

# PHMSA

## Pipeline Safety Regulatory Update





# PIPES ACT OF 2016

The **Protecting our Infrastructure of Pipelines and Enhancing Safety (PIPES) Act of 2016**, was passed by Congress and signed into law on June 22, 2016

- It authorizes funding for PHMSA from 2016 to 2019
- It sets deadlines for PHMSA and requires regular reporting to Congress on the status of “outstanding regulations”



# PIPES ACT OF 2016

- **“Outstanding Regulations”** means a Final Rule required under this Act, the Pipeline Safety Act of 2011, or an earlier Act, that has not been published in the Federal Register
- Congress requires an initial (120 days) report from PHMSA, and then one every 90 days on the status of each “outstanding regulation,” until a Final Rule has been published in the Federal Register for each one.



# RULEMAKING ACRONYMS

- ANPRM – Advance Notice of Proposed Rulemaking
  - Used to gather information
- NPRM – Notice of Proposed Rulemaking
  - Defines intent and scope of proposed regulations
- SNPRM – Supplemental Notice of Proposed Rulemaking
  - Additions to, or changes in, intent or scope



# RULEMAKING ACRONYMS

- IFR – Interim Final Rule
  - Typically used for an identified safety issue
- FR – Final Rule
  - Implementation date, depending on significance of regulation and time to implement
- DFR – Direct Final Rule
  - Used for non-controversial issues



# RULEMAKING PROCESS

- Where can I find information on the Status of Significant rulemakings?
  - DOT
    - Report on DOT Significant Rulemakings (Monthly reports)
      - <http://www.dot.gov/regulations/report-on-significant-rulemakings>
  - OMB
    - [www.reginfo.gov](http://www.reginfo.gov)





# “OUTSTANDING REGULATIONS”

## “Safety of Hazardous Liquid Pipelines”

- NPRM, published 10/13/15, (80 FR 61610)
- Comment period closed 1/8/16
- FR projected to publish in October 2016





# “OUTSTANDING REGULATIONS”

## “Safety of Hazardous Liquid Pipelines”

- 49 CFR § 195.1, All gathering lines to be “covered” for reporting requirements
- §195.2, Expands the definition of hazardous liquid to include biofuels
- §195.2, Defines “significant stress corrosion cracking” (SCC)





# “OUTSTANDING REGULATIONS”

## “Safety of Hazardous Liquid Pipelines”

- §195.11 – Increases safety requirements for Regulated Rural Gathering Lines, to include assessments and remediation
- Adds §195.13 - Reporting requirements for gravity lines
- Under §195.120 – Passage of Internal Inspection Devices, further defines cases of impracticability & emergencies





# “OUTSTANDING REGULATIONS”

## “Safety of Hazardous Liquid Pipelines”

- §195.134 – Expands leak detection requirements (each hazardous liquid pipeline transporting liquid in a single phase must have a leak detection system)
- §195.401 to require pipelines not under IMP to correct conditions as per new 195.422 (which requires remediation)
- Adds §195.414 – Requires inspection and remediation of pipelines in areas affected by extreme weather, disasters, etc.





# “OUTSTANDING REGULATIONS”

## “Safety of Hazardous Liquid Pipelines”

- Adds §195.416 –Pipeline Assessments (for pipelines currently not subject to IMP requirements)
- Changes §195.422 from “Pipeline Repairs” to “Pipeline Remediation” (lists anomalies, repair schedules, etc.)
- Expands §195.444 to require leak detection systems for jurisdictional pipelines



# “OUTSTANDING REGULATIONS”

## “Safety of Hazardous Liquid Pipelines”

- §195.452 – Changes to the IMP requirements include:
  - Categories of pipelines covered
  - Written plan deadlines
  - Assessment method requirements
  - Baseline assessment completion dates
  - Analyze for seismicity



# “OUTSTANDING REGULATIONS”

## “Safety of Gas Transmission and Gathering Pipelines”

- This is a NPRM, published 4/8/16
- (81 Fed. Reg. 20721)
- Comment period closed 7/7/16





# “OUTSTANDING REGULATIONS”

## “Safety of Gas Transmission and Gathering Pipelines”

- Expansion of IM requirements beyond HCA’s
- Repair criteria for HCA and non-HCA areas
- Assessment methods and corrosion control





# “OUTSTANDING REGULATIONS”

## “Safety of Gas Transmission and Gathering Pipelines”

- Jurisdiction of gas gathering lines
- Integrity verification process (IVP)
- Elimination of the grandfather clause





# “OUTSTANDING REGULATIONS”

## “Safety of Gas Transmission and Gathering Pipelines”

- Pig launcher / receiver safety
- IMP Management of Change (MOC)
- Assessment intervals





