January 4, 2017

Email Submittal

Desk Officer for PHMSA
Office of Management and Budget
Executive Office of the President of the United States
725 17th Street NW
Washington, DC 20503

Re: Pipeline Safety: Safety of Underground Natural Gas Storage Facilities – Annual Reports for Gas Operators (OMB Control No. 2137-0522, Docket No. PHMSA-2016-0016)

Desk Officer for PHMSA,

The Interstate Natural Gas Association of America (INGAA), American Gas Association (AGA), and American Petroleum Institute (API) are trade associations that advocate for regulatory and legislative positions of importance to the natural gas and hazardous liquid pipeline industry. We respectfully submit these comments in response to the Pipeline and Hazardous Materials Safety Administration (PHMSA)’s Notice and comment request regarding the draft Information Collection Request revision “Underground Natural Gas Storage Facility (UNGSF) Annual Report” Form 7100.4-1 (OMB Control No. 2137-0522). This form was published as part of the PHMSA rulemaking “Pipeline Safety: Safety of Underground Natural Gas Storage Facilities” (Docket ID: PHMSA-2016-0016).

The memberships of INGAA, AGA, and API represent the vast majority of the natural gas and hazardous liquid pipeline and underground natural gas storage industry, and serve as an indispensable link between natural gas producers and consumers. INGAA, AGA, API and our members have a long history of working collaboratively with a variety of stakeholders, including PHMSA, on regulatory standards and information collection activities for natural gas pipelines and storage facilities.

INGAA, AGA, and API are actively engaged with PHMSA and working in an expedited fashion to refine the draft UNGSF Annual Report Form 7100.4-1, published to the docket on December 16, 2016. These refinements should enhance the quality, utility, and clarity of the information to be collected, while minimizing the burden to operators. As such, we request that OMB refrain from approving the presently filed UNGSF Annual Report Form until PHMSA submits a revised draft to OMB for review and public comment. We appreciate OMB’s consideration of these comments.

Sincerely,

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Detailed Comments

INGAA, AGA, and API (“the associations”) appreciate the opportunity to provide comments on the proposed new Underground Natural Gas Storage Facility (UNGSF) Annual Report Form 7100.4-1. The UNGSF Annual Report Form was published as part of an Information Collection Request (ICR) revision related to the PHMSA rulemaking “Pipeline Safety: Safety of Underground Natural Gas Storage Facilities” (Docket ID: PHMSA-2016-0016)¹, which was published in the Federal Register on December 19, 2016.²

The associations are actively engaged with PHMSA in working to refine the UNGSF Annual Report Form to enhance the quality, utility, and clarity of the information to be collected, while minimizing the burden to operators. Due to the Interim Final Rule (IFR) process utilized for this rulemaking, this is the first opportunity for key industry stakeholders to review and provide comments on the UNGSF Annual Report Form. We look forward to continuing to work with PHMSA to refine the UNGSF Annual Report Form, and request that OMB refrain from approving the presently filed UNGSF Annual Report Form until PHMSA submits a revised draft for review and public comment.

While the associations and our members are still reviewing the current draft UNGSF Annual Report Form and may have additional comments in the future, we offer examples of issues with the presently filed draft that could potentially impact the quality, utility, clarity, and burden of the information to be collected. The associations are communicating with PHMSA regarding these specific issues.

Examples of Issues with the Presently Filed UNGSF Annual Report Form/Instructions

Structure of Part B: The UNGSF Annual Report Instructions state “Part B is completed once for each independent underground natural gas storage facility operated by your OPID.” The associations are working with PHMSA to assure the delineation of “each independent storage facility” is clear and, where possible, is consistent with existing information requests from other federal agencies, including Energy Information Agency (EIA), Federal Energy Regulatory Commission (FERC), and Environmental Protection Agency (EPA). The utility of the UNGSF Annual Report data for PHMSA, other agencies, the public, and operators is enhanced if this data is collected in a format consistent with other existing ICRs.

Specifically, the associations have suggested clarifications to the UNGSF Annual Report Form to identify how operators are to organize data for facilities where gas is injected/withdrawn into multiple, isolated zones or “stacked” reservoirs at the same location with different operating characteristics.

**Section B4 – Facility Center of Mass:** The associations believe the purpose of this section is for operators to provide an approximate facility location. The term “Facility Location” should be used instead of “Facility Center of Mass” to avoid confusion regarding which coordinates are to be provided.

