2021: YEAR IN A GLACE

REGULATORY UPDATE

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American Gas Association
Year in a Glance

New Mandates

New Administration

PIPES Act 2020

Identify changes from Merrimack Valley Incident
-several measures previously underway by AGA members

New focus on methane emissions
-Leak detection and repair technologies
-Ongoing work on position papers and public education
-AGA’s climate change policy

Increased transparency from PHMSA
/reporting to Congress on status
Key Themes Within PIPES Act 2020

Regulators
- Pipeline Safety Enhancement Testing Programs
- Study DA for Distribution
- Update LNG Standards
- Publish Transmission Rule
- LNG Center for Excellence
- Prescriptive LDAR Requirements
- Class Location NPRM
- Update DIMP, Emergency Response, O&M Plans
- Voluntary PSMS Implementation
- District Regulator Station Upgrades
- Distribution Records Management
- Safety Related Condition Reporting
- Environmental Considerations in Cost Benefit Analysis
- Self Disclosure Protections
- Due Process Protections

Link for PIPES Act 2020
## Regulatory Timeline

Anticipate work in 2021 will focus on PIPES Act 2020 mandates and previous mandates.

### 2021
- Gathering Lines (Oct ‘21)
- Pt.2 Transmission Rule (Oct ‘21)
- ASV/RCV (Oct ‘21)

### 2022
- Leak Detection Rulemaking (May ‘22)
- Safety of Gas Distribution Pipelines (July ‘22)
- Updates to LNG Regs (Sept ‘22)

### 2023
- Class Location (Mar ‘23)
- Pipe Operating Status (Apr ‘23)

(PhMSA’s projected timelines)
New focus to also consider impact to not only public safety but environmental safety.

**Self Executing Mandate:** Show extent to which inspection and maintenance plans address how operators:

- eliminate hazardous leaks
- minimizing releases;
- protect the environment;
- Are replacing/remediating pipelines that are known to leak based on the material design, or past operating and maintenance history of the pipeline.

**PHMSA new regulation:** Minimum performance standards for LDAR programs that reflect capabilities of commercially available advanced technologies. *(18 mo report to Congress)*

Require programs to identify, locate & categorize all leaks which are "hazardous to human safety or the environment" or "have the potential to become explosive or otherwise hazardous to human safety"

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**Supplemental Information**

- AGA Blowdown Emissions Reduction White Paper
- AGA Climate Change Position Statement

**AGA LDAR Considerations for Natural Gas Operators White Paper (in development)**
New Rulemakings

Safety of Gas Distribution Pipelines Rulemaking
• Regulations to eliminate common mode of failure (distribution regulator stations).
• Review updated DIMP, Emergency Response Procedures, O&M Plans for adequacy
• Develop new regulations for identifying and managing TRACEABLE, RELIABLE AND COMPLETE records *(Only records critical to ensure proper pressure controls for distribution)*
• Update requirements for emergency response with 1st responders/ public officials

Coordinate with States to review adequacy of PSMS Implementation

Considerations for Operators
• Looking at district regulator stations to eliminate common mode of failure
• Updating DIMP, Emergency Response and O&M Plans
• Additional personnel for monitoring gas pressure during construction activities
• Availability of documentation for personnel performing or overseeing relevant work
• Continue to implement PSMS
Updates to Technical Standards

- Incorporates more than 24 standards and addresses AGA’s Petition for Rulemaking for LNG operators
- encouraged PHMSA to updates their regulatory references to technical standards at least biennially (AGA comments)

What to know: Addresses need to use industry accepted standards for peak shaving facilities, and more consistency in the use of standards.

OQ FAQs

- 40 FAQs -replaces existing OQ FAQs. (AGA comments)

What to know: AGA comments clarify between training requirements and qualifications, exclude 1st responders who act with responsible care from OQ program requirements, and that training requirements are not applicable to all tasks
Appendix
Gas Leak Detection Rulemaking
(Sec. 113. PIPES Act 2020)

- Programs to identify, locate & categorize all leaks which are "hazardous to human safety or the environment" or "have the potential to become explosive or otherwise hazardous to human safety"
- Advanced leak detection includes continuous monitoring or "periodic surveys with handheld equipment, equipment mounted to mobile platforms, or other means using commercially available technology"

Considerations for Operators:
Examine if existing leak detection and repair plans can identify, locate, and categorize leaks which are hazardous to human safety and the environment or may become hazardous.
- Examine which advanced leak detection technologies are feasible (if any) for use within your service territory/environment.
Safety of Gas Distribution Pipelines
Rulemaking  (Sec. 202, 203, 204, 206 PIPES Act 2020)

