



PHMSA Update

Southern Gas Association
Operating Conference
Fort Worth, TX



Four More Years!

- Pipeline Safety Laws *Just* Reauthorized – only 15 hearings!
- What's the Congress Calling For – A LOT!
- Stronger enforcement with due process protections – for basics (x2), restoring spill plan authority, and for excavation damage (exemptions)
 - MAOP Confirmation (grandfather clause), valves, leak detection, EFV's, depth of cover, damage prevention (grants), emergency notification
 - Transparency: cast iron, oil spill plans, basic data
 - Studies galore: valves, leak detection, expansion of IMP, gathering lines, risks of dilbit transport, nonpetroleum hazardous liquid pipelines, new construction permit process (State and Federal - GAO)
 - Limitation on use of national consensus standards
- Flat funding for both Federal and State programs from Congress
 - But not from the Administration - FY 2013 Request to Congress



2012 & Beyond Pipeline Safety Priorities



Agency Priorities for 2012

- Continue the cleanup we began in 2011
- Focus on legislative mandates & NTSB recommendations
 - Regulatory (next)
 - Workshops (coming up)
 - Studies (transparent process)
- Deal with a variety of new audits – IG & GAO
- Operationally – CRM, DIMP, PA, move to II, new construction, and risk assessment/records verification, damage prevention, PIPA, etc.
- Follow through on QMS issues, fitness for service



2012 Regulatory Priorities

- Major Priorities
 - Federal enforcement on excavation damage NPRM
 - Hazardous Liquid rule – through final phase
 - Pipeline Enforcement rulemaking – through final phase
 - Gas rulemaking – through proposed rule phase
 - Likely to pick up most Congressional/NTSB items
 - MAOP verification in class 3 & 4 + HCA's (and beyond?)
 - Associated issues of records inadequacies, reporting exceedences, and material testing requirements



2012 Regulatory Priorities

- Capacity Permitting
 - Gathering lines – data collection and report to Hill
 - Larger application EFV's
 - Miscellaneous rulemaking: Seismicity, accident/incident notification, consensus standards updates
 - Cost recovery for "design reviews"
 - Incorporation of consensus standards – transparency
 - CO2 (gaseous) and biofuel pipeline fixes
 - Risk management and class location dilemma
 - Mapping – accuracy and HCA updates + awareness



2012 Studies

- Valves for New/Rehabilitated Gas Pipes
 - GAO to look at application to existing pipelines
- Leak Detection – Hazardous Liquid and Natural Gas
- Cover Over Inland Water Crossings – Hazardous Liquid
- Cast Iron Inventory and Replacement/Rehabilitation
- Dilbit Transportation Risks
- Excavation Damage and Role of Exemptions
- R&D Results and Plan



Upcoming Events

- ~~Emergency Responder Forum Follow-up~~
- ~~Leak Detection Workshop – March 27th (webcast)~~
- ~~Valve Workshop – March 28th (webcast)~~
- ~~April – National Safe Digging Month – Call 811~~
- ~~DIMP Workshop – June 27 (DFW) (webcast)~~
- ~~R&D Workshop – July~~
- Data and Metrics Workshop – September (webcast)
- Other possible workshops/events – capacity limited
 - Damage prevention exemptions
 - Risks Associated with Pipeline Transportation of Dilbit
 - Gas gathering, IMP Expansion / Class Location



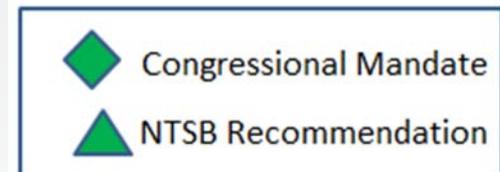
Pipeline Standards and Rulemaking Division: Regulatory Initiatives



Current Rulemakings in Process

Safety of On-Shore Hazardous Liquid Pipelines (NPRM stage)

- ❑ ANPRM published 10/18/2010
- ❑ Comment period closed January 18, 2011
- ❑ NPRM drafted and undergoing review
- ❑ NPRM anticipated in fall 2012
- ❑ Major topics under consideration:
 - Scope of the pipeline safety regulations for hazardous liquid lines ◆
 - Criteria for designation as a High Consequence Area (HCA) ◆
 - Leak detection and Emergency Flow Restricting Devices ◆
 - Valve spacing ◆
 - Repair criteria in non-HCA areas
 - Stress Corrosion Cracking (SCC)





Current Rulemakings in Process

Safety of Gas Transmission Lines (NPRM stage)

- ❑ ANPRM Published 8/25/2011
- ❑ Comment period closed 1/20/2012
- ❑ Topics under consideration:
 - Definition of HCA 
 - Repair criteria 
 - Assessment methods  
 - Corrosion control
 - Grandfather exception 
 - Gas gathering
 - Valves (remote control and spacing)  
- ❑ Developing NPRM





Current Rulemakings in Process

Excavation Damage Prevention (NPRM stage)

- Rulemaking to enforce damage protection laws in States that have inadequate enforcement to protect safety. Complies with PIPE's Act 60114(f).

- NPRM published 4/2/2012

- Comment period closed 7/9/2012

- Reviewing comments

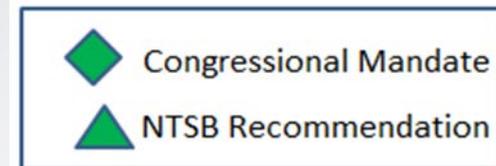


Current Rulemakings in Process

Excavation Damage Prevention (NPRM stage) Cont.

