community. And said well, it's not just a tool that is solving the problem.

It is a system. And it is a set of hardware. It is a set of software. And it's also the people. The qualification of those individuals.

Thus, we invoked ASMT to develop ILIPQ. NASE had the best practice around ILI processes, it was RP0102. It was first published in 2002. And then updated to SP0102 in 2010.

These three documents are a best practice that we invoke on a daily basis. And it's something that we all have adopted as a service provider industry to look at the high level view of a system.

And I think it's interesting that it is not specific to any one given technology, be

it an MFL, an ultrasonic, or an EMAT. For that matter, it's open to any system into the future.

But it provides a framework on what to do to qualify an ILI system. Not necessarily how to do it based on those points that Toby has just brought up.

And it enables companies like Kinder Morgan and the rest represented in the room and in the industry to come into a service provider shop and audit that company to make sure that they have the best practices in place to then provide that confidence back to that operator in a very transparent way of what it is there about to invoke and go down that path and that pipeline.

And I just want to make sure that that's clear. And because Toby brought up a lot of points that could be questioned by a few.

But I want to make sure they understand that there is a best practice that we utilize. It's wrapped up in three standards.

And we strongly believe in those. And

those are being audited by pipeline operators today.

So back to sharing of information, we are being audited according to those three standards. And that is something that is open for many to come in and see how we do this.

So, once again Toby, thank you for that information. It's very much -- very transparent as to the relationship we have with the pipeline operators. Thank you.

CHAIR BURMAN: Thank you. Alan?

MR. FORE: Can I respond? Yes. Toby Fore. Hey Bryce, I really appreciate that clarification on what you said there.

With regard to the standards, we do at Kinder Morgan, employ the API1163 approach. And in fact that is one of the points I intended to highlight.

Was with all those variables and the uniqueness of each tool and service provider, one of the keys is in being able to roll that up is application of 1163 process to validate a tool.

So that no matter what technologies vendors use and no matter their tool assigned, no matter their analysis processes, algorithms, you're validating based on the reported information relative to the findings on your pipeline.

And that's a way to establish really the performance on that tool, that vendor. And so leveraging industry standards that are out there like API is really a significant component of making sure that we have performance out of the tools that we're expecting.

MEMBER BROWN: I agree. I agree totally. And it wasn't to, you know, question what you do there.

Just to make sure that the audience understood. And the members of the committee know that that specificity that we have with a pipeline operator in that relationship to look at that pipeline with that technology, is backed by best practice.

And one might look at a best practice

and say, well, you've got that in place. But, you know, as you mentioned as well, very well Toby, in this dynamic industry that we all operate within, is that things do change over time. And sooner more than later.

And we have that flexibility within a best practice to review that practice as they do every five years. Maybe sometimes sooner.

And try to get those lessons learned into that best practice. And use that as our backbone to move forward.

So, I totally agree with exactly what you said. And completely agree. So, appreciate that. Thank you.

MR. MAYBERRY: I don't know. But I guess I have maybe part comment and part question.

But related to best practices, we're really talking about data inputs that go into the program. And then tool performance. It seems to be sort of a between the operator and the vendor function.

And of course we're trying to move on beyond that to, okay, we're trying to measure outcomes, compare notes on safety outcomes. You know, what actually happens out there.

Yes. What would have been the challenges related to the proprietary issue to doing that?

Because I know there's probably a sensitivity to, you know, well GE performs this way and, you know, ROSEN's this way. And here's that information before us that we're sharing to the world.

What are the -- how is that being addressed as far as being -- which is really what we're after, for safety outcomes to ensure, you know, measure performance.

You know, how do we get around that? Or how have you gotten around it?

MR. FORE: Do you want to speak to that Bryce, or you want me to?

MEMBER BROWN: No. I'll just say, with regard to that specific question and where

we are here today sitting and thinking about this whole subject is, we've really not been faced with that question before.

How do we get around it? So, I think that's where we are is to exploit the situation and see how we can try to work together.

What Toby's just pointed out is exactly very transparent as to the variables and the essential variables specifically that need to be considered when sharing, you know, this information.

And you know, if you think about, and you know, I'm one small type of puzzle piece of an IMP, right? So, it's -- out of all due respect, we see that maybe API 1163 and as it was stated back in '01 when we first started to think about developing these three standards or further fleshing these out, is one of these days they could be referenced in regulation.

And it looks like that could happen. And in what we do in this operator to service provider relationship as a day by day business

then becomes if API gets referenced in your CFRs, API then becomes something that Toby in this case would have to adhere to.

And in that regard, our relationship actually would increase. And the information that we would exchange in that situation or that part of the best practice, which is IMP, our best practice is API, becomes auditable very clearly.

Right? And it has to be transparent at that point to those regulators that come in and do that audit.

So, the next step is what valuable information and lessons learned can we bring out of that into arenas such as PRCI or INGAA or API or AGA or Southern Gas. One of the biggest things that we've talked about in the last day and a half so far is how to communicate.

In each of the sessions that I've set in, my experience in listening to APIs and INGAAs and PRCIs is how to get these information out into the market, out into the public domain around what are the good things that are going on

in this pipeline industry.

And I think that's something that we really need to strongly consider on this committee as well. Is how do we market ourselves? And how do we market this information out to the public?

But I agree, we've not had to have this discussion just yet until now. But, that's my comment. Toby?

MR. FORE: Would you like me to speak?

MR. MAYBERRY: Feel free.

MR. FORE: Okay. I think Bryce summed it up well.

Pointing to again, the use of a process or a system is a better approach then maybe a repository. Just because that system or approach such as API 1163 inherently allows you to consider differences in all those variables and the performance of the vendors on that pipeline system inherently.

So, I think maybe the focus on the process and the system and at least in that case

is a good one.

CHAIR BURMAN: Okay. Thank you. Does anyone else -- oh, Dan?

MEMBER COTE: Just a couple of observations. In my mind to link the two presentations we had, strategically I thought Eric really set the stage well with his discussion this morning on that focusing on the highest value information that we can derive.

Which tended to be on the right hand side of his curve. A little less on the detail data.

I think what we've seen in the presentations is both sides of that. In order to produce meaningful learnings, you need that detailed interactive data between the specific issues that you're dealing with, the specific tools you use, the specific quality control process you scrub that with.

All of that in my mind produces effective information or learnings. And from a committee perspective, it's that right side

rather than those detailed actions that you described that I think are essential to produce those learnings that are more the focus of this committee.

And so one thing we may want to vet a bit over the course of the committee's work is when does specific detailed data become a more general learning? And how might that process work?

Because that's really the value of the industry. If every operator has to go through exactly that same process to duplicate the learning, then we haven't made a difference in terms of our communication.

Because one of the keys to this, as we heard yesterday, and I agreed with fully, for this to be effective, it needs to be quick and nimble. And in order to do that, everyone can't do the same data analysis that was done at the actual outset of the discovery, or again, we haven't changed anything.

So the question in my mind is, and I

think we've identified the separation pretty clearly now. And I'm hoping we're coalescing around the purpose of the committee in terms of sharing that -- those high value learnings and data.

The question is now, how do you pull that integration off? And how do you make it quick?

Thank you madam Chairman.

MR. BURMAN: Thank you. I'm not sure who was first, so.

MEMBER JONES: Well, this question goes way back I guess when you were just talking. How often is the API 1163 updated? And when was the last time it was updated?

MR. FORE: 2013 is the latest version.

MEMBER JONES: Thank you.

MEMBER WARNER: Chris Warner from the Mears Group. Just some quick observations. I've really appreciated the two presentations because it's coalesced a little bit for me around some of the improvements that the direct assessment

industry can move towards.

I think it's a lot more robust and mature in the ILI operator interaction. I haven't seen that much interaction between the DA service providers and the operators.

It's more provide the information and the operator does the digs. And there isn't that much feedback that occurs.

So I really appreciate that. But what really strikes me, I think we're all kind of hitting on this, is that the data aggregation is going to be the key part of this.

So how are we going to aggregate that data so that operators can compare their performance towards what they're seeing in the rest of the industry or seeing from other ILI service providers?

And that does not mean you have to name the operators or name the ILI or the DA service providers.

But I think the aggregation and the value from this in addition to the lessons

learned on incidents and otherwise could be operators being able to evaluate their own programs and processes against performance that they're seeing in the industry.

And saying okay, I'm behind the curve or I'm ahead of the curve. And if they're ahead of the curve, they could be then people that other operators come to to learn what's different about your process that's getting you there.

So, I'm beginning to see that this could provide a lot of value. And it has to have that value, I think, for operators or service providers to voluntarily submit data.

Otherwise we're not going to spend the time or put in the detail that's going to be valuable to anybody. So, thank you both for the presentations.

CHAIR BURMAN: Okay. Great. And I think there's someone on the phone that just needs to mute. Because we are hearing some background noise.

Okay. All right. Now I think just

from a time check perspective, it's 10:00.

Originally this part of the program was supposed to be done at 11:00. Which I think is good. Because it opens now for a longer discussion on next steps.

We still are going to have a hard stop at noon. So, shall we take a five minute break. And we'll be back.

I know, ten minutes. But, I feel like 10 minutes become 15. So.

(Whereupon, the above-entitled matter went off the record at 9:59 a.m. and resumed at 10:14 a.m.)

