Pipeline Safety Update

2020 Virtual AGA Operations Section Fall Committee Meetings & Related Events

September 22, 2020

Peer Review

Promoting Safety →

- Safety Information Resource Center
- Other Safety Resources
- Pipeline Safety
- Natural Gas Utility Process Safety Management Clearinghouse
- National Association of State Fire Marshals (NASFM) Materials on CSST
- Plastic Pipe Database Collection Initiative
- Field Worker Assault Prevention Initiative Resources

Employee Safety Statistics

Lessons Learned

Technical Papers →

Pipeline Safety

Safety is at the very core of the work we do as an industry and natural gas utilities work tirelessly to help ensure the safety of their customers, communities and employees. AGA's continued enhancement of pipeline safety highlight the commitments from our membership to work collaboratively and ensuring that pipeline safety remains a leading priority for operators in the natural gas industry. This collaboration requires the support of regulators and policy makers at the federal, state and local levels. Customers also play an important role in pipeline safety with the responsibility to call 811 before digging, and 911 if they smell natural gas.

AGA is proud of the role it plays in working with other stakeholders so that pipeline safety regulations reflect a reasonable, practicable, and cost-effective approach in enhancing safety. Additional details about pipeline safety and the safety of natural gas can be found here.

Pending Rulemakings

- AGA Submits Comments on PHMSA's Proposed Rulemaking for the Installation of Automatic Shut-off and Remote Controlled Valves (ASV/RCVS)
- Regulatory Reform
- Class Location Change Requirements

Responses to Regulatory Filings

- PHMSA Responds to AGA's Petition on the Transmission Rule
- PHMSA Responds to AGA's LNG Petitions
- PHMSA Responds to AGA's Petition on the Plastic Pipe Regulation

Pipeline Safety Reauthorization

Pipeline Safety Reauthorization

- Every 4 years PHMSA's pipeline safety program is reauthorized by Congress
- Includes congressional mandates based on areas where congress believes additional oversight, research, or regulation is needed
  - Often response to pipeline incidents

House and Senate must agree on <u>one bill</u>

Committees and Subcommittees

U.S. House of Representatives

Waiting on Legislation

- Transportation and Infrastructure's Pipeline Subcommittee
- Energy and Commerce's Energy Subcommittee

U.S. Senate

Passed S.2299 by unanimous consent in Aug 2020

- Commerce, Science, and Transportation Committee – Subcommittee on Surface Transportation

Key Themes Within Proposed Legislation

	Operations								Regulators		Process		
	ASVs/ RCVs	Over-pressure Protection	DIMP	Distribution Records PSMS		NPMS	Operator Qualifications	Emergency Response	Workforce Development	Updates to Regulations	Civil Penalties	Cost Benefit Analysis	Criminal Penalties
E&C	★	★	★	★		★	★	★	★		★	★	★
T&I						★	★		★	★	★	★	★
Senate		★	★	★	★			★	★	★			

Final Regulations

Transmission and Gathering Lines Rulemaking

Final Regulation Published October 1, 2019

Directive from Congress in the 2011 Act

Strengthens protocols for Integrity Management (IM), including protocols for inspections and repairs, and improves information collection to help drive risk-based identification

Extends IM outside of HCAs (MCAs), methods of MAOP reconfirmation, and requirements for material verification

Effective date July 1, 2020

On April 22, PHMSA issued a stay of enforcement and allows gas pipeline operators through December 31, 2020 to comply with these deadlines before PHMSA resumes its normal enforcement processes

Rulemaking #2 - Safety of Gas Transmission Pipelines: Repair Criteria, Integrity Management Improvements, Cathodic Protection, Management of Change, and Other Related Amendments

Rulemaking #3 – Safety of Gas Gathering Pipelines

Transmission and Gathering Lines Rulemaking

AGA continues to work with PHMSA for clarification on this rulemaking

1. Joint Trade Associations petition to align scope of MAOP reconfirmation with GPAC discussions. *PHMSA published its response agreeing with industry petition*

2. Changes to annual reporting requirements and timeline to use new report. *PHMSA will not use the new annual reporting form until March 15, 2022 filing (FAQs).*

3. Request for Stay of Enforcement for updating procedures due to resources supporting COVID-19 response. *PHMSA issued Stay of Enforcement*

4. FAQs – *Some have been addressed in the first set of responses (published this month).* Anticipating 2 more batches of FAQs

Transmission and Gathering Lines Rulemaking (Summary)

Expansion of Integrity Management beyond HCAs:

- Expands transmission integrity to Moderate Consequence Areas ("MCA")
- Initial assessment within 14 years not to exceed 10 years after the pipeline segment meets condition in 192.710.

