Pipeline Regulatory Issues

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Changes to the GPS Section

Staff Expansion

- Hiring 2 new Gas Pipeline Safety Inspectors.
- Intent is that we have about 2 people's worth of work devoted to the regulation of high stress gathering and production lines in the Utica and Marcellus shale gas fields.
- Our current auditing schedule will likely not change.

Pipeline Safety Act of 2011

Became law 2/11/12

Civil Penalties

- Defines a "Major Consequence Violation" as a violation contributing to an incident resulting in:

  - One or more deaths;
  - One or more injuries requiring in-patient hospitalization;
  - "Environmental harm exceeding $250,000 in estimated damage to the environment including property loss other than the value of natural gas… lost, or damage to the pipeline or equipment".

- Increases maximum penalties to $200,000 per day per violation up to a maximum of $2,000,000 for major consequence violations.

State Damage Prevention Program

-Some minor changes to applications for Federal grants

-Removes exemptions for municipalities, State agencies or their contractors from State notification programs.

-Requires the Secretary to conduct a study on the impact of excavation damage on pipeline safety, to include an analysis of the frequency and severity of different types of damange.

Shut-off Valves

- No later than 2 years from the date of enactment, PHMSA shall require the use of automatic or remote-control shut-off valves "where economically, technically, and operationally feasible" on transmission lines constructed or replaced after the date on which PHMSA issues a final rule.

Integrity Management Program

-US DOT has to evaluate whether Transmission IM Program requirements should be expanded beyond High Consequence Areas.

-Also must evaluate whether applying IM program requirements to additional areas would "mitigate the need for class location requirements".

-Evaluate "whether risk-based reassessment intervals are a more effective alternative for managing risks to pipelines in high consequence areas once baseline assessments are complete".

Public Education & Awareness

- High Consequence Areas have to be shown on the National Pipeline Mapping System.

- Emergency Response Plans have to be submitted to PHMSA for review. Redacted plans to be made available to the public.

Cast Iron Piping

- PHMSA must identify total cast iron pipeline mileage and "evaluate the progress…. made in implementing plans for the safe management and replacement of cast iron gas pipelines"

Incident Notification

No later than 18 months after enactment, PHMSA must:

-Prescribe regulations that establishes time limits for incident telephonic notices to State and local government officials. Not later than 1 hour (!) following the time of confirmed discovery.

-Require an estimate of the amount of product released and an estimate of total fatalities and injuries within 48 hours of the incident.

MAOP

-Within 6 months, operators must verify MAOP records for transmission lines in Class 3&4 areas and Class 1&2 HCA's.

-Within 18 months, operators must identify pipeline segments where you do not have adequate MAOP documentation and report that to PHMSA.

-PHMSA to develop rules for conducting tests to confirm MAOP on transmission lines in HCA's and operating at > 30% SMYS. These tests will be pressure testing or some alternative method including in-line inspection.

-Operators must report MAOP excursions on transmission lines.

Gathering Lines

- No later than 2 years after enactment, PHMSA must complete a review of all exemptions for Gathering lines and issue recommendations for modification or revocation of existing exemptions.

Distribution Integrity Management

Lessons learned to date

192.1007(a) System Knowledge

- Need a baseline assessment of unknown data and an identification of missing information.
- Need written procedures for identifying and updating unknown system information during normal activities conducted on the pipeline.

192.1007(b) Identify Threats

- Identify your subject matter experts and list their qualifications in the plan.
- Show you have reviewed reasonably available information such as number and cause of hazardous and non-hazardous leaks, excavation damage, excavation call tickets, maintenance history, etc.
- Consider local conditions such as business districts, etc.

192.1007(c) Evaluate & Rank Risk

- Include detail in your written plan about how risk is determined. Explain the values given to likelihood and consequence.

192.1007(d) Identify / implement measures to address risks.

- The plan should give some sense of a baseline, i.e. a current risk that will be targeted and reduced over time.
- Measures should not just be a listing of current programs designed to comply with the Pipeline Safety Regulations.

192.1007(e) Measure performance

- Too early to see how this is working.
- Be prepared to compare future results to some baseline.

192.1007(f) Periodic evaluation

- Have a defined schedule for re-evaluation.

192.1009 Compression Couplings

- Must submit a report to PHMSA for all compression coupling failures resulting in hazardous leaks, including from third party dig-ins, etc.
- You also have to submit this information to Ohio PUC. We are not picky about the format.

192.1011 Records

- Operators must maintain records demonstrating compliance with the DIMP requirements for 10 years.
- DIMP plans should be "stand-alone" documents unless you are also keeping other referenced documents for 10 years.

Other topics

Compliance topics

- 192.725 – can't use pre-tested piping to replace service lines (only mains)
- 192.467 - Electrical isolation of casings.
- 192.1003 – Do farm taps off a Transmission line have to have a DIMP plan?

Other questions?