CHAIR BURMAN: Welcome back. We're right now going to do a quick committee management focus. We're going to turn it to Christie just for some of the stuff that we can get out of the way and then we're going to go to Mark and then we'll focus on next steps and what we need to accomplish that.

So I'm going to turn it over to Christie for some of the technical stuff that we

can get out of the way.

DR. MURRAY: Okay. The first thing I wanted to do is to -- since we talked yesterday about the concept of eventually making good use of subcommittees, just consider as we talk about that work engaging the subcommittees about might be premature, but planning for subcommittees is not. So there may be a distinction between we're ready, we have work for them to do and the planning, because oftentimes when you need them, you don't want the planning to lag. You want to kind of have that in place so that they can be ready to move into action as the committee needs them to do so.

To support our subcommittee efforts moving forward we heard yesterday that the designated federal official would need to be present at each subcommittee meeting, which means unless -- Alan, are you willing to approve my cloning?

(Laughter.)

DR. MURRAY: Okay. Not? No.

MR. MAYBERRY: It's impossible.

DR. MURRAY: Okay. So that won't happen probably in the lifetime of this committee, so what we'll do is we are offering to introduce -- let's see if I have a slide in there on it. I apologize. I made some changes yesterday. Okay. I don't see it.

But what we will do is we want to introduce two additional alternate DFOs for the committee and the subcommittee work that is to come. So I just want to reintroduce Chris McLaren, who will be joining the ranks and serving on several subcommittees and also -- I think Nancy, she's on -- taking a phone call -- Nancy White. We'll get her to wave when she rejoins us, but she will also be serving as an alternate DFO as we move forward.

Depending on how we flesh out with the subcommittees, the final committee's need for subcommittees and what that count looks like, we may actually introduce an additional one. So I wanted to touch base on that.

Next Chairman Burman and I will talk a little bit about a proposal to also for continuity purposes and availability purposes propose a co-chair to serve with this committee as well. Our proposal is to nominate or introduce Sherina Edwards, Commissioner Sherina Edwards, who I think she just recently had to drop off the line, so we would have her introduce herself. So we will pull up her bio just to kind of refresh you. She was here yesterday in person sitting to the right of Chairman Burman. But she actually would be a phenomenal co-chair and is brought forward as a recommendation to this committee.

CHAIR BURMAN: Sherina and I have worked very well together through NARUC. She's on the Committee on Gas and she chairs the Subcommittee on Supplier Diversity, as well as she has served -- had served a short stint as the chair of the Subcommittee on Pipeline Safety. I think it's really good for me to have a co-chair so that we can make sure that we are well

representing all aspects and touch base with our counterparts with NARUC and all the different state regulators. So for me it's helpful to have that. Especially if one of us can't be here in person I think it makes sense and in light of my airplane to -- just easier for me. So I think Sherina would be excellent.

And just looking, one, I guess we have to take for the first, the additional DFOs a vote on that, if someone wants to make a motion to take a vote on approval of the alternative DFOs, then we can take care of that. Then we can get to approving -- taking a vote on the co-chair. Do I hear anyone make a motion on the DFOs?

MEMBER COTE: So moved.

MEMBER HERETH: I'll second.

CHAIR BURMAN: And I know that PHMSA does select them, but just like with the charter and the bylaws, I think it's important for us to formally vote on that even if it's not necessary.

So with that, all those in favor of the additional DFOs?

(Chorus of aye.)

CHAIR BURMAN: Any opposition?

(No audible response.)

CHAIR BURMAN: All right. With that they're approved.

Do we have a motion for approval of the co-chair Sherina Edwards?

MEMBER BLYSTONE: So moved.

CHAIR BURMAN: Second?

MEMBER COTE: Second.

CHAIR BURMAN: All those in favor?

(Chorus of aye.)

CHAIR BURMAN: Opposition?

(No audible response.)

CHAIR BURMAN: Abstentions?

(No audible response.)

CHAIR BURMAN: Okay. Great. Sherina, congratulations.

All right. Now we will move to -- we're going to give it back to Christie.

DR. MURRAY: All right. Next what I wanted to do, I was going to introduce the

planning for the next meeting last, but I suspect when the committee gets into the report out all the passion will come out, and that may take up most of the time we have remaining. So I want to go ahead -- and it will be quick, but I want to -- let's see, hopefully -- let's pass this and we'll come back to those items.

Okay. So I wanted to give you a save the date, and I stress tentative save the date. We still need to get through some planning efforts and make sure that we align with our department's processes and policies in terms of planning meetings, but we went to certainly invite you to save the date for September 13 and 14. We will send you a meeting invitation or an email confirming our plans and also as a save the date coming out of this meeting for September 13th and 14th here in the D.C. area.

Also, as you are talking amongst yourselves as a part of your report out work and I think that you -- here we just tossed up some topics that were discussed at the previous

meeting and the administrative meeting, and so we wanted to -- unfortunately we weren't able to get to every topic that was teed up previously, so we didn't lose track of those. And so we have those here proposed for the committee.

We will likely refine what those topics are outside of this meeting, but if there are additional topics, please consider those and bring those up today or see me after the meeting, whatever is appropriate, and we'll be happy to add those to the list to make sure that the committee has an opportunity to weigh in on the topics, review the agenda and provide input before we meet again.

And also the committee management piece with the subcommittee formation, I'm sure we'll hear more about that as a part of the homework report out. Thank you.

CHAIR BURMAN: Okay. Great. So does anyone have any questions or comments?

MEMBER BROWN: Are we to comment on potential topics or -- is that what's in play

here? Are we to comment on that later or --

CHAIR BURMAN: I think we can comment on that later as we get to really the next step, which is the heart of what we had talked about yesterday getting to. I will just say on the tentative date we have a -- I'm not looking to change things because it doesn't work for me, but September 14th is my formal New York session, so I wouldn't be able to be here for that. And it does make it hard the day before to focus on things other than session. So again, I'm not looking to change it if it works for the majority, but I do just want to point out that I probably wouldn't be able to be here those dates.

Okay. So with that we should look now -- I think that we can send this out later and keep it in mind when we go to our next step. I think we're going to now turn it over -- unless anyone has any comments or questions, we'll turn it over now to Mark with his slides and sort of tee up our next steps and looking at the homework assignments that we did and focus on all that we

heard so that we can figure out where we need to be to accomplish the goals of the committee, the working group.

MEMBER HERETH: Thank you, Madam Chairman. I just took the opportunity to try to capture some perspectives on two slides from yesterday and then some email exchanges that I had last evening with a number of people, some of a committee and some outside that were in the crowd yesterday.

So I wanted to capture on this first slide the information sharing types to consider, and I thought Dan Cote did a really nice job of setting this up and then Eric kind of did a nice build, and I thought it was really important to capture these for consideration. And the committee may want to modify or adjust these in some way, but I think they serve as a good starting point.

The first one is learnings from routine use of assessment technologies, again with that broad technology. And the thing I

tried to do here yesterday -- and, Christina, I really appreciated your making the -- well, first of all, I really appreciated the work you guys did preparing for the meeting. Thank you. It's always great to have something to look at as a starting point. I know that from my own experience. And it always helps to move things along, so I appreciate that.

But I've also tried to make the tie to the applicable section in API RP 1173 in each of these instances where that's appropriate. And so in this case that's the lessons learned, incident reporting requirements in Section 9.

But, and I'm going to talk about this more, but it's -- I think it's the emphasis on learnings and not so much on data. And I think Eric did a great job of setting that up. Toby did a nice job also of helping us to see the challenges of using just data and the concepts that -- understanding context that Eric talked about, as well as understanding the challenges with essential variables and all the things that

become complexities of using tools. And that's both ILI tools, the NDE we use in the ditch, the non-destructive evaluation technologies that we use, direct assessment technology. I'd even put hydro testing in there and other technology.

I think Chris mentioned for -- Chris McLaren for example mentioned guided wave yesterday. EMAT is a technology that is right now required to be another technology for use for stress corrosion cracking, so I think we need to keep other technology on the table.

The second one, which is one that Eric provided as a build to Dan's points yesterday was learnings from reportable incidents and accidents. I'm using incidents because that applies to natural gas, and accidents because that applies to hazardous liquids, and possibly near misses. I think that's something to discuss.

And the key there; I think Eric made a great point yesterday, operators learn, PHMSA learns, the NTSB learns, but the industry as a

whole and our public stakeholders aren't as able to learn quickly because of some of the legal constraints that are applied. And so are there some things that we could learn, that we can do to make that process more expedited, to make it -- those really key learnings more accessible to operators, and for that matter to the public where it's appropriate?

I would include in this addressing the legal protections to share promptly. That means we'll probably have to -- what I'm impressed with is that our chairman and our co-chairman are both lawyers. And so I think they will help us with that focus. And there may be others that they want to draw in that can help us with having the right legal protections to be able to share promptly. Promptly almost sounds like a regulatory use, doesn't it? No.

(Laughter.)

MEMBER HERETH: Yes, within two hours.

(Laughter.)

MEMBER HERETH: Yes. The third one,

which Eric mentioned yesterday, and I think Dan did as well, which is also sharing information with our public stakeholders. I think it's really important that we keep in mind the PSMS requirement or Section 2, which is stakeholder engagement. I think that's a key part of this as well.

And then the second slide is really some thoughts that I tried to capture -- and these are not just mine. These are from others. And I'm -- and I don't mean to put others on the spot on this, but I tried to capture some different perspectives starting with the six subcommittees. And so I'm going to kind of walk through each of these briefly. I wanted to just lay these out there. And again, these are just ideas and if there's ways to improve these, then that's fantastic.

