

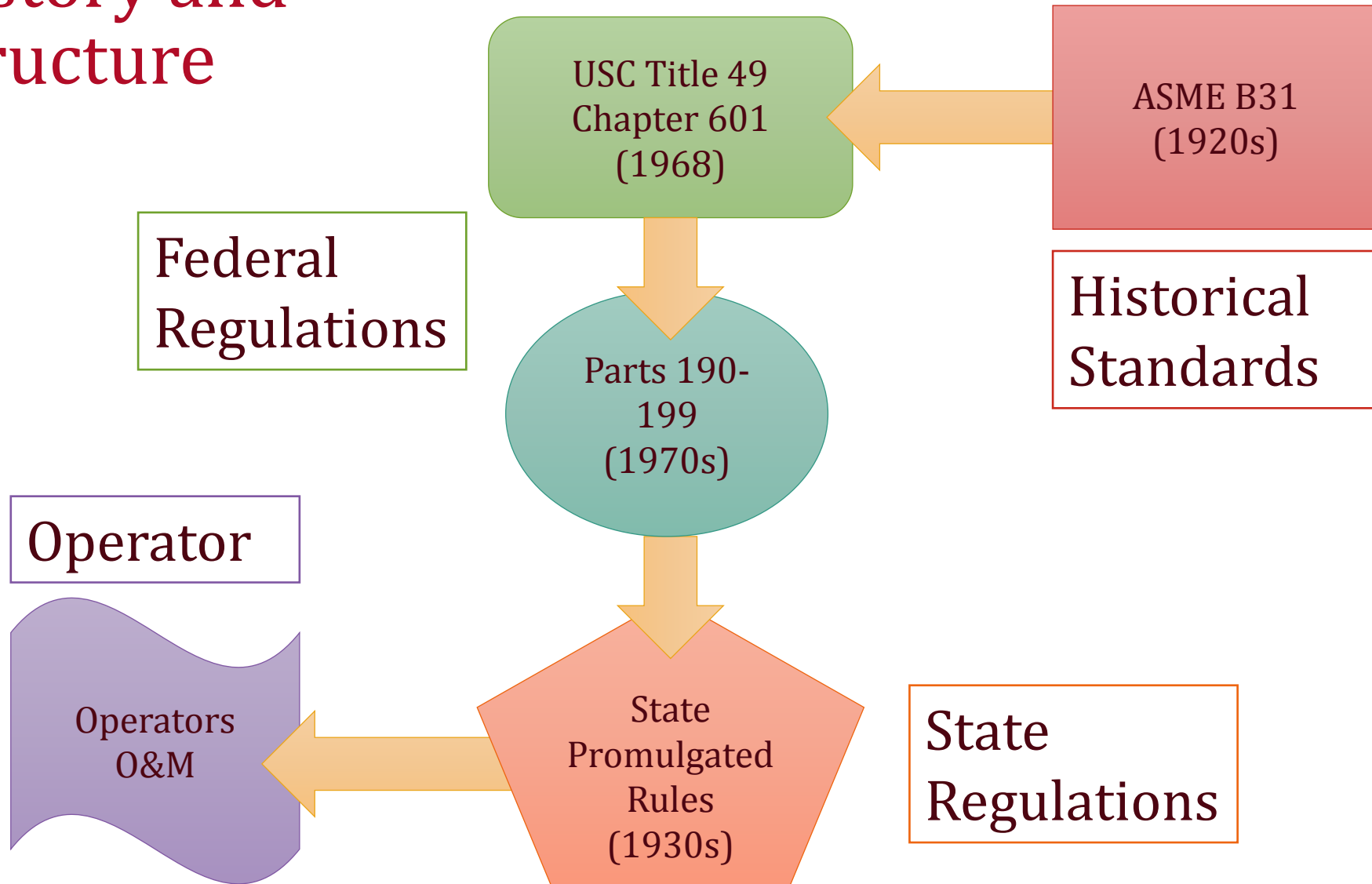
Regulatory Updates

Oklahoma Seminar

WARNING

**MASS
CONFUSION
AHEAD**

History and Structure



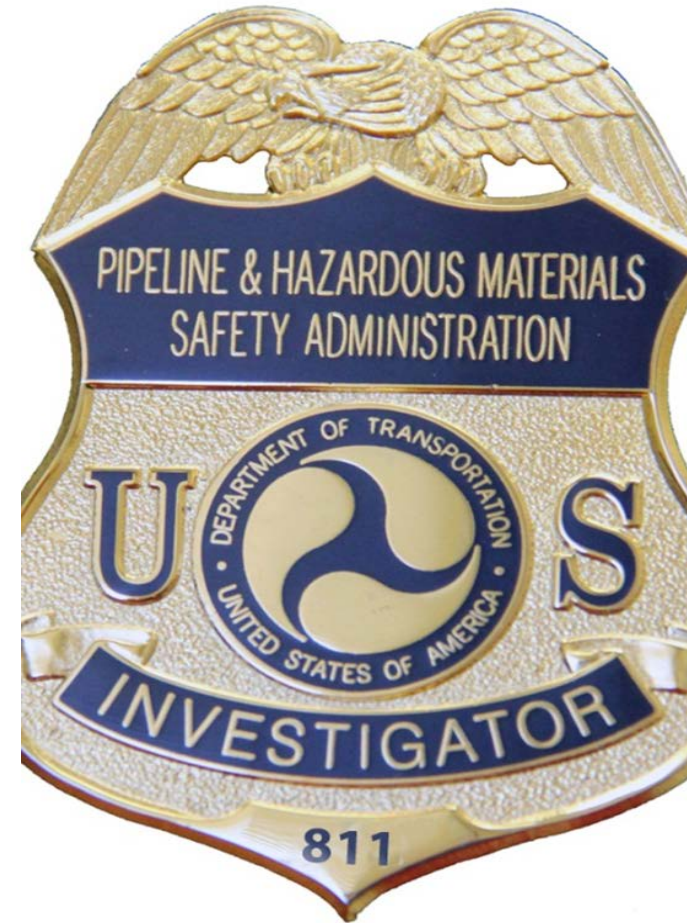
49 U.S. Code Chapter 601 - SAFETY

- Definitions
- Rights
- Special permits/Waivers
- Authority
- Jurisdiction
- Enforcement
- Etc.

USC Section 60117

(c) Entry and Inspection

- By displaying proper credentials, inspectors have the right to enter the premises
- Inspect records and property
- Reasonable time and manner



Part 190 Regulatory Authority

§190.203 Inspections and Investigations.

- Upon presenting appropriate credentials authorized to enter upon, inspect, and examine, at reasonable times and in a reasonable manner, the records and properties of persons to the extent such records and properties are relevant to determining the compliance of such persons with the requirements of 49 U.S.C. 60101 et seq., or regulations, or orders issued there under.

Part 190 Regulatory Authority

§190.203 Inspections and Investigations.

- Inspections are ordinarily conducted
 - 1) Routine scheduling
 - 2) A complaint from a member of the public
 - 3) Information obtained from previous inspection
 - 4) Report from a State agency participating in the Federal Program under 49 U.S.C. 60105
 - 5) Pipeline accident or incident
 - 6) Whenever deemed appropriate