- Proposals in the Excavation Damage NPRM include:
 - Criteria and procedures for determining adequacy of state pipeline excavation damage prevention law and enforcement programs ◆
 - Administrative process for making adequacy determinations ◆
 - Requirements PHMSA will enforce in states with inadequate excavation damage prevention law enforcement programs ◆
 - Adjudication process for administrative enforcement proceedings against excavators where Federal authority is exercised. ◆

- Reviewing comments on NPRM





Current Rulemakings in Process

Miscellaneous Rulemaking (NPRM stage)

- Addressed several miscellaneous amendments to the PSR based on petitions for rulemaking, NAPSR recommendations and staff initiative.

- NPRM published 11/29/2011

- Comment period expired 3/6/2012

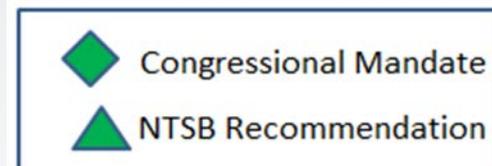
- TAC meeting vote in July 2012



Current Rulemakings in Process

EFV Expansion beyond Single Family Residences (ANPRM stage)

- Rule will evaluate whether EFVs should be required for:
 - branched service lines serving more than one single family residence ◆▲
 - multi-family residential dwellings ◆▲
 - commercial buildings ◆▲
 - public buildings ◆▲
 - industrial facilities. ◆▲





Current Rulemakings in Process

EFV Expansion Beyond Single Family Residences (ANPRM stage) Cont.

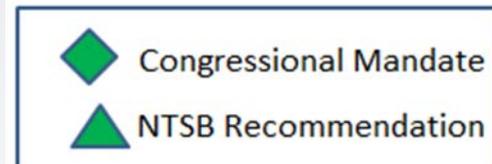
- ANPRM published 11/25/2011
- Comment period closed 3/19/2012
- Approximately 20 comments received
- Developing a census (through Info collection process) of gas distribution operators to obtain cost-benefit information for the rulemaking
 - published on 5/15/2012
 - comments ending 7/16/2012



Current Rulemakings in Process

Standards Update (Developing NPRM)

- ❑ Addresses the set of IBR standards throughout PHMSA's part 192, Part 193 and Part 195 code with updated revisions of standards from all standard organization bodies.
- ❑ This NPRM would address about 30 of the 60 standards that we currently IBR.
- ❑ Per recent statute all IBR standards pertaining to 60102 shall be available free of charge over the Internet. PHMSA is working to find a resolution with the standard organizations and with the rule itself. 
- ❑ Public Workshop to be held July 13 at DOT HQ in DC on standards mandate requirement 
- ❑ Address Truck Transport of Pipe 





Current Rulemakings in Process

Part 190 (Developing NPRM)

- ❑ Addresses issues related to Part 190 and with reauthorization issues related to:
 - OPA enforcement ◆
 - civil penalties ◆
 - Administrative enforcement process ◆



Congressional Mandate



NTSB Recommendation



Current Rulemakings in Process

Miscellaneous II

□ This rule will address reauthorization issues related to:

- Incident Reporting 
- Cost Recovery 
- Exceedance of MAOP 
- Biofuels 
- Carbon dioxide 
- Renewal process for special permits 
- Other issues to be determined



Congressional Mandate



NTSB Recommendation



Current Rulemakings in Process

Mapping (Developing NPRM)

❑ Rule topics considered:

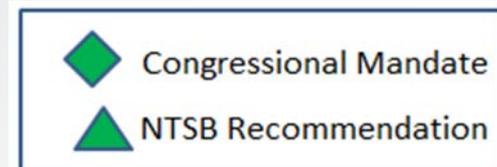
- Improving data accuracy (currently 500 ft.)
- Collection of data on pipeline attributes including:
 - Diameter
 - Pump/compressor locations
 - MAOP/MOP
 - Pipe grade
 - Operating SMYS
 - Piggability
 - Leak detection



Current Rulemakings in Development

NFPA 58/59

- ❑ Section 192.11 which states that with a conflict between 192 and NFPA 58 or 59, NFPA 58 or 59 shall apply improving data accuracy (currently 500 ft.)
- ❑ Update the IBR revision for NFPA 58 and 59 to revision 2011 and 2012, respectively. ◆





Current Rulemakings in Development

Plastic Pipe

□ Developing an ANPRM to address the following plastic pipe topics:

- Focus on gas lines
- Composite pipe petitions
- Authorized use of PA12 at higher pressures
- AGA petition to raise D.F. from 0.32 to 0.40 for PE pipe
- Characterization of “Plastic Pipe” to “Non-metallic pipe”
- Enhanced Tracking and traceability

(Some of these topics may result in new IBR materials) ◆



Congressional Mandate



NTSB Recommendation



Current Rulemakings in Development

NACE Standards

- ❑ This proposed rule would incorporate by reference consensus standards governing conduct of assessments of the physical condition of in service pipelines.
- ❑ Assessments of the physical condition of in-service pipelines used include:
(Standards availability )
 - In-line inspection
 - Internal corrosion direct assessment
 - Stress corrosion cracking direct assessment
- ❑ Incorporation of the consensus standards would assure better consistency, accuracy and quality in pipeline assessments conducted using these techniques.



Congressional Mandate



NTSB Recommendation



Pending Rulemakings

Mandates that require additional study and/or rule

- ❑ Leak Detection Workshop held March 27. 
 - Contract has been initiated and anticipate completion in fall 2012

- ❑ Valves (remote controlled) Workshop held March 28  
 - Contract has been initiated and anticipate completion in fall 2012
 - Comptroller General also required to do study (retrofit)