With respect to lessons learned, again that's Section 9 in 1173. I think what I came away with yesterday, and I even came away with stronger today is our learning -- is our

opportunity is for learnings, not such much discrete data sharing. Data sharing, I'm not sure -- and it's -- I think Toby helped us I hope see the complexity in sharing data and that really the opportunity is to learn from the analysis and evaluation of data.

And that can be done in a way; I'm going to talk about that in a second, where we're sharing the learnings and not getting so focused on the data and analysis of data that goes back and forth, that pitch and catch, which is a phrase that I love, between the operator and the ILI providers.

But I think all operators want to have the opportunity to learn from the pitch and catch that a particular operator and ILI service provider might have. And I think the ILI service providers would like that as well. I would also add that the NDE companies I think can also benefit from that, and I think would also like to have those learnings. And so it's the learnings.

One of the comments that I heard this

morning in some side discussions was the idea that we also think about the positive learnings, the good catches that we have, the things that we find before they become a problem. And that good catches is a phrase that Pierre Bigras from PG&E I think first started using, and I think it's a great phrase. It's a good way of looking at a near miss. It's what are the things that we do that we -- where we make a good catch?

I think that that subcommittee then could be focused on developing a process for getting learnings out of the variety of processes that Toby described, whether it's PRCI, AGA, the Southern Gas Association. How do we get those learnings to come together to a common place so there's a development process there? And that subcommittee could actually have an ongoing function. And you'll see that in many instances here I'll note that something can be ongoing or that it's a subcommittee that could conduct some work or undertake something and then actually be sunsetted. And I think that's an important

consideration for this committee.

So the second one -- I'll go through a few of these and then maybe stop just for questions, but training and qualification, which is Section 13 in the API 1173. It's a really, really important section and it probably needs reemphasis periodically in our industry. I think Bryce did a nice job of talking about the triumvirate set of standards, but when we look at training and qualification, we have a great one to build off of with that ASMTPQ standard.

And the opportunity there may be to look at building upon the ILI standard and applying those same kinds of standards and competency development for the NDE side of the world. And I think even Chris Warner offered that maybe even in the DA side of the world there's some opportunities there, although we do have RPO 502, I believe, for ECDA. And there's an ICDA and SECDA standard there.

Certainly there -- I think that this subcommittee has the opportunities to define

opportunities to improve. How can we get better? They might define scope for standards and development to be undertaken. And then that group could sunset. Or they could meet periodically. I mean, that's really for the committee to define.

This third one I thought was a great one. And this one is really learnings of what to do and what not to do from other sectors. So, Christie, I thought you did a great job yesterday of -- you guys and one of your staff people presented that summary of the work of FAA and BSEE and some other places addressing the protection of proprietary information, FOIA. I think we have to address legal and particularly the discovery side of it. I think this is a great committee to develop that common terminology. That was one of the really key points you guys emphasized yesterday, and I think that's really, really important.

I would share with you that in the INGAA Foundation, which is an organization that

I'm a member of, we have what we call a lessons learned repository. And we started that in 2013 and it's lessons learned that our members share. We have about 200 member companies. They're pipeline operators, but they're also service providers, engineering companies, law firms, insurance companies. It's any organization that serves the life cycle of the pipeline system.

And we developed this as an outgrowth of some initiatives we had undertaken to address some of the safety and quality issues that PHMSA had recognized in the industry. And then we meet annually in February to go through the lessons learned from the year before.

But the interesting thing -- the reason I share this example is I listened yesterday and then some even this morning -- is that in developing that repository we worked through a lot of the issues of how do you protect information? How do you protect proprietary information? How do you protect persons involved and being able to share information? So we've

worked through a lot of that and there's people that run and administer that. And we'd be glad to get you connected with them because I think we have some learnings to share there.

And I think with best practices that group could develop findings and then be sunsetted. Again, I think it's to reach out more deeply to FAA and to BSEE possibly and some other organizations. I know the INGAA Foundation that Rich Hoffman and Jason, our new executive director, would be glad to help there.

The fourth area is technology R&D. And I think as some of us discussed this yesterday we struggled with the need and the role of this one, so -- but I think this is one that's probably worth pursuing and should be discussed, and that is define how we can make improvements in how we share learnings from technology and R&D, and then possibly sunset that. It may be developing a process and then sunsetting it. And it could be that there's a possible ongoing role.

I think the reason that there was some

reluctance on this one is that PHMSA has a formalized R&D process with annual meetings. The PRCI has a very similar meeting. Other organizations: NiSource and the Northeast Gas Association, they all have formalized processes. I think the key is how do we take the learnings and improvements that are pertinent to this committee and bring those to bear? And we may be able to define a process for that and then sunset that.

The fifth subcommittee was regulatory funding and legal, and I like the way this one was set up and didn't make a lot of adjustments to it. It was really -- this could be the place where you define the basis for storing the learnings, for funding that and then possibly sunset that after that group defines how that might work, again as recommendations for the committee to consider. And then in this instance it would be recommendation ultimately for PHMSA to consider.

And the last one is reporting. Now

this one I tied to SMS No. 11, which is management review. And I love the way that you guys set this one up because I read this as you were thinking in the context of beginning with the end in mind, right, which is we want to think about what it is. And somebody on the committee made that point really well yesterday, but it's really where are we trying to get to? And in fact John Stoody made this comment from the audience yesterday -- is what is it we want to achieve? What are our goals here? And let's figure out how to begin with the end in mind.

And so part of that is defining the structure of the final report. The one caution I would offer is that having worked through a number of these kinds of exercises on gas quality and interchangeability, on hydrocarbon liquid dropout, on a bunch of different joint industry projects we learn along the way. And so having a view at the beginning is important, but we have to recognize that we're going to learn along the way and we want to have the openness to be able

to incorporate that.

And in the spirit of management review and reporting, I would suggest there might be value in this group reporting to the LPAC and GPAC periodically as a way of making -- as one of the ways of making this information public.

So I'll stop there and answer questions or comments.

CHAIR BURMAN: Christie?

DR. MURRAY: Thank you, Mark, and others who may have informed what you just presented.

I think just a couple of points: One, I like the fact that you built on what we introduced yesterday. So this covers the safety management aspect, but it also -- it keeps us with alignment to make sure that this committee walks away addressing the mandate itself. So it's a good hybrid between the two.

One question for you. Well, one more point: To the Reporting Subcommittee you mentioned, I agree this group -- same as --

similar to what happened yesterday. We came. We met. The consensus is, hey, maybe we need to move some things in a different direction. So my only comment was point well received. And this is very much an iterative, progressively iterative process. So as we learn, the committee and the PHMSA staff will be flexible to help meet the needs of the committee. So that will -- that point is well taken.

But my question to you is for the regulatory -- well, actually it's for the general process. Where do you see in this process the work of identifying what the system will look like the system development piece? Where would that fit in in this proposed structure?

MEMBER HERETH: I think it's largely captured in that first one, the lessons learned, and it's probably because I have a strong belief at this point, although I'm open -- I'm open to discrete data sharing. I know how FAA -- I made this comment yesterday, that FAA and BSEE data is a lot about discrete observable events. And a

lot of the data we're dealing with are indirect measurements that we're then verifying and validating. And I think the domains in which we're managing data are a little bit different.

So in that context I would encourage us to focus on learnings as opposed to the discrete data sharing. And I think that first group can really lay out how that would work longer term. I'll offer though that there are some of the best practices -- some of the work in that subcommittee three best practices is going to be a place where there may be learnings that can be brought to bear and shared with that lessons learned group, the Subcommittee 1, that will help strengthen what they might do. It's a good question.

So I think there needs to be, actually to use Eric's term, pitch and catch between those two groups, committees, subcommittees.

CHAIR BURMAN: Thank you.

And, Dan?

MEMBER COTE: First of all, Mark, I

think this is an outstanding framework, and I think you did an brilliant job in capturing all of the discussion and synthesizing it into two pages. And for myself I -- again, I think you are -- pardon the golf metaphor, but right down the fairway on this one and have caught that tension between data, detailed specific data and information sharing with a bias toward the information sharing pieces.

And just two sort of more, slightly more detailed comments: I guess, one, in terms of the learnings what we're describing learnings it seems to me are both sharing of best practices, which is a learning, as well as learnings from events, which may not be best practices, but may be to the industry heads up, don't let this happen to you, literally. And that quick turnover brings maximum value in terms of risks because any risk that results in a known incident clearly is one that we all have to take seriously quickly. And so I really like the way you framed all of that.

I guess just one other comment, and this for the committee as a whole; and I will likely continue to advocate for this on the committee, once this framework is built, it seems to me, it will have the capacity to deal more with more than just transmission issues. Clearly that was the mandate. It has a bias for it. But once this is built, it can store a lot of other things that are valuable to the industry on best practices, but not necessarily related to transmission.

So I can -- without speaking for AGA I can see this having distribution components that are equally effective. And I had touched on that yesterday, but it seems to me that there's at least as much overall pipeline safety value nationally in that area as there is in transmission. The incidents are actually greater in distribution, as you all know, though not so sensational that they typically make national headlines the way transmission issues due. No less significant to our industry however, and

certainly no less significant to pipeline safety overall.