Pipeline Codes

49 CFR 190 – Pipeline Safety Program Procedures

49 CFR 191 – Transportation of Natural and Other Gas by Pipeline; Reports of Leaks

49 CFR 192 – Transportation of Natural and Other Gas by Pipeline; Minimum Federal Safety Standards



Pipeline Codes

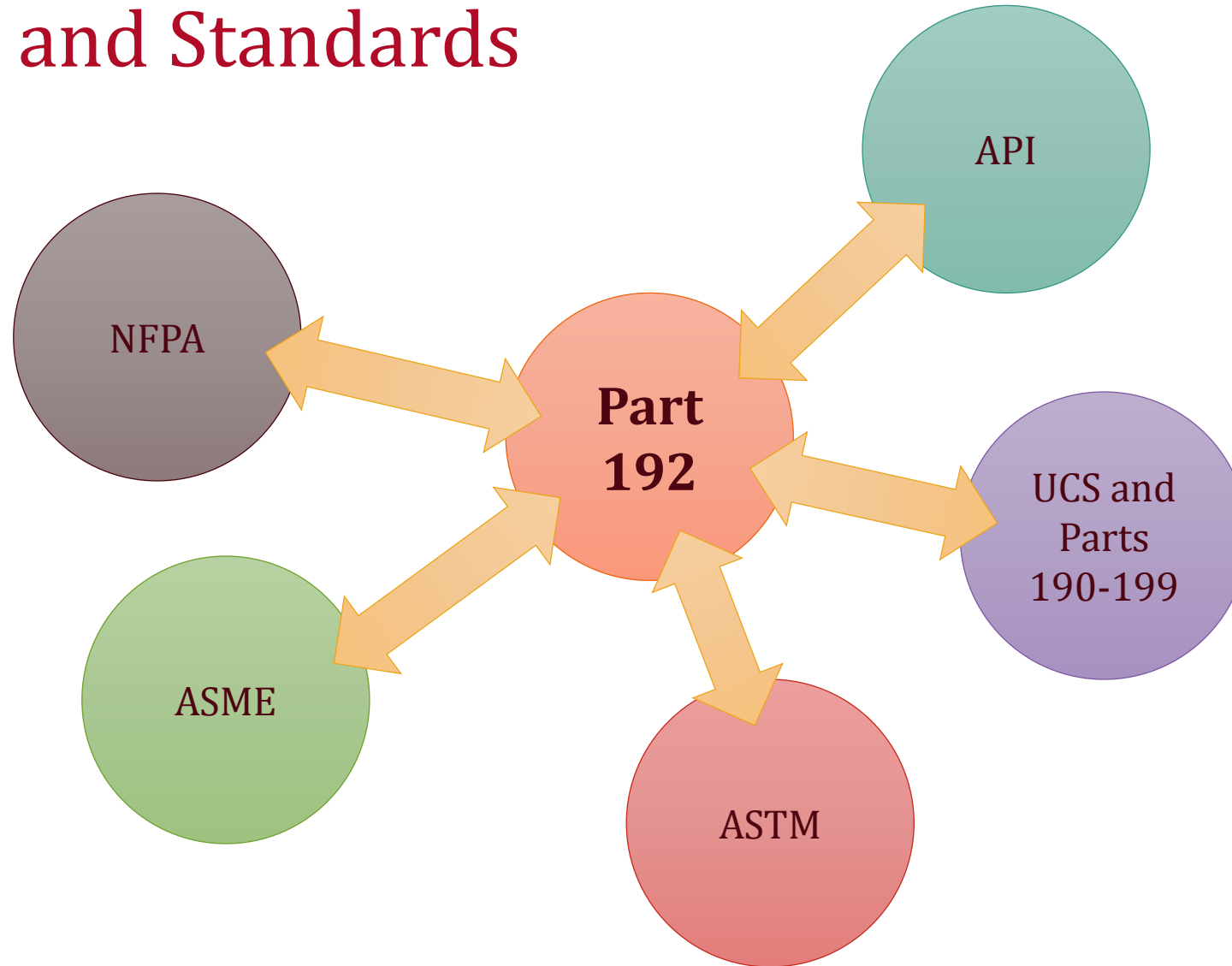
49 CFR 193 – Liquefied Natural Gas: Federal Safety Standards