MAOP Reconfirmation:

- Removed grandfather clause from Class 3/4 and HCAs
- Must develop and document procedures for completing all actions required by July 1, 2021
- 50% complete by July 3, 2028
- 100% complete by July 2, 2035
- 6 Methods: Pressure Test, Pressure Reduction, Engineering Critical Assessment, Pipe Replacement, Alternative Technology.
- Removed spike test from MAOP reconfirmation.

Transmission and Gathering Lines Rulemaking (Summary)

Records:

- Requires operators to collect traceable, verifiable and complete records moving forward, and retain existing and new TVC records for the life of the pipeline.
- Does not provide code definitions for "traceable", "verifiable," and "complete"; however, the preamble provides clarification and examples of what these terms mean, relative to records used for substantiating MAOP.

Material Properties Verification:

- Rule is only applicable to transmission pipelines and is **not** retroactive.
- Material properties verification is addressed separately from application of Integrity Management principles
- Clarifies that only operators who do not have traceable, verifiable, and complete records will be required to create a material verification plan.

Pending Regulations

Valve installation and Minimum Rupture Detection Standards

Notice for Proposed Rulemaking Published February 6, 2020

GPAC Meeting held in July 22, 2020

Legislative Mandate

- Add Automatic or Remotely Controlled Shutoff Valves (ASV/RCVs) on new or fully replaced gas transmission & liquid pipelines.
  - 2 or more contiguous miles, greater than or equal to 6-inches
  - Proposed exempting pipelines with a PIR <150, in Class 1,2, and 3)

Valve installation and Minimum Rupture Detection Standards

- Establishes spacing requirements and performance metrics for rupture detection for gas transmission and liquid pipelines. (30 min closure after rupture identification. Proposed eliminating 10 min rupture identification)
- AGA jointly filed comments on April 6, 2020

Regulatory Reform NPRM

Presidential Executive Order (NPRM)
Only Applicable for significant rulemakings
1 new regulation ➔ At least 2 rules pulled back
Does not apply to Congressional mandates

1. Provide flexibility in the inspection of farm taps
2. Repeal DIMP requirements for master meter operations
3. Repeal submission of mechanical fitting failure reports
4. Increase monetary threshold to $122,000 for incident reporting criteria
5. Clarifies remote monitoring of rectifier stations is permitted

Regulatory Reform NPRM

6. Revise inspection intervals for atmospheric corrosion assessment for gas distribution service
7. Update design standards for PE pipe and raise maximum diameter limit

Aligns with AGA's petition request to allow other procedures that can demonstrate an equivalent or superior level of safety than ASTM F2620(2019)

8. Revises test requirements for pressure vessels
9. Revises welder requalification (6 to 7.5months)
10. Allows pre-installation testing (<30%SMYS and above 100psi)

Industry Comments filed in August

★GPAC Meeting October 7, 2020 ★

Class Location Change Requirements

Draft NPRM Available – not officially published on the Federal Register

- AGA has previously filed comments on ANPRM supporting the use of IM principles, advancing the deployment of new technologies, and incentivizing operators to implement modern inspection technologies.
- Existing class location change regulations require an operator to replace, pressure test, or reduce pressure.
- Existing special permit overly-complex

Class Location Change Requirements

- Uses IM principles as an alternative to existing methods for managing gas transmission pipeline class location changes.
- Applies to pipes changing from a Class 1 to a Class 3 location and operate at 72 percent of specified minimum yield strength (SMYS) or less. *Pipelines in Class 4 (managed under existing special permit process)*
- IM requirements only apply to segment experiencing class location change (rather than the entire inspection section)
- Outlines Ineligibility criteria
- Operators must perform additional P&M which ILI doesn't address

LNG Update NPRM

- Revise 49 CFR Part 193 to incorporate current industry developed standards (via NFPA 59A-2019)
- Addresses LNG Export Facilities and Small Scale LNG Facilities
- Will be addressed in July 22, 2020 GPAC Meeting
- In March 2020, PHMSA responded to AGA's petitions which asked PHMSA to modify inspection intervals and incorporate updated standards.
- NPRM is currently at PHMSA after review from OMB

Standards Update NPRM

- Addresses the set of incorporated by reference standards throughout PHMSA's part 192, and Part 195 code with updated revisions of standards.
- Would impact approximately 60+ standards that are incorporated by reference.

American Gas Association

TrueBlueNaturalGas.org

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The American Gas Association, founded in 1918, represents more than 200 local energy companies that deliver clean natural gas throughout the United States. There are more than 74 million residential, commercial and industrial natural gas customers in the U.S., of which 95 percent — more than 71 million customers — receive their gas from AGA members. Today, natural gas meets more than one-fourth of the United States' energy needs.

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