And so would like you all to consider that as we think about this -- these tools, particularly in the things that we are likely to imbed in lessons learned. Thank you.

CHAIR BURMAN: Walter?

MEMBER JONES: Hi. Granted I am an occupational health and safety person. I'm a certified industrial hygienist and I've done a lot -- well, not a lot of work. We've been doing a lot of work on pipelines lately. So I'm definitely coming at this from a different angle than many of you sitting here.

And the question I have is there's got -- where would persistent problems, hazard identifications and severe outcomes fall in that matrix? How would that be reported out? It would seem to me that there would -- part of this process would be like identifying what consistently seems to be a problem and then how we're handling that. And where would that fall

into this process is what I'm kind of looking for at this time.

MEMBER HERETH: I think that's a very important topic to be discussed. I would envision it being addressed as a part of developing that process in the first subcommittee, lessons learned. I think you make a great point and we probably would need to have a formalized process for raising and -- as we called it in 1173, revealing concerns, revealing risks. I think that's a great point. And I would suggest it there, but I'd certainly be open to other places. But I think it's an excellent point.

CHAIR BURMAN: Christie?

DR. MURRAY: Walter, just a follow-up question for clarification purposes. Is your interest with that question more on the people side in terms of hazards and severe outcomes or just in general?

MEMBER JONES: Well, this is a 5,000-foot view of how things are going to look and --

but we are going to be giving people -- we're going to be expecting people that use this information to be using it on a ground-level basis. So my question is, yes, it's going to be whether it's persistent problems and upstream or downstream issues, whether it's personnel or it's product or process. These things need to be categorized. Because it would seem like the easiest way to -- in my field to deal with things is go after the low-hanging fruit.

So if there are consistent problems that people have already developed answers for, we need to get that out to the rest of the industry that like this is how you do it, like we had a dropped objects campaign and everybody had a problem with dropped objects, just no one really talked about it. Then once we started talking about dropped objects, we were able to move this throughout three or four different companies throughout a certain industry, and then now we're able to drop the hazards associated with dropped objects. Everyone was thinking

about it, but no one didn't know that there was a repository of how we were going to deal with these issues. And I can go on and on and on and on.

Like fall hazards are the biggest hazards we have in construction, da, da, da, da. So we address that by throwing stuff at it. But I'm trying to figure out where -- I like the positive nature of what we're doing here, but where do we fit in? What are the persistent problems and then what are the one-offs that -- where you have severe issues that don't occur often, but when they happen they're catastrophic? Where would that fit in here and then how do we respond to those issues in terms -- just hazard identification, risk assessment? Where does all that go in that process, or do we even use those words here?

MEMBER COTE: I guess, Walter, if -- and if I may, Madam Chairman and Committee, and Mark particularly, the way I would see this break occurring is anything that is related to the

delivery system, the installation of the delivery system, the product, gassing up, pigging, the technology of our industry, all of that that deals with people I would see residing here, because human issues or human -- I don't want to say failures, but I mean -- but human execution is a -- is certainly a piece of risk that we have to analyze in our programs.

Anything that is really specific to any industrial site, vehicular driving, bulldozing, general construction practice, the nature of excavation versus pipeline excavation, I guess anything that is much more OSHA-centric I would not see us capturing. I mean, I don't know if you're comfortable with that break, but our expertise in many cases, though I won't speak for the rest of the committee, tends to be around that -- those delivery systems, products, specific execution of gas construction or oil construction and infrastructure. But again, if it's a more sort of industrial accident sort of format, I'm not sure that was the kind of thing

that we were designing this to capture, though I would invite others to comment.

CHAIR BURMAN: Do you want to respond?

(No audible response.)

CHAIR BURMAN: No? Okay.

So I guess from my perspective just looking at this I think is also a good jumping off point. I will keep in mind some of the things that have been a theme throughout in the different meeting: cyber security, distribution, needing to make sure that we keep this in mind when we go there, as well as what is the data? And to the extent that when we're looking at that for me, it's what's the overall benefit to the sharing and who is the sharing intended for?

So to the extent that if we're sharing just for sharing's sake, I don't think that's effective. If it's not adding value, that's also not effective. And so for me it's clearly defining what the goal of the voluntary sharing is so that we could clearly identify the limitations or actually the parameters of that so

that it doesn't become bigger than intended and then actually fail at the core issue of doing it in a way that's supposed to get at the objective of helping.

And as to the data and the lessons learned, I also look at it as lessons to be learned. And I know that may not necessarily need to be a distinction, but I do want to focus on it. And even something to the extent of near misses, looking at it from the perspective of what was done, what actions were done that helped it to be a near miss rather than a hit.

So I think for me that's kind of what I'm looking at. And for all of this just making sure that it stays real in terms of what the intent of this is rather than bringing it bigger than it needs to be in a way that then makes it less effective at the ground level.

Alan?

MR. MAYBERRY: I guess thinking toward the end and not trying to get ahead of ourselves, we basically have a framework here with the

context edit to each committee that Mark's done an excellent job of providing. As people look at this, if you could think of anything that might be missing or -- I mean, certainly I can think of other -- I think of human factors related to lessons learned as well, because certainly we've -- there are lessons out of mistakes that happened out there, or close calls obviously and different ways, too, that the human factor was involved in close calls or not.

But does this seem to summarize it for everyone as far as the kind of building blocks for what we're going to -- what we're dealing with here and will ultimately report on?

MEMBER BUCHANAN: Yes, you talked about sort of what are we going to share and is it going to be of value, and based on the presentations yesterday it's clear -- Bob Buchanan. Sorry. Based on the presentations yesterday it's clear that the big guys do an excellent job of the IM, the integrity management, but yesterday we heard that there's

1,300 operators out there. And the three in this room do an amazing job, but about the other 1,297? So I think the lessons learned are targeted at those guys, those guys that have a 2-mile-long pipeline or a 10-mile-long pipeline that really can't afford to do what some of the big guys do.

And you know when I was thinking about the framework, obviously we're talking about to furnish a house here and we haven't built the house. So what is the framework that all this information goes into?

So one comment sort of I did -- thought about when I was doing my homework last night was we need to create a model where the experiences can be documented, and how you get that information that becomes the experience, that comes from data or whatever. But one example was that AC interference issue that we talked about yesterday. We saw that little hole that was probably created by a pinhole because of the interference coming from the current, but

that's an experience. What was found? How as it found? What were the signs leading up to how that was found? And then how did it occur?

And so that's an experience that can drop into -- something into our house that a number of these small operators may not have known about or will learn from. So that's just a comment about relevancy of what we're doing.

CHAIR BURMAN: Thank you. Mark?

MEMBER HERETH: I like your perspective there and I think that kind of thinking would go into the process that would be developed by that subcommittee to define how it is you make those lessons learned available. I know that's very similar to the process that we use within the INGAA Foundation with our lessons learned repository. There's a structure that's applied: the background for the occurrence, how it occurred and then the learnings from that.

And so I think the comments you make provide great insight into how that subcommittee might come together and look at formalizing that

process for not only finding the lessons, but then sharing those lessons.

CHAIR BURMAN: So we're going to do -- and, Mark, do you still have your tent up to -- I know you -- I mean, Bob. Sorry.

So we're going to go Walter, Mark, Kate, Christie.

Walter's not? Okay. Mark, Kate, then Christie.

MEMBER ZUNIGA: Yes, I guess I'm still sort of -- you mentioned the house. I'm still struggling as to where is that -- the system architecture, where does that lay in this, because honestly that's part of what -- trying to avoid building the hard and really, really complicated system, I think that is kind of the area that I have interest in and would like to participate in.

And I'm still struggling to understand where in all this it's laid out? Where is that piece that actually sort of does a review and study on do we have a centralized repository? Do

we have disparate data sets that we're going then either: (A) aggregate or simply conflate or -- all that sort of architecture of the house, I guess, or maybe the foundation. I don't know what you'd call it, but where does that lie in these subcommittees?

CHAIR BURMAN: Okay. I think that's something we need to consider. I think it's important, but I also look at it as the reporting part, which the second bullet says begin with the end in mind.

MEMBER ZUNIGA: Yes.

CHAIR BURMAN: I think overall the whole structure of the subcommittees, we need to begin with the end in mind and also then figure out where things fit, what's not in there that we need to, and sort of that helps us. And it goes back to Christie's point on the planning before we actually get going with some of the work that might be done.

I'm also cognizant of the fact that we had talked yesterday and then a little bit today

about utilizing the FAA, having a case study. Both -- PRCI was mentioned. API also spoke from the audience on some of their interests, and other stakeholders.

We do also need to talk about Committee members or working group members for the whole group that also might necessarily need to be added. With that I am cognizant of the fact that we have had so far three meetings, two being full meetings, one being a planning meeting or -- and two days' worth today. And I think we had at the first meeting 20 people. The planning meeting I think we had maybe 20-22 people. Yesterday I think we had 17. Today we have 18. So I'm more cognizant of and I understand different people have conflicts.

I'm also wanting to make sure that we are looking to see who hasn't come consistently just so that we're making sure that if they haven't come that they are still interested in being active. And it's not necessarily about the attendance of the meeting, but what is being done

from meeting to meeting. So for me it's also that I'd like to see that we accomplish a lot in between the meetings, even if we're not formally meeting. And that helps through the subcommittee process, but really just making sure that we're all engaged.

Now I think we'll go to Kate, then Christie and then see if anyone else has any questions. And I am cognizant of the fact that we also may have people on the phone who want to ask a question, and then the audience.