49 CFR 195 – Transportation of Hazardous Liquids by Pipeline

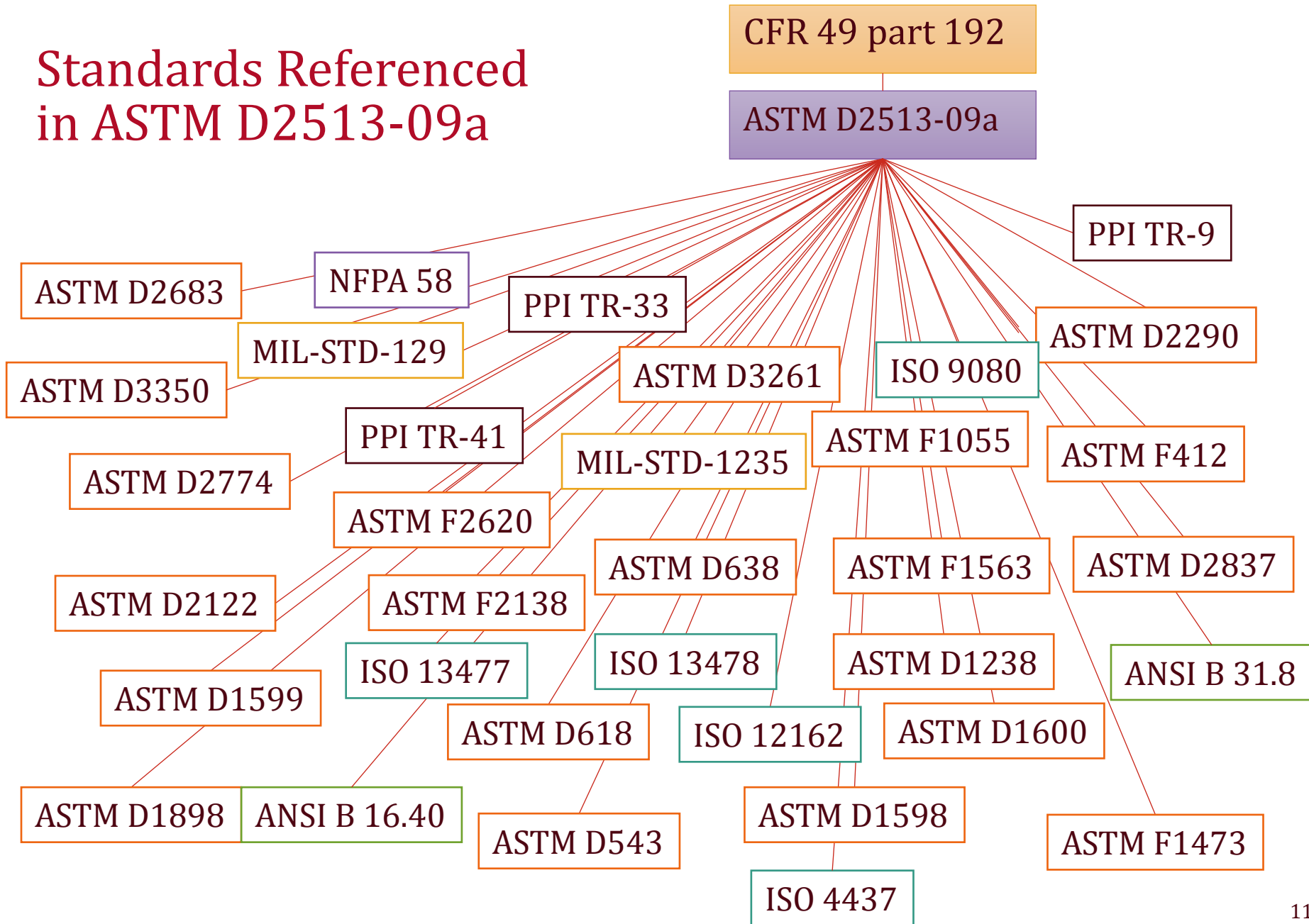
49 CFR 199 – Drug and Alcohol Testing Regulations and Procedures



Code and Standards



Standards Referenced in ASTM D2513-09a



§192.15 Rules of regulatory construction.

(a) As used in this part:

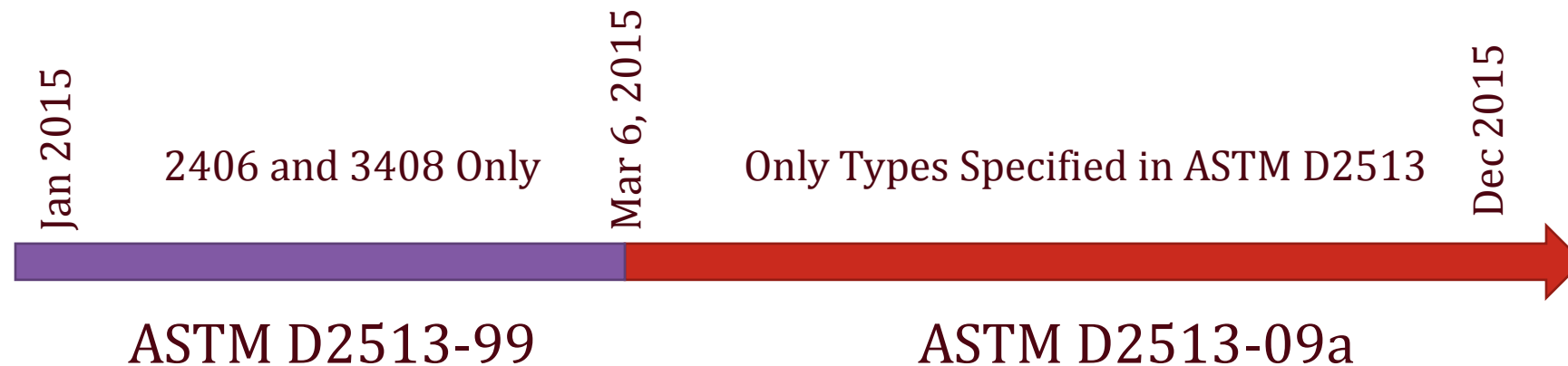
- "Includes" means "including but not limited to."
- "May" means "is permitted to" or "is authorized to."
- "May not" means "is not permitted to" or "is not authorized to."
- "Shall" is used in the mandatory and imperative sense.

(b) In this part:

- (1) Words importing the singular include the plural;
- (2) Words importing the plural include the singular; and,
- (3) Words importing the masculine gender include the feminine.