Sec. 202. Distribution integrity management plans.
DOT, within 2 yrs, to issue regs requiring DIMP plans include
• Risks from cast iron pipes
• Risks from operating low pressure system
• Factors other than past observed abnormal operating conditions in ranking/mitigating risks
Can't determine no potential consequences for a low probability event unless supported by engineering analysis or operational knowledge

Operators to make DIMP, emergency response & O&M plans and updates to DOT/States for inspection; DOT/States must review & record results for next review
Considerations for Operators: Operators may want to consider their existing procedures to identify if any revisions are needed.

DIMP Plan:
Evaluation of risks resulting from cast iron pipes & mains in distribution system
• Evaluation of risks in a LP distribution system that could result in any connected and properly adjusted low-pressure gas burning equipment being unsafe.
• Consider factors other than past observed abnormal operating conditions
• May not determine that there are no potential consequences associated with low probability events unless that determination is otherwise supported by engineering analysis or operational knowledge.
Sec. 203. Emergency response plans.

DOT, within 2 years, to update regs to require operators update emergency plans. Plans to include written procedures to:

- Establish communications with public, first responders and other public officials as soon as practicable for gas emergencies:
  - A fire related to an unintended release of gas;
  - An explosion;
  - 1 or more fatalities; or
  - Unscheduled release of gas and shutdown of gas to a significant number of customers
- Develop a voluntary opt-in system that allows operators to rapidly communicate with customers.
Considerations for Operators: Revisit and as needed update emergency response plans to meet proposed reporting requirements.

Applies to distribution pipeline emergencies that:
A. a fire related to an unintended release of gas;
B. an explosion;
C. 1 or more fatalities; or
D. the unscheduled release of gas and shutdown of gas service to a significant number of customers, as determined by the Secretary.
Sec. 204. Operations and maintenance manuals.

DOT to update regs within 2 years. O&M manuals to cover:

- Responding to overpressure indications including specific actions & order of operations for immediately reducing pressure or shutting down portions of system, if necessary
- MOC for significant technology, equipment, procedural, and organizational changes to the distribution system.
- Provisions for review of construction plans by qualified personnel.
- Does not limit qualified personnel to professional engineers.
Safety of Gas Distribution Pipelines Rulemaking (Sec. 202, 203, 204, 206 PIPES Act 2020)

**Considerations for Operators**: Examine if existing O&M Plans include:
- Responding to overpressure indications
- Specific actions and an order of operations for immediately reducing pressure in or shutting down portions of the gas distribution system, if necessary.
- A detailed MOC procedure for significant technology, equipment, procedural, and organizational changes to the distribution system.
- Requirements for what constitutes qualified personnel (Engineer, PE, SME, or equivalent) to review and certify construction plans for accuracy, completeness, and correctness.
Sec. 206. Pipeline safety practices.

- **180 days** – regulations for qualified employee to monitor district regulator station.
- Any project that has the potential to cause a hazardous overpressurization of the distribution system.
- **1 year** – regulations to assess and upgrade as needed distribution regulator stations to eliminate common mode of failure (distribution).
- **2 years** – regulations requiring operators to identify and manage traceable, reliable, and complete records.
  - Only records critical to ensure proper pressure controls for distribution
  - Records should be available to all persons responsible for performing or overseeing relevant work.
Considerations for Operators:

• Identify and train personnel to monitor gas pressure, including updates to training documents and procedures.
• Update design review to identify if additional personnel is needed to monitor construction activities or if district regulators have remote capabilities.
• Update design procedures to include review of monitoring.
• Review district regulator stations that may need upgrades as identified above.
• Identify which documents may be considered as records critical for proper pressure controls.
• Identify system to store and make available to applicable personnel.
• Review existing documents to ensure they are traceable, reliable, and complete.
• Update procedures to identify system of record and record storage/retention.
Changes to Class Location Rulemaking
(Sec. 115 PIPES Act 2020)

Draft NPRM Available – not officially published on the Federal Register

- PIPES Act (2020) – within 1 year PHMSA must review comments to NPRM and determine whether to publish a rulemaking
- 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.
Changes to Class Location ANPRM
Summary

• Existing class location change regulations require an operator to replace, pressure test, or reduce pressure. Special permit overly-complex

• 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
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

- Study of ASV/RCV is also included in the PIPES Act (2020)