Kate?

MEMBER BLYSTONE: Yes, so I mean this goes back to what Alan said a few minutes ago about does this group of subcommittees make sense and is anything missing? And I've been thinking about that constantly until I stopped and said, well, do we need all of these subcommittees and do we need them all now?

I think if the will of the group is to establish all six of these subcommittees today, I'm not going to stand in anyone's way, but I'm

hesitant because I feel like as we dive deeper into perhaps the BSEE process and the FAA that we're going to discover some things about those processes that will say -- will help us go, oh, well, what we really need is a subcommittee on this. And I think we're already illuminating that with the fact that there really isn't a place for that structure that Mark is talking about.

Oh, and Kate Blystone, by the way. I don't think I said that up front.

I just -- I worry that we get set in this structure and we go, oh, God, we need a seventh subcommittee and an eighth, and maybe four of them aren't already meeting. So I would propose today just; I'm not making a motion or anything, this is just for discussion, adopting the ones that -- or enacting the ones that make the most sense right now and leaving the door open for adding to that structure as we learn more, because we have quite a stacked agenda for September. And we might learn quite a few

things.

So I think the lessons learned one is the one that's getting the most traction today, and maybe that's the one we adopt today. Maybe that's the one we start filling out. Those are my thoughts.

DR. MURRAY: Great points, Kate. One thing to consider -- so you guys can refer to me. The only reason why I'm speaking during this committee discussion time is to provide food for thought, not to necessarily influence what the committee wants to do. But great points.

The structure of these subcommittees; I think you raise a good point, they don't necessarily all have to be initiated into action at the same time. So just be mindful of that. So whatever this committee decides is important to focus on.

I agree that the lessons learned is key, but also consider the work that this group may want best practices to start to inform, if that could be the group that starts to tee up

folks from the airline industry and others to come in with case studies and share what they're doing so that the lessons learned group can learn from them.

Also the reporting group that will help to set the structure around what the report looks like beginning with the NMI and other pieces and being able to report out to the other committees, advisory committees might be of use. Their role and the amount of work that they work on may likely vary. And this parent committee can inform what that looks like and not overburden them with things that may really need to take place later.

The other point -- I had another point. Let's see if I can remember what it was. Actually it was going back to I think Mark Zuniga -- is that correct? Close enough? Okay. He raised a good point about the system infrastructure. So my point, my food for thought for the committee would be there's been a lot of talk about sharing system. Now you can look at

system -- I guarantee if we went around, you could probably define what a system is many different ways. So food for thought for the committee is a system, just a repository, which we've heard referred to, or does it include the people, the processes and the physical infrastructure. So just as a consideration consider what a system -- defining what a system is in this process, because that would likely advise some of the work that may come out of the committee.

MEMBER HERETH: So I think, Mark, that was a good question about the physical infrastructure, the structure supporting it. My view was that that could fit within the regulatory funding and legal. It's really what is the basis for the storage, the learnings, the funding, how would that come about? And I think that's separate and discrete from the process of how you capture learnings and share those learnings and it might take a different set of people. I might move things.

So, Kate, I'm appreciative of your thinking about do we need all these at once? I think that's an excellent point. But I think that's an example of where the how you store the learnings, the structure, the system for doing that could be run in parallel or separately from the process of how you get the learnings. Just a thought.

CHAIR BURMAN: Bob?

MEMBER BUCHANAN: Yes, Bob Buchanan. I'm thinking some of these things are going to dovetail. Best practices you're going to learn from what the FAA or BSEE did as far as housing that information. So you dovetail not only with regulatory funding, but also reporting. So you've got -- basically what I see is three subcommittees there that might be looking at the same thing. So that's where you talk about the architecture or whatever, the repository, whatever it is. But who's going to -- who's responsible for that? Maybe just define that a little more tightly.

CHAIR BURMAN: Okay. Great. Anyone on the phone?

MEMBER JENSEN: Yes, this is Leif Jensen with Sunoco Pipeline. I'd like to make three comments. Having listened most of the morning, I'd like to echo what Kate said as it relates to are we trying to embrace too much at this stage. I think we need to go down three paths, and one is the technological path that Mark had put on the slide. And I think there's an appropriate fit there to directly link to the statute 10(c), Parts (1), (2) and (3). I don't think we're ready to define a system infrastructure yet for data sharing. I think that has to come later, but we could certainly put that in that particular subcommittee.

The second point is around best practices and lessons learned. And Heidi Keller from API made the comment earlier that API has several venues. I know INGAA has several venues and I'm assuming that AGA and SGA have several venues. We heard about some of them today. I

think there's an opportunity to form a subcommittee of the trade associations and operator representatives and other stakeholders from the committee to look at common ground amongst all of those and determine what would fit as it relates to pipeline safety data sharing or information sharing.

And then my third point is really around governance. And we had this conversation a lot yesterday as it pertains to mission, vision, strategies, objectives and getting the committee aligned. And if we don't form a subcommittee to focus on that going forward in the next couple of months, then I think that has to be first and foremost on the agenda item for our forthcoming meeting in September. Thank you for the time.

CHAIR BURMAN: Thank you. Anyone else at the table?

(No audible response.)

CHAIR BURMAN: Anyone else on the phone?

(No audible response.)

CHAIR BURMAN: Anyone in the audience?

MEMBER PERRY: Hi, it's Simona Perry. I have been listening all morning, like Leif, and there's a couple things I just wanted to add since I'm not there unfortunately, and I'm disappointed I didn't get to meet you all.

One of the really important things I think that was said was by Dr. Deng I believe that we must -- I mean, we really need to have some decision on what kind of data can be shared in order to get the information that's most useful. I think we've learned a lot about that in the past couple of days, but the question is still what data is most useful for -- hello --

CHAIR BURMAN: You're good.

MEMBER PERRY: -- for safety. Can anybody hear me?

CHAIR BURMAN: We can hear you. You're doing fine.

MEMBER PERRY: Oh, okay. I heard some interference.

So the main things I think are important are identifying what data we need actually and that can be shared in maybe this committee or in subcommittees, how data is being collected, its consistency and accuracy, how the data is integrated to information. So how do we turn that data into useful information? Because like Dr. Deng said, not all data will be useful and it won't be shareable. And then how will we share that information? And that's really I think the -- to me the important thing for us as public safety advocates is the sharing of timely and accurate information with the public. And it gets back to what Walter was saying as well: How does public safety and environmental safety fit into this?

There's the occupational safety piece that's very important. From our perspective we're interested in how we can make sure that the public is getting accurate and timely information from the states, from the pipeline industry that then they can use in individual and local

community decisions about their property and their families and the environment before, during and after incidents. So that information is what is important to the public.

I understand and I am very, very happy to hear industry collaboration on data and information that needs to be shared within the industry and industry stakeholders. I want to make sure we don't lose sight that we also need to also really keep in mind that there's a public portion of this and that some of the information sharing definitely is within the industry and it -- but we want to make sure that it allows for feedback from the public perhaps in some way. That's that learning piece.

And we also want to make sure that there's a system of information sharing that can be used by the public for their own decision making and learning and communication both back with the industry, but also amongst themselves and with their local decision makers.

So I just wanted to make those points.

And I know they're not quite what we've been talking about the past couple of days, but as a public safety advocate those are the things that come to my mind.

I really want to learn more about overcoming some of the proprietary and confidential barriers that I see existing within the industry for making sure that we can in a positive way give information to the public that they can use. So thank you for your time.

CHAIR BURMAN: Okay. Thank you. We're going to go to Alan and then to the public comments in the audience. And then Kate. Kate will go before the audience.

MR. MAYBERRY: I just noted the -- I know it's been mentioned a few times, the examples of engage the API related to sharing lessons learned, and I think that industry is to be applauded for that. I think one of our challenges here is as we look to that to leverage that information. And in the spirit of SMS we really need to be thinking about what it can be,

because I mean, while these are excellent examples and I'm sure have prevented accidents from happening we still have a very -- a relatively flat instant history related to reportable incidents. That's -- it's not improving. It's more or less flat. And then we still have incidents, low -- granted they're low-probability, high-consequence events we need to address. Again, granted they're very minimal.

So I would just urge as we look to leverage the good lessons and best practices of what's done out there that we look with respect to what -- how could it be better? It could be better if we only had this. I think we have a great opportunity here bringing the right parties together to make it what it can be. I think this is some of the best -- we can really impact pipeline safety greatly in doing so. So anyway, I would just urge us to look beyond -- understand what works well in these, but then also address what they can be. Thanks.

CHAIR BURMAN: Thanks. We're going to

go to Kate, then to the audience members. Just keep in mind we do have a hard stop at noon.

MEMBER BLYSTONE: My question is just about where we're going from here, because I know that we have all these committee homework things that we want to report out on. I don't know if the intention is to -- if this is what that is and I've been missing the boat because I have other things to say or if we have a section next that's going to cover that.

CHAIR BURMAN: Just to respond, I do think this is where that is. There was a lot of homework assignments to help us to get to this perspective. To the extent that we're not going to go sort of question by question or item by item in that homework assignment I do think it's important to make sure we address it and identify it in this context knowing that. So I look at it as we are going to have to in short order after this meeting really plan out before the next meeting and take a lot of this that we're hearing and put together something for a planning call to

go through it.

