



Pipeline Safety Update

January 2021



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 one bill

U.S. House of Representatives

Waiting on Legislation

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

Committees and Subcommittees

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

U.S. Senate

Passed S.2299 by
unanimous consent in Aug
2020

Key Themes Within PIPES Act 2020

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



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 →

In 2020, PHMSA issued a [stay of enforcement](#). In 2021 PHMSA has resumed 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 →

PIPES Act 2020 requires PHMSA to publish Final Rule within 90 days

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). Batch 2 was published in December 2020.*

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~~ Exemption until Dec. 31, 2020
- 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:

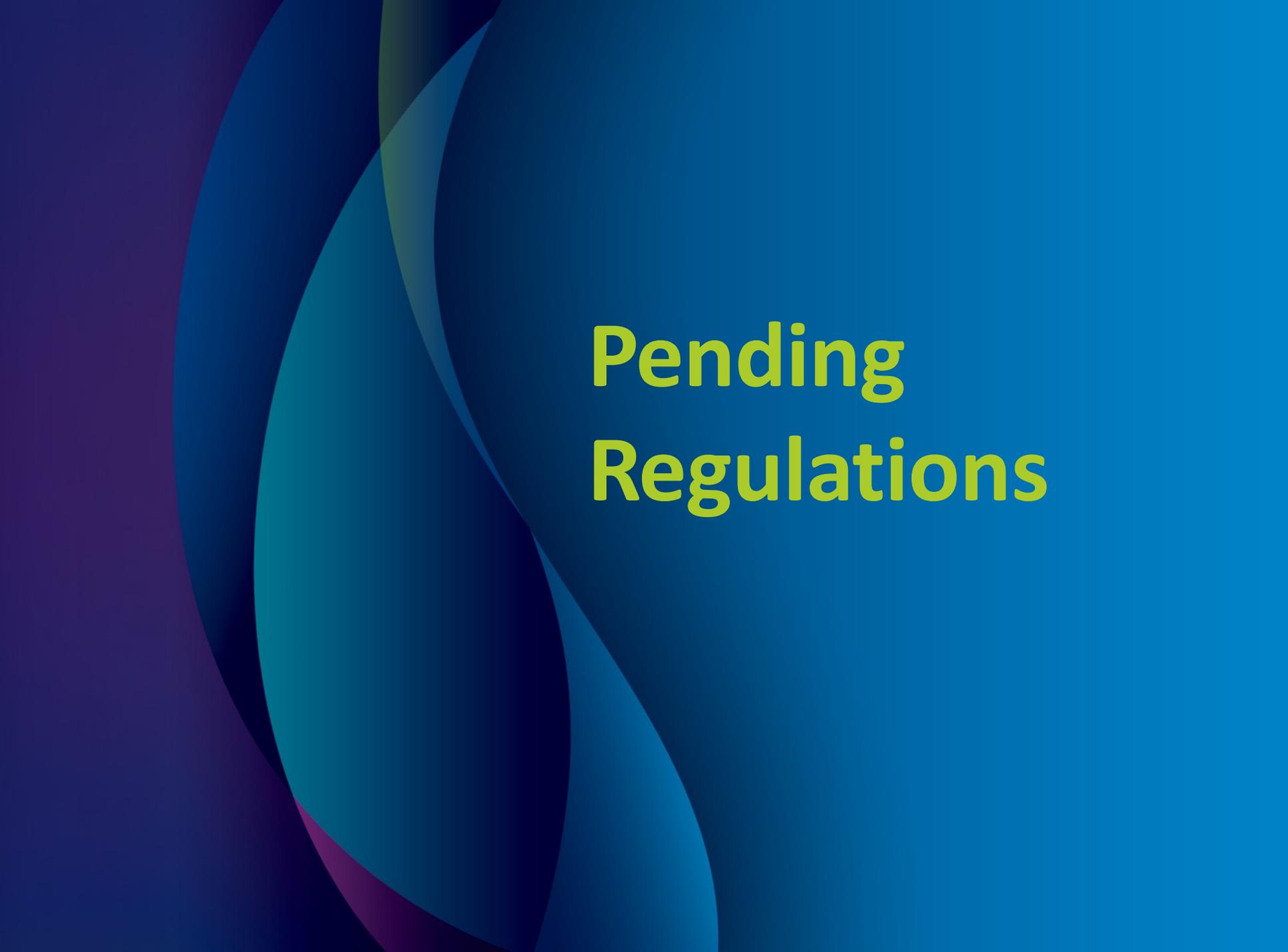
- Rule is only applicable to transmission pipelines and is not retroactive.
- Material properties verification is addressed separately from application of Integrity Management principles
- Clarifies that only operators who do not have traceable, verifiable, and complete records will be required to create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

Gas Regulatory Reform

**Final Rule was posted to the Federal Register January 11, 2021
Effective Date: March 21, 2021.**

Note: Change in administration could potentially delay implementation.

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
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)



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

Class Location Change Requirements

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.
- Existing class location change regulations require an operator to replace, pressure test, or reduce pressure.

Class Location Change Requirements

- Existing 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

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.



Other Investigations and Initiatives

NTSB Public Meeting – Dallas, TX 2018 Incident

- Held NTSB meeting January 12, 2021 ([Link to abstract](#))
 - **Probable cause:** ignition of an accumulation of natural gas that leaked from the gas main that was damaged during a sewer replacement project 23 years earlier and was undetected by pipeline operators' investigation of two related natural gas incidents on the two days prior to the explosion.
 - Contributing to the explosion was the pipeline operators' insufficient wet weather leak investigation procedures
(cont...)

NTSB Public Meeting – Dallas, TX 2018 Incident

- Contributing to the severity of the explosion was pipeline operators' inaction to isolate the affected main and evacuate the houses.
- Contributing to the degradation of the pipeline system was Atmos Energy Corporation's inadequate integrity management program.
- 22 findings, 14 new recommendations, reiterated 3 recommendations
- AGA will be working the GPTC to address those pertinent recommendations.



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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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