# “OUTSTANDING REGULATIONS”

## “Safety of Gas Transmission and Gathering Pipelines”

- MAOP verification requirements
- Spike test requirements
- Seismicity



# “OUTSTANDING REGULATIONS”

## Underground Storage Facilities

- Not later than 2 years after the date of enactment of the PIPES Act of 2016, (6/22/16) the Secretary, in consultation with the heads of other relevant Federal agencies, shall issue minimum safety standards for underground natural gas storage facilities



# “OUTSTANDING REGULATIONS”

## Underground Storage Facilities

- Consider operation, environmental protection, and Integrity Management
- Consider recommendations of the Aliso Canyon natural gas leak task force
- User Fees for operators of underground storage facilities



# “OUTSTANDING REGULATIONS”

## Underground Storage Facilities

- Not in the rulemaking process at this time
- An Underground Storage Facility Team is currently working on development





# “OUTSTANDING REGULATIONS”

## Emergency Order Authority

- If the Secretary determines that an unsafe condition or practice is causing an imminent hazard, he may issue an emergency order imposing restrictions, prohibitions, and safety measures on owners or operators of gas or hazardous liquid pipeline facilities, without prior notice or an opportunity for a hearing, but only to the extent necessary to abate the imminent hazard.



# “OUTSTANDING REGULATIONS”

## Emergency Order Authority

- Not later than 60 days after the date of enactment of the PIPES Act of 2016, (6/22/16) the Secretary shall issue temporary regulations to carry out this Emergency Order Authority
- Not later than 270 days of enactment – Final Regulations must be issued



# “OUTSTANDING REGULATIONS”

## “Amendments to Parts 192 and 195 to require Valve Installation and Minimum Rupture Detection Standards”

- This proposed rule would address:
  - Requiring installation of Automatic Shutoff Valves (ASVs), Remote Control Valves (RCVs) or Equivalent Technology



# “OUTSTANDING REGULATIONS”

## “Amendments to Parts 192 and 195 to require Valve Installation and Minimum Rupture Detection Standards”

- This proposed rule would address:
  - Establish performance based meaningful metrics for rupture detection of gas and liquid transmission lines
  - Rupture detection metrics to be integrated with the ASV and RCV placement to minimize spill volumes



# “OUTSTANDING REGULATIONS”

“Amendments to Parts 192 and 195 to require Valve Installation and Minimum Rupture Detection Standards”

- Nothing on this has been published yet in the FR, but an NPRM is projected to publish September 2016





# “OUTSTANDING REGULATIONS”

## Operator Qualification, Cost Recovery and Accident and Incident Notification and other Changes

- NPRM (80 FR 39915) Published 7/10/15
- Comment period closed 9/8/2015
- FR projected to publish in October 2016





# “OUTSTANDING REGULATIONS”

## Operator Qualification, Cost Recovery and Accident and Incident Notification and other Changes

### What is proposed?

- OQ requirements expanded to include new construction
- PHMSA fees for safety reviews of large design and/or construction projects (\$ 2,500,000,000.)
- Telephonic notification to NRC within 1 hour of confirmed discovery (confirmed discovery now defined)





# “OUTSTANDING REGULATIONS”

“Expanding the use of Excess Flow Valves in Gas Distribution Systems to Applications Other Than Single-Family Residences”

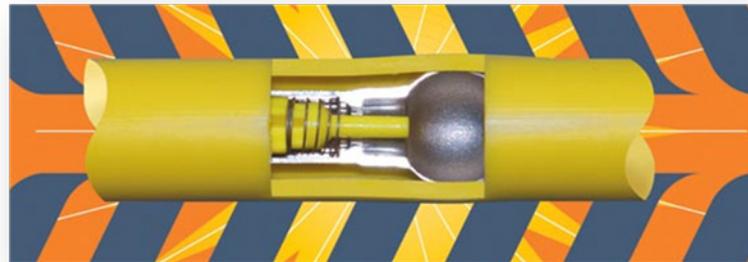
- NPRM (80 FR 41460), Published 7/15/15
- Comment Period closed 9/14/15
- FR expected to publish in January 2017



# “OUTSTANDING REGULATIONS”

## “Expanding the use of Excess Flow Valves (EFVs) in Gas Distribution Systems to Applications Other Than Single-Family Residences”

- Require EFVs for branched service lines serving more than one single family residence > 10 psi





# “OUTSTANDING REGULATIONS”

“Expanding the use of Excess Flow Valves (EFVs) in Gas Distribution Systems to Applications Other Than Single-Family Residences”

What is proposed?

- Require for multi-family residential dwellings and commercial buildings  $< 1,000$  standard cubic feet per hour (SCFH)
- Curb valves for services over 1,000 SCFH
- Existing customers may request EFVs



# ALERT NOTICES & ADVISORY BULLETINS

- **Alert Notices** - a notice of a situation of immediate safety concern
- **Advisory Bulletins** - an advisory of a safety concern that an operator should follow as it applies to their facilities and operations
  - matters that have potential to become
  - safety or environmental risks



# Advisory Bulletin (ADB)

ADB– 2016-04

## *Ineffective Protection. Detection, and Mitigation of Corrosion Resulting from Insulated Coatings on Buried Pipelines*

- To remind all owners and operators of hazardous liquid, CO<sub>2</sub> and gas pipelines to consider the overall integrity of facilities to ensure the safety of the public and operating personnel and to protect the environment.