Again, the planning call shouldn't just be everyone gets on and we have -- we're waiting to hear what the next steps are. It should really be something that gives us food for thought to then engage in a real way to get us to our next meeting in September.

Just so you know I've always taken the position that I don't like doing things and being on committees just to continue to come and talk and not get anywhere. So from my perspective I am very focused on what's the end that we're trying to get to and then how do we get there, understanding that there needs to be a lot of in-the-weeds discussion that helps us in that.

But I do see this as if we think it has value, which we do; at least I see it as having value, then we've got to try to map this out. And that's what this today is, to then take it to give more homework to PHMSA, but with key people. I think that there is a need for people to help and step up to help flesh this out. So I

think it's important.

I will say thought that I also am focused on the sensitivity to this being a voluntary information sharing. And again the objective is to help with the pipeline safety and to have lessons learned. I have made mistakes as a regulator where sometimes I try to be too in the weeds and I want all the data and I want all the information.

At the end of the day I wind up being the one who's actually hampering the discussion that needs to happen between the relevant folks who may not be me and that my role is really one of looking and oversight and making sure that communication and collaboration happens with the appropriate folks. And again it comes back to what's the benefit and what's the value to the user and not just for the sake of saying here it is and now we've shared all this information. If it's actually getting to the core of the issue, I do have concern.

I don't think the intent is not to be

transparent, but I think we need to be sensitive to the fact that folks need to feel comfortable in sharing very sensitive information without fear that -- the drive is to learn from that and to prevent future accidents. So I'm just sensitive to that issue.

MEMBER BLYSTONE: So I can keep going? Okay. Just really quick I want to say a couple things that I think are unique to me and Simona about our perspective as just straight up pipeline safety advocates.

We heard a lot of discussion over the last several hours yesterday and today that were -- that was great about industry and vendors working together to get their data better, to get the tools better. I think we have to see that when we develop this system the reports out from that system, or whatever data comes out of that system or information, the -- we may have multiple audiences that we're sharing it with.

And this kind of blew up for me when Amy Nelson was giving her presentation and the

different interfaces that happened with the NPMS system. And I followed up with her afterward to ask why say the investigation reports only show up for PHMSA or the operator, and she answered that really clearly. She said because the data that they can see is totally unintelligible to the average person. It's not like there's a written report that you can click on and read and understand exactly what's going on.

So I think it should come as no surprise to you that my preference is that whatever system we come up with the public has access to everything. But I also understand that everything may not be helpful for the public if they have no idea what they're looking at.

I think while we're talking about how this system works we have to consider ways to include the public in the process, just to echo what Simona was saying. And as we discuss the FAA system or the BSEE system going forward, I want to hear about how the public has access to that information, if they do. They may not. And

I want to hear that as well.

The public needs to see the system we develop is working or if it's not working. And they need to be able to check our work, plain and simple. In my experience as an advocate and as a private consultant for industry and a Government employee it really benefits everyone involved to have a well-informed public. And the more the public knows the fewer miscommunications or misunderstandings that can occur. And so thinking about how the public can be plugged into this process is certainly going to be something that I'm going to be focusing on.

And the other thing, just quickly the last thing is that the FAA process was not developed overnight. This is something we heard first day. And I think we should be mindful of that going forward, that we may put out a system that's not perfect, but it's a good start. And I just want us to be mindful of that as we go forward. And I'm done now.

CHAIR BURMAN: Thank you. Very

important aspect.

Is there anyone on the phone who has any comments or questions?

(No audible response.)

CHAIR BURMAN: Anyone at the table?

(No audible response.)

CHAIR BURMAN: And I do believe we do have some folks in the audience who have some comments.

MS. WARNER: Kate, I want to thank you very much for your comment because -- I'm Sherry Warner. I addressed you on the first day of your meeting in December last year, and that is exactly what I wanted to echo, that ASIAS is like the Diet Cokes. There are probably seven different versions of ASIAS. There is a public-facing ASIAS where information is presented, but not data. That -- not high granularity data. There is observational data. There's findings from inspections such as what you do with aircraft.

But there is also data that is

operational data. So how much fuel was burned on an individual flight? How long did someone take to taxi out and take off? How much fuel was remaining in the aircraft when it landed? So these different levels of data were required at various times in the evolution of ASIAS to answer the question that was presented.

So without taking too long in your time I'm going to suggest that it's important that you get a concept of how ASIAS has evolved over time and what the architectures are that support that evolution, but at this time ASIAS is a cloud-based environment that allows people to share information but not store it. It's operators store and hold their own information and share it at the time that an inquiry is necessary. So there are all kinds of options for how you might design the system, and those would accommodate the proprietary nature of the data and the kind of information you want to keep close -- hold close.

I wanted to make one other comment.

Under SMS a hazard registry is a normal process, a normal thing that you would develop. One of the opportunities here is to link the findings from your voluntary information sharing system to the hazard registry. And that's going to take me down to this topic about the GIS.

One of the interesting things I think about your environment, very much like what you deal with in the airline industry, is that the asset, which is the airplane, holds the finding information, but the operator uses it. It's essential with pipelines I think that the physical information be maintained. The legacy information is held somewhere. If it disappears in the transfer of the pipe, you would lose a lot of the information you need for safety analysis.

So the summary of all this is that you know that there are a lot of low-hanging fruit opportunities that eventually you'll get to the point where you want to do predictive analysis as opposed to forensic. So a road map might be the thing that you want to produce or recommend as an

output, a road map for information sharing that would allow you to reconfigure and grow this information sharing environment over time as necessary. So you could achieve a lot in the initial design while leaving yourself the opportunity to create something more complex over time as needed.

So thank you though very much for giving me an opportunity to speak.

CHAIR BURMAN: Thank you very much.

Is there anyone else from the audience who'd like to speak?

MR. SATTERTHWAITE: We have another here.

MR. BOSS: Yes, Terry Boss, INGAA. I think the biggest benefit this group can come up with is a methodology that should be repeated over and over again when you put together a voluntary information system. We have a lot of voluntary information systems, some mandatory things out there.

We've got NTSB reports that come out

that give information. We have safety moments, but they've got certain characteristics. They've got a marketing group you're trying to communicate to; much like Eric was talking about, the pitch and the catch. There may be details certain folks want. Other folks don't want to know those kinds of details.

But coming up with a standardized way of coming up with a voluntary information system, if you're going to analyze the PHMSA failures that are going on, this is the methodology, this is how you recommunicate this information out. If you're going to be talking about occupational things, the INGAA sharing information with the construction folks that are the audience on that have a whole different dialogue. They're trying to learn something from that.

So I think this group raising up high enough can figure out maybe there's 20 or 30 or 100 different information sharing processes out there, but each one of these processes should have these characteristics and how you can

improve, very much like the SMS standard says here's the management process of what you put together and here are the components in there. I think that could be the biggest benefit that this group could put together. Thank you.

CHAIR BURMAN: Okay. Does anyone have any other comments?

MR. SATTERTHWAITE: We have one more.

CHAIR BURMAN: One more? Thank you.

MR. KIEBA: Yes, Max Kieba, Pipeline Safety. I think I'll -- might get behind the public on some of my comments because I agree there's a lot of good stuff existing out there. I was the Pipeline Safety Trust in the fall; which I also put a plug in for that great conference, and we did hear about things like PRCI, the API Pipeline Info Exchange. I said, well, that sounds great. Do you invite regulators and the public to it, and the answer is, well, we've thought about it, but the answer is no.

And I think part of that is what I

heard was industry is a little concerned about being as open maybe, but my pitch back to industry is it's hard for the public I think to trust you unless you trust the public. So maybe a good start to that would be if we want to build on some of these efforts consider inviting public to it. And maybe it's not the full public, but maybe members of this committee just to see if what they share is reasonable.

The other comment I'd say is a lot of good stuff, a lot of big operators. That's great. But frankly, when we talk about SMS, what I've seen is the biggest operates that wave the SMS flag the most are also ones that have a lot of incidents, but they're not also ones saying, you know what, we just had an incident. This also happened on Pipeline Safety Trust. So again, it's good. Looks good on the slides, but let's also be honest of what's happening out there.

And I will also say you can learn a lot from your smaller operators as well. Lot of

small operators do have very limited resources that they boil it down to most fundamental things of what they need. You're going to learn a lot from them. So having said that, not all your smaller operators are going to ILI. So that's this whole scope thing of is it ILI only or is it ILI or equivalent with pressure testings like that? If it's ILI or equivalent with pressure test, you could probably learn a heck of a lot from your smaller operators, but that's kind of a scoping issue. So thank you.

CHAIR BURMAN: I do think that this has been very helpful. We do need to talk about additional expertise needs that we have potentially for the committee, for the working group. So I don't know if anyone has any thoughts. Doctor?

DR. DENG: Yiming Deng. I'll make a shot. And to responding the public, what Kate mention and that gentleman just mentioned, everybody agree that there are some barriers or gaps between operators, technology providers and

public. And from my perspective as an educator at a public research institution and what I can see here there's opportunities, as just Mark mention, in training and qualification subcommittee idea that at public research institutions we are training the next generation operators, technology providers. And that's what I was doing. There must be some information which can be shared among technology providers, operators and the public. And I treat myself in the public sector that we share the information with the future workforce in this area.

So I think that's pretty important that we can figure out a way that -- how to share those kind of information. What can be shared among this group and what can be share among the public and the future workforce in this area. That's my point, yes. Thank you.

