2022: YEAR IN A GLACE REGULATORY UPDATE



January 2021

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Year in a Glance

Moving Congressional Mandates

- PIPES Act 2020
 - Gas Pipeline Leak Detection
 - Safety of Gas Distribution Pipelines
- Prior Mandates
 - Valve Installation and Rupture Detection

Continued focus on impact to health and environment

- Pending Rulemakings (as noted above)
- R&D for emerging fuels: Infrastructure Bill
- Ongoing work on position papers and public education

Increased transparency from PHMSA

-reporting to Congress

Regulatory Timeline

Anticipate work in 2022 will focus on PIPES Act 2020 mandates and previous mandates (PHMSA's projected timelines)

2022

ASV/RCV (Mar '22) ★With OMB

Pt.2 Transmission Rule (April '22)

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)

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 6inches
 - 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)
- <u>AGA jointly filed comments</u> on April 6, 2020
- Study of ASV/RCV is also included in the PIPES Act (2020)

Transmission and Gas Gathering Lines Rulemaking

- 2 of 3 rulemakings have been published
 - Transmission Rule Pt 1
 - Gas Gathering Lines Rule
- Remaining transmission rule to cover topics outside of the scope of the 2011 Congressional mandates
 - Management of Change
 - Risk Modeling Requirements
 - Repair Criteria Outside HCAs
 - Internal and External Corrosion Control
 - General and Corrosion P&M Measures

Gas Pipeline Leak Detection

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 "<u>hazardous</u> to human safety or the environment" or "have the potential to become explosive or otherwise <u>hazardous</u> to human safety

PHMSA will consider findings and observations gathered from its 2022 Audits on Operators Inspection and Maintenance Plans

Gas Pipeline Leak Detection

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.



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.

New Paper: Considerations for Eliminating Hazardous Leaks and Minimizing Releases of Natural Gas 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 "<u>hazardous</u> to human safety or the environment" or "have the potential to become explosive or otherwise <u>hazardous</u> to human safety

Supplemental Information



AGA Blowdown Emissions Reduction White Paper

AGA Climate Change Position Statemer

New Rulemakings

Safety of Gas Distribution Pipelines Rulemaking

- Regulations to eliminate common 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

Pipeline Safety Advocacy 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

911 Notification FAQs

FAQs address NTSB Recommendation. (AGA comments)

What to know: AGA comments asked PHMSA to consider an alternate definition for distribution pipeline ruptures, and proposed language to account for personnel outside of the control room who may also be responsible for making notifications to 911.

CONTINUED COMMUNICATION WITH PHMSA ON SUPPLY CHAIN CONSTRAINTS AND IMPACT TO SAFETY WORK/RESOURCES FROM COVID-19

Upcoming Guidance

Advisory Bulletin:

PHMSA is considering publishing a bulletin to address Dura-Line wall thickness issues (dedicated page).

-PHMSA recommends operators communicate with state regulators on potential impacts and actions on operator's specific system jurisdictional to state, if they haven't already

- Consider including as part of DIMP risk assessment per §192.1007

Public Meeting on LDAR Inspections:

- Anticipate Virtual webinar to be held in 2022
- Awaiting confirmation from PHMSA





- TrueBlueNaturalGas.org
- AGA_naturalgas
- f naturalgas
- o aga_natgas

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 76 million residential, commercial and industrial natural gas customers in the U.S., of which 95 percent — more than 72 million customers — receive their gas from AGA members. Today, natural gas meets more than 30 percent of the United States' energy needs.

www.aga.org

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" <u>or</u> "have the potential to become explosive or otherwise hazardous to human safety"
- Advanced leak detection includes continuous monitoring <u>or</u> "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.

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 <u>as soon as practicable</u> for gas emergencies:
 - A fire related to an unintended release of gas;
 - An explosion;
 - 1 or more fatalities; or
 - <u>Unscheduled</u> release of gas and shutdown of gas <u>to a</u> <u>significant number of customers</u>
- 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.

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 <u>Available</u> – 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 overlycomplex
- 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

Key Themes Within PIPES Act 2020

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

Link for PIPES Act 2020