# Advisory Bulletin (ADB)

ADB– 2016-04

*Ineffective Protection. Detection, and Mitigation of Corrosion Resulting from Insulated Coatings on Buried Pipelines ...continued...*

- Operators are reminded to review pipeline operations to ensure that pipeline segments both buried and insulated have effective coating and corrosion-control systems to protect against cathodic protection shielding, conduct in-line inspections for all threats, and ensure in-line tool findings are accurate, verified, and conducted for all pipeline threats



# Advisory Bulletin (ADB)

ADB–2016-03

## *Owners and Operators of Petroleum Gas and Natural Gas Facilities in Areas subject to Heavy Snowfall or Abnormally icy Weather*

- Advises owners and operators of the need to take appropriate steps to prevent damage to pipeline facilities from accumulated snow or ice. Past events on natural gas distribution system facilities appear to have been related to either stress of snow and ice or the malfunction of pressure control equipment due to ice blockage of pressure control equipment vents. Take precautionary actions



# Advisory Bulletin (ADB)

ADB–2016-02

## *Underground Gas Storage Facilities*

<https://federalregister.gov/a/2016-02228>

- PHMSA is issuing this advisory bulletin to remind all owners and operators of underground storage facilities used for the storage of natural gas, as defined in 49 CFR §192, to consider the overall integrity of the facilities to ensure the safety of the public and operating personnel and to protect the environment



# Advisory Bulletin (ADB)

ADB-2016-02

*Underground Gas Storage Facilities ...continued...*

- Operators are reminded to review their operations to identify the potential of facility leaks and failures caused by corrosion, chemical damage, mechanical damage, or other material deficiencies in piping, valves, etc., and the importance of reviewing the location of operations and shut-off and isolation systems and reviewing and updating emergency plans as necessary



# Advisory Bulletin (ADB)

ADB-2016-01

## *Water Crossings & Areas Prone to Flooding*

- PHMSA is issuing this advisory bulletin to remind all owners and operators of gas and hazardous liquid pipelines of the potential for damage to pipeline facilities caused by severe flooding and actions that operators should consider taking to ensure the integrity of pipelines in the event of flooding, river scour, and river channel migration





# FR, MISCELLANEOUS CHANGES TO PIPELINE SAFETY REGULATIONS...

- Sept. 30, 2015
  - The effective date of the amendment to 49 CFR §192.305, published at 80 FR 12779, March 11, 2015, is delayed indefinitely
  - (concerning not using operator personnel to perform a required inspection if the operator personnel performed the construction task requiring inspection)



# FR, MISCELLANEOUS CHANGES TO PIPELINE SAFETY REGULATIONS...

- Please note, the effective date for all the other amendments contained in the final rule remains October 1, 2015.
- §195.204 Inspection – general, has similar wording and is in effect as of October 1, 2015
- The regulation also states that “Nothing in this section prohibits the operator from inspecting construction tasks with operator personnel who are involved in other construction tasks”





# IFR, MAXIMUM CIVIL PENALTIES

- PHMSA is revising references in its regulations to the maximum civil penalties for violations of the Federal Pipeline Safety Laws, or any PHMSA regulation or order issued thereunder. Federal agencies are required to adjust their civil monetary penalties effective August 1, 2016, and then annually thereafter, to account for changes in inflation
- PHMSA finds good cause to amend the regulation related to civil penalties without notice and opportunity for public comment





Violated statute	CFR Citation	Base year	Current maximum civil penalty	Revised maximum civil penalty
<a href="#">49 U.S.C. 60101</a> <i>et seq.</i> , and any regulation or order issued thereunder.	<a href="#">49 CFR 190.223(a)</a>	2012	\$200,000 for each violation for each day the violation continues, with a maximum penalty not to exceed \$2,000,000 for a related series of violations	\$205,638 for each violation for each day the violation continues, with a maximum penalty not to exceed \$2,056,380 for a related series of violations.

<a href="#">49 U.S.C. 60103</a> ; <a href="#">49 U.S.C. 60111</a>	<a href="#">49 CFR 190.223(a)</a>	1996	A penalty not to exceed \$50,000, which may be in addition to other penalties under <a href="#">40 U.S.C. 60101</a> , <i>et seq</i>	An administrative civil penalty not to exceed \$75,123, which may be in addition to other penalties assessed under <a href="#">49 U.S.C. 60101</a> , <i>et seq.</i>
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<a href="#">49 U.S.C. 60129</a>	<a href="#">49 CFR 190.223(d)</a>	2005	A penalty not to exceed \$1,000	A penalty not to exceed \$1,194.
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QUESTIONS???



# CONTACT INFORMATION

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