CHAIR BURMAN: Great. Thank you. Does anyone on the phone have any comments or questions?

(No audible response.)

CHAIR BURMAN: Anyone else at the table?

(No audible response.)

CHAIR BURMAN: Anyone in the audience?

(No audible response.)

CHAIR BURMAN: Mark?

MEMBER HERETH: I think with respect to your question about other groups or other entities to be represented I'd propose two for consideration. One would be additional pipeline operators. I think when you look at the -- across the whole group, I don't think we have as many operators as we do those of us that are represented in other contexts. So I'd certainly open that up for consideration.

And I think the other thing that came up maybe initially with Michael Stackhouse's comments yesterday, but it's come up today and even in the recent comments, like Sherry's comment about moving from being forensic to being predictive, that we might think about bringing somebody in who has experience in -- I think it's

called the -- it's actually called data science these days of which predictive analytics and big data and all those things fit in that.

I have somebody that I would recommend that's presented in this forum, in a PHMSA forum before, but I think you should consider a broad set of people. But I think there's an opportunity for us to look at moving from being simply forensic to being more predictive. And Michael Stackhouse did a nice job of sort of setting that up yesterday.

So those are two areas I would proposed for consideration.

CHAIR BURMAN: Thank you. And just to clarify, I do believe it's the Secretary of DOT who actually appoints someone, so this is really our opportunity to give PHMSA information to take back to appoint someone to that.

Does anyone else have any other thoughts? Doctor?

(No audible response.)

CHAIR BURMAN: Okay. Bob?

MEMBER BUCHANAN: The only other thought I had would be an oil and gas producer. We've got operators around the table, but do we have a multinational like an Exxon, Mobil or BP, or somebody like that? There's stuff going through the pipeline and they might have a viewpoint as well.

CHAIR BURMAN: Okay. Great. Kate?

MEMBER BLYSTONE: Just real quick to put a finer point on what Mark said. I would say if we're going to add an operator, we should add a small operator because that's certainly something that we don't have represented in the room.

CHAIR BURMAN: Great point.

Does anybody else on the phone have any comments?

(No audible response.)

CHAIR BURMAN: Anyone at the table?

(No audible response.)

CHAIR BURMAN: Anyone in the audience? Oops, sorry. Mark?

MEMBER HERETH: I know that when -- to build on Kate's point, I know that we put the 1173 Committee together for pipeline safety management systems we did in fact have a small operator on that group and that perspective, also playing to Max' point, could be very, very valuable.

CHAIR BURMAN: Bryce?

MEMBER BROWN: Just thinking about this whole idea about messaging and the marketing side of it, we talk about this, as I mentioned in my earlier comments and in many of these industry association meetings that attend -- is how do these groups get their messages out? And sure, I'm looking at four of the web sites right now. But is that something we need to think about here as well and having somebody that's an expert in that to kind of grapple with all this information here on the screen and think about if you have a best practice already in place, how do you enhance the message that you're trying to put out there already into something that makes better

sense for the young engineer that's just coming out of school, for example?

You can go to four web sites right here and learn a lot about the industry and about how pipelines safe and some of the challenges with them. But if you're talking about lessons learned, where do you place that information based on this committee's work? So marketing/messaging/communication.

CHAIR BURMAN: Does anyone else on the phone have any comments?

(No audible response.)

CHAIR BURMAN: Anyone at the table?

(No audible response.)

CHAIR BURMAN: Anyone in the audience? Yes?

Okay. I was just going to say; Erin Kurilla, AGA, the point about the small operators I think is a really good one because if you think about it, if we build this too big and too clunky, you're not going to get the small operators to even report in especially because

this is going to be voluntary, right? So we've got to think about that. Just punch line things.

CHAIR BURMAN: All right. Thank you. That's very helpful.

I don't mean to call him about, but did we lose Dan or is he --

PARTICIPANT: Yes, we lost him.

CHAIR BURMAN: Okay. I just wanted to make sure.

So thank you, Erin.

So I guess now we're at the point of figuring out what to do next.

Oh, I'm sorry. Alan?

MR. MAYBERRY: No, I was just going to that last subject you'll probably see us come out with a Federal Register notice then to solicit additional members. So if you give it other thought, if there are other specialties or skill sets perhaps we may want to consider, be thinking about that.

CHAIR BURMAN: So just a quick recap. We have taken official votes on the alternate

DFOs, as well as the alternate co-chair, and we have looked at potentially meeting September 13th and 14th, which is tentative. Just again I won't be able to be here, but if the majority is good, that's fine.

And then the other issue is we had sort of reset a lot of the focus in terms of when we do have our next meeting, drilling down more on the steps and getting into those processes, again looking at sort of the scope and the governance, keeping in mind that we have to still figure out the overall -- the beginning with the end in mind and where do we do that.

We do, because of the way PHMSA and Government works, need to make some decision points so that they have it formally in terms of subcommittees, keeping in mind that we're really looking at the framework. It's not necessarily intended that subcommittees will be up and running. And we still have to work out a lot of those dynamics. But they do need to be able to have some focus logistically and legally for what

they need to do after they leave this meeting.

So I am looking for some ideas on that. And my concept really is how do we get from here to the next meeting with some things getting started and underway, as well as again figuring out -- I think I like -- somebody in the audience talked about a road map. It's not really a road map per se to feel, but really trying to get a sense of the structure and where do we want to be, keeping in mind the processes and the life of this working group and understanding that at the end we need to be able to offer up some recommendations and what's that structure to get where we need to be? And from my perspective trying to also look at it from a case study perspective with the FAA and the relevant folks who may be able to help so that we can work through some of it.

To both Simona's, Kate and the person in the audience's -- or at least two people in the audience focus on the public, that's also why we need to have your input in terms of looking at

it from, okay, what's the relevance, what does it need, and what is helpful, keeping in mind I don't think that there's any intent to not share. It's just a matter of is it helpful and then how do we do that? Because the overall intent is for -- at least where I sit, me to get out of the way so that we can have what needs to be done effective so that the public benefits from it. So to the extent that we work through that I think that's also helpful to hear from the FAA now how they dealt with some of those issues and then working through the different data sets.

I am very cognizant of the fact that sometimes data goes up that is not done in a way that is clear and there's a lot of then misconceptions to what that data is or isn't so that we need to be cognizant of the fact that it's very important so that it's then not taken out of context.

So with that, looking for someone who might have some ideas on -- or want to be the first one. If Dan was here, I'd nominate him,

but he's not. So maybe we'll still nominate him to make the first vote. But I am looking for someone who maybe wants to take a stab at what we should be doing from a formal vote perspective so that we can move forward.

Does anyone have any, before that, comments that they might want to offer or questions on the phone?

(No audible response.)

CHAIR BURMAN: At the table?

(No audible response.)

CHAIR BURMAN: In the audience?

(No audible response.)

CHAIR BURMAN: Why don't we take just a minute to think and maybe Alan can help us with the next steps?

MR. MAYBERRY: I just was going to ask do we want to add some discussion on the subcommittees? So are there -- do -- does anyone want to propose say taking a vote that we stand one or two or perhaps even three up and then maybe after this be thinking about the membership

makeup and maybe look for volunteers to step forward, but maybe identify and maybe vote to approve some of these committees or -- just thinking. Just so we can end up in a place where we can make some progress.

CHAIR BURMAN: Mark?

MEMBER HERETH: And I'm happy to make a proposal. And I appreciated Kate's points a few minutes ago, so they're probably going to be reflected in this.

I would propose that we would stand up lessons learned, best practices and reporting, because I think, without belaboring it, best practices we need to learn from these other sectors what they're done and what to do and what not to do, and particularly as they've gone through evolution. Maybe there's evolutionary steps we need to take. There may be some that we can skip.

I would stand up lessons learned so we can begin to understand how to build that process and structure it. I don't know that that's going

to be an easy exercise. And I think we absolutely need our public member involvement in that process. I think a part of what we should be doing with our lessons learned is building public confidence. And then I think that reporting item becomes important because it really gets to the beginning with the end in mind.

So I would propose lessons learned, best practices and reporting, but certainly that's subject to discussion and debate.

CHAIR BURMAN: We're going to go to Jason, then Kate and then Walter. I'm sorry. I didn't see you.

MEMBER CRADIT: Yes, hi. Jason Cradit. I think very similar to Mark perhaps on best practice and lessons learned, but I guess a very specific outcome of looking towards MITRE's work, how they did the geographically dispersed information sharing, as well as how they secured it, where they draw their -- the cyber security as well as information classification and what

gets shared, what be shared publicly and those sort of things and coming back with I guess a report back to this team so we can understand kind of the lessons they learned along the way and the journey they went through.

CHAIR BURMAN: Okay. Thank you.

Kate and then Walter.

MEMBER BLYSTONE: I agree with Mark and Jason, and I would add one more, and it's not one that's on the list, but it may -- it's a short-term committee to set up our -- to establish a mission statement and some of those goals and objectives and we talked about a few times. I don't know how everyone else feels about that, but I feel like that could be like two meetings to establish that and then we can have it when we meet again in September.

CHAIR BURMAN: Okay. Walter?

MEMBER JONES: Mark, I just want you to clarify for me what is the -- what do you anticipate the difference between lessons learned and best practices? I see them almost as the

same, but maybe I'm missing something.