Collecting the necessary data and performing the detailed calculations to generate a precise “center of mass” would significantly exceed PHMSA’s 8-hour burden estimate for this ICR, and provide minimal added knowledge regarding the geographical location of the facility’s center. Additionally, the change to “Facility Location” would enable operators to provide coordinates consistent with other existing ICRs and company-specific documents (e.g., emergency response plans).

**Section B7 and B8 – Maximum Well & Facility Operating Pressure:** The associations believe the desired data point in these sections is the maximum wellhead surface pressure for the reservoir or cavern. Section B7 and B8 should be combined into one line item for each formation or isolated zone and changed to: “Reservoir/Cavern Maximum Surface Pressure.”

Design and actual operating pressure of storage facilities, including individual wells, is driven by that of the associated reservoir or cavern. In most cases, a storage facility system involves wells linked to a storage gathering pipeline system feeding to a central delivery point, so that any part of the system could be exposed to the reservoir or cavern surface pressure.³

While individual “key wells” may be used for monitoring reservoir/cavern surface pressure, data for each individual well is not necessary for monitoring or determining facility maximum pressure. To determine which individual well has the highest actual operating pressure at any given moment throughout the year, operators may be required to install a significant amount of new continuous pressure monitoring equipment, and incur a substantial and unnecessary cost and a higher recordkeeping burden than PHMSA’s 8-hour estimate for this ICR.

**Section B14 and B15 – Maximum Daily Well Injection/Withdraw Rate:** The UNGSF Annual Report Instructions for this section direct operators to “Identify the well with the highest daily gas withdraw/injection rate during the calendar year.” The associations believe the more useful and available data point for these sections is the facility actual injection/withdrawal rate, instead of the highest daily injection/withdrawal rate for specifically the highest-flowing well. Changing

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³ Wells, wellheads, surface piping, and equipment may have higher design pressure limits than the associated reservoir/cavern. For example, actual operating pressure at the wellhead will exceed reservoir/cavern actual operating pressure during injection operations, in order to move gas into the reservoir/cavern.
these sections to require “Maximum Daily Facility Injection/Withdrawal Rate, during the calendar year” would be consistent with the EIA ICR (Form EIA-191).

Data for an individual well provides limited information about operations for the entire facility. The highest-flowing well could be a different well on a daily basis. Data with respect to Maximum Facility Injection/Withdrawal Rate and facility well count can be used to estimate average per-well flow rates during peak periods.

To determine which individual well has the highest daily injection or withdrawal rate during a calendar year, operators may be required to install a significant amount of new metering equipment, and incur a substantial and unnecessary cost and a higher recordkeeping burden than PHMSA’s 8-hour estimate for this ICR.

**Section B16 and B17 – Reservoir Maximum/Minimum Depth:** The draft UNGSF Annual Report Form references “Reservoir Depth.” The UNGSF Annual Report Form should clarify that for cavern facilities the “depth of the bottom and top of the cavern should be reported as maximum and minimum depth, respectively.”

Additionally, the UNGSF Annual Report Instructions should be revised to direct operators to “Enter the average maximum/minimum depth of the reservoir/cavern below grade in feet.” This information is calculated based on the depths of individual wells, is readily available, and provides operational insight regarding the overall formation.

**Section B24 & B26 –** The associations believe PHMSA intends to collect counts for wells flowing through “tubing-on-packer” completions in these sections of the UNGSF Annual Report. The associations recommend that the UNGSF Annual Report Form reference “tubing-on-packer” instead of “tubing” in these sections. Other uses of tubing (e.g., velocity or siphon string) would be counted as “other type” (Section B27).

**Conclusion**

INGAA, AGA, and API are actively engaged with PHMSA and working in an expedited fashion to refine the UNGSF Annual Report Form to enhance the quality, utility, and clarity of the information to be collected, while minimizing the burden to operators. The examples provided above highlight some key refinements that would substantially enhance the UNGSF Annual Report Form. Due to the Interim Final Rule (IFR) process utilized for this rulemaking, this is the first opportunity for the associations and other key industry stakeholders to review and provide comments on the UNGSF Annual Report Form. We look forward to continuing to work with PHMSA to refine the UNGSF Annual Report Form, and request that OMB refrain from approving the UNGSF Annual Report Form until PHMSA submits a revised draft for review and public comment.