MEMBER HERETH: So I'm viewing the best -- it's a really good question. I was viewing the best practices in the way they were presented to us yesterday by the staff. I thought they did a really nice job of saying with best practices what we'd be doing is to look at what are the best practices from other sectors? What can we learn from --

MEMBER JONES: Right.

MEMBER HERETH: -- FAA and ASIAS? What can we learn from BSEE? What can we learn from these other industry organizations? And I looked at it in that context.

And the lessons learned is really how do we develop the process to share the learnings from the work that's going to be done?

MEMBER JONES: Oh, okay. I see what you're saying. Okay.

MEMBER HERETH: You could --

MEMBER JONES: Thank you.

MEMBER HERETH: You could at some

point apply best practices within the lessons learned.

MEMBER JONES: Yes, exactly. That's exactly how I --

(Simultaneous speaking.)

MEMBER HERETH: That's a fair point.

MEMBER JONES: Yes, that's exactly what I was saying.

MEMBER HERETH: But what I -- but in the short term I viewed the best practices as the mechanism to learn from other industries, other sectors.

CHAIR BURMAN: Okay.

MEMBER AMUNDSEN: Eric Amundsen, Energy Transfer. I think just a real quick comment. I think lessons learned might -- we might re-title that sharing process development. I think that's kind of what Mark just described. And so I think it's certainly misleading for me to say lessons learned. I mean, that's kind of the outcome, but I think what we want here is a committee that works on how do we develop that

process to do that?

CHAIR BURMAN: Thank you.

I'm sorry. Walter, did you have another question?

(Off microphone comment.)

CHAIR BURMAN: Okay. Anyone on the phone?

MEMBER JENSEN: Yes, this is Leif Jensen. I'd just like to at least add a clarifier pertaining to the lessons learned perspective. From my earlier comments there are many initiatives with INGAA, SGA, AGA and API and instruments and mechanisms whereby we share information amongst operators. And I think it was someone from the audience who made the comment that why don't we invite other stakeholders? And I think there's an appropriate time right now to at least get a subcommittee focused on that opportunity.

And maybe I'm just battering about some semantical comments about what has been made in the room, but I don't want to miss that. I

think there's opportunity here in one of these subcommittees in the short term to focus on that. And just develop what it can be and then with a primary focus on pipeline safety and preventing that next accident. Thanks.

CHAIR BURMAN: Okay. Does anyone have any -- any other comments on the phone?

(No audible response.)

CHAIR BURMAN: At the table?

(No audible response.)

CHAIR BURMAN: In the audience?

MS. WARNER: Hi, I'm not sure who that was on the phone; I didn't catch your name, but that was the other -- I think that's the other thing that's missing. It would be covered in that Regulatory Framework Steering Committee or Working Group, Subcommittee. But the way that ASIAS works successfully is that it is a joint industry government entity.

So the structure that allows that open information sharing among participants from both groups is what allows them to actually

successfully identify issues and address them. And separating the two makes it more difficult I think to actually get a successful information sharing environment. So the distinction between safety information versus enforcement information has to be made and it has to be structured so that people can share information in a safe environment

CHAIR BURMAN: Thank you. That was helpful.

I don't -- you have her name, right, Cheryl, the woman speaking? I didn't catch --

MS. WHETSEL: Sherry Warner.

CHAIR BURMAN: Okay. Great. Thank you. Very helpful.

So where I see this now is -- and I had Christie put up the slide when we first started, which had some of the potential topics and committee business, is needing to kind of fold into understanding that we will be meeting at some point in September, and in between that we will have some work to do. And so needing to

look at, now after hearing a lot of the discussion around the subcommittees and the formation of them and the different things that need to be done, someone taking a formal vote so that we could refine Mark's proposal to really get to the next objectives.

What are the things -- just where I sit is also I am cognizant of the fact that each meeting we may need to take a deeper dive and tweak where we are going, but trying to again get that road map that helps us to stay on track, which is why I'm also cognizant that we only have 11 minutes left and I really always want to be able to have a hard stop so that we are making progress at least in the time, but that it is important for me that we don't try to also do -- oversell, that we're going to be able to do everything with -- in between meeting to meeting, but that we do have to try to be realistic in what we are going to get accomplished. And we -- it's very important that we take time to map this out.

So, Mark?

MEMBER HERETH: Are you looking for a formal motion at this point or --

CHAIR BURMAN: Yes.

MEMBER HERETH: Okay. So, Cameron, if you could put up that slide again. And I think we need to rename that first subcommittee. And, Eric, I think you called that sharing process development. So I would propose a motion that would stand up three subcommittees, the Process Sharing Subcommittee, the Best Practices Subcommittee, and the Reporting Subcommittee. Oh, and I would add a fourth one for consideration in the motion of a subcommittee to look at I believe it's mission statement goals and objectives.

CHAIR BURMAN: I think that also kind of falls under the overall policy objectives with that.

So with that motion and my clarification, do we have a --

MEMBER JONES: Second.

CHAIR BURMAN: -- second? All those in favor?

(Chorus of aye.)

CHAIR BURMAN: Any opposition?

(No audible response.)

CHAIR BURMAN: Abstentions?

(No audible response.)

CHAIR BURMAN: With that it passes. Woo-hoo.

(Laughter.)

CHAIR BURMAN: So we will have -- we're not going to ask people to commit.

Mark, do you have something you want to say? Sorry.

(No audible response.)

CHAIR BURMAN: I do also want folks to be thinking about the things that we should never lose sight of so that we do have those key takeaways. Whatever subcommittee and whatever the committee does we still come back to those key takeaways. And for some it will be more important than others.

I think the one key takeaway is what's the value-added and are we meeting our objective? I think we all would agree that pipeline safety is very important and are we meeting the framework in getting there? and I think it's important also that we keep in mind the cyber security issues. And the other key takeaway is the public and what does that mean? And I think that if we do that while we work out through each one what that means and the details, we won't overlook very important things.

I'm sure there are other key takeaways. I'm not asking people to say them now, but I do want to make sure that we have that core group that we go back to to make sure and that it fits in. Okay?

Before we leave for today is there any other process items that we need to address? Really this is a question to Alan, Cheryl and Christie. Any core -- is there any core process issue that we have overlooked from making sure that we take care of it today?

PARTICIPANT: I'm sorry.

CHAIR BURMAN: That's all right. So any core process issue that we forgot to take care of today that you guys need for the next steps, Cheryl, Alan or Christie, or counsel? I know there's a bunch of them back there, so --

DR. MURRAY: I think that we've made a lot of progress even though it may not appear that way, but just these discussions and getting to the point where we are has been very rewarding.

I would say in terms of the newly-voted-on subcommittees that we will work hand in hand with the committee to stand up. Please anticipate an administrative meeting with no deliberations, but certainly an opportunity for this committee to further inform the work that we will all need to engage in for subcommittee efforts and a discussion around some of the other questions that we posed here for consideration, that we'll need to think about and have that administrative meeting to prepare more work so

that as we invite potentially others either on the committee or outside of the committee to participate on that we have enough information to help them to understand what this committee -- each one of those subcommittees will focus on.

Also, we will be reaching out -- so now that we have three committees we're working on -- four -- thank you -- four including the mission and vision objective one, we will be reaching out to this committee likely via email; hope that's okay, and may even touch on it at the administrative meeting to understand this committee's interest in passion to serve on the committees that we have. Thank you.

CHAIR BURMAN: Thank you. Before -- oh, Alan?

MR. MAYBERRY: I was just going to say I agree we've made -- I think we made good progress. One thing obviously I don't lose sight on is -- or if is that I'll ultimately be reporting to Congress or to our administrator who will report to Congress on the progress of this

committee. And I think we're making good progress. I think we've -- at least I hope you'll agree we've coalesced about, but I'm -- we're not where we need to be, I think we have identified basic building blocks of what will ultimately be a deliverable, will -- will have prepared on a recommendation on a path forward.

But the other thing I think as we look toward -- I think we covered this the first meeting, perhaps the need for contractor support if we need that help. That's kind of an option we have available to us, for us in helping to at least put things together. That's a tool we'll have as we go forward.

But anyway, appreciate the collaboration these last -- this last day-and-a-half.

CHAIR BURMAN: Thank you very much. Anyone else on the phone have any comments?

(No audible response.)

CHAIR BURMAN: Around the table?

(No audible response.)

CHAIR BURMAN: In the audience?

(No audible response.)

CHAIR BURMAN: I do think it is important also that we follow up on having a real good liaison with the FAA, especially for our next meeting to help us with a lot of the mapping out, and I'm really looking forward to that.

I think we heard a theme throughout about relationships and trust, and it's really important that folks who are a part of this working group understand that that's really the core for me is working through, trying to get to a good spot and understanding that that also means that we have to be willing to share and work through some of the pros and the cons and also be comfortable in disagreeing with each other and knowing that at the end of the day we all want to do some good work. And that's really kind of where I come from and I want to make a difference. And I think that this really is something that we really can make a difference, and that's important.

So thank you, all. And I believe we can adjourn. Thank you.

(Whereupon, the above-entitled matter went off the record at 11:57 p.m.)

J

K

C E R T I F I C A T E

This is to certify that the foregoing transcript

In the matter of: Voluntary Information Sharing System Working Group

Before: US DOT/PHMSA

Date: 06-30-17

Place: Arlington, VA

was duly recorded and accurately transcribed under my direction; further, that said transcript is a true and accurate record of the proceedings.

Neal R. Gross

Court Reporter