Referencing Standards by Installation Date

If an operator installs PE pipe in their system throughout 2015. What version of ASTM 2513 are they to use for design under §192.123(e)(2)?



Other Documents

- PHMSA interpretations, alert bulletins, special permits and enforcement documents
- Memorandum of Understanding
 - OSHA, FERC, USCG, EPA
- Association standards
 - NACE, ASTM, API, ASME, NFPA



Rules



Types of Rules

Legislative

- Rules that implement a statute.

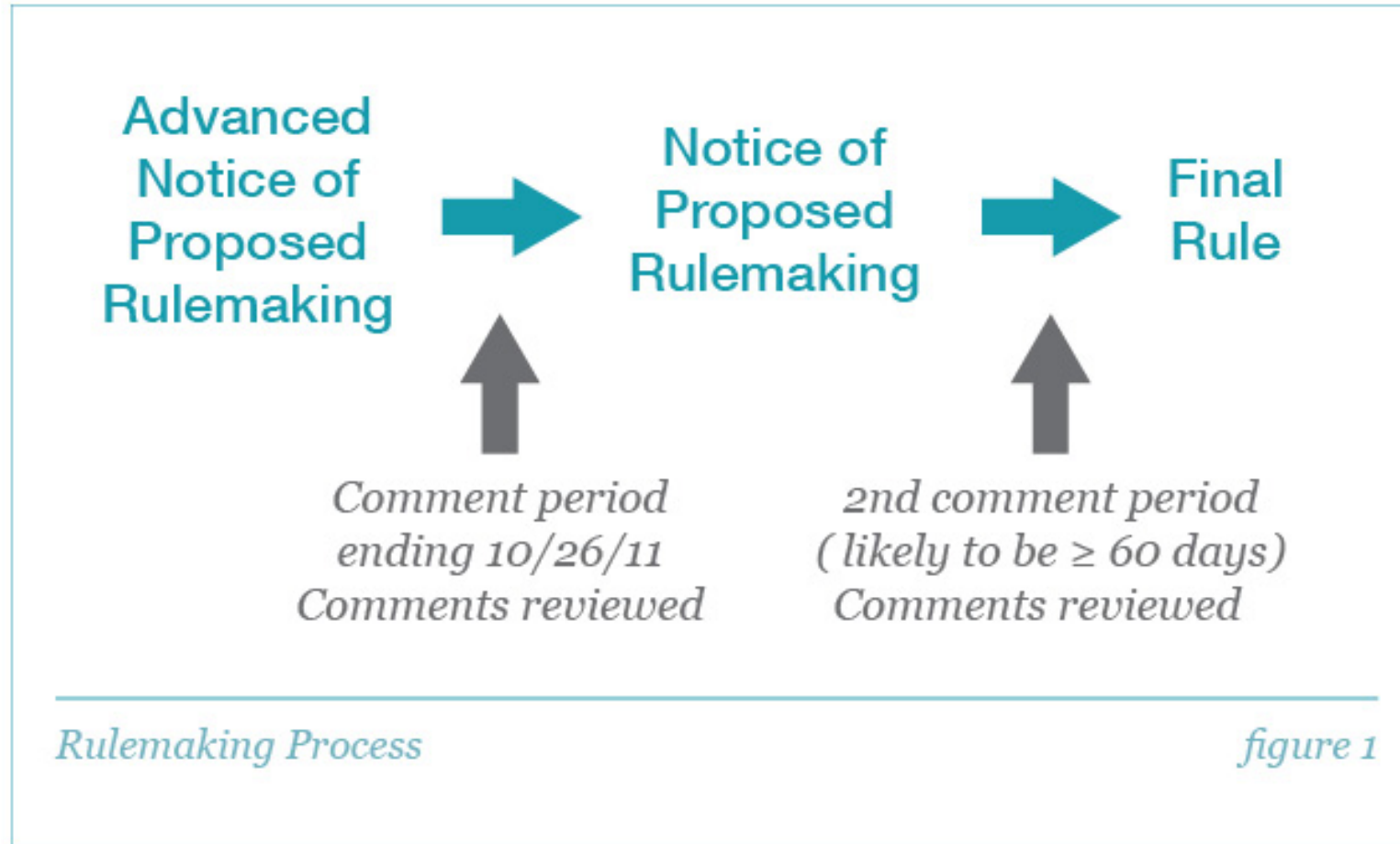
Non-legislative

- Rules are often referred to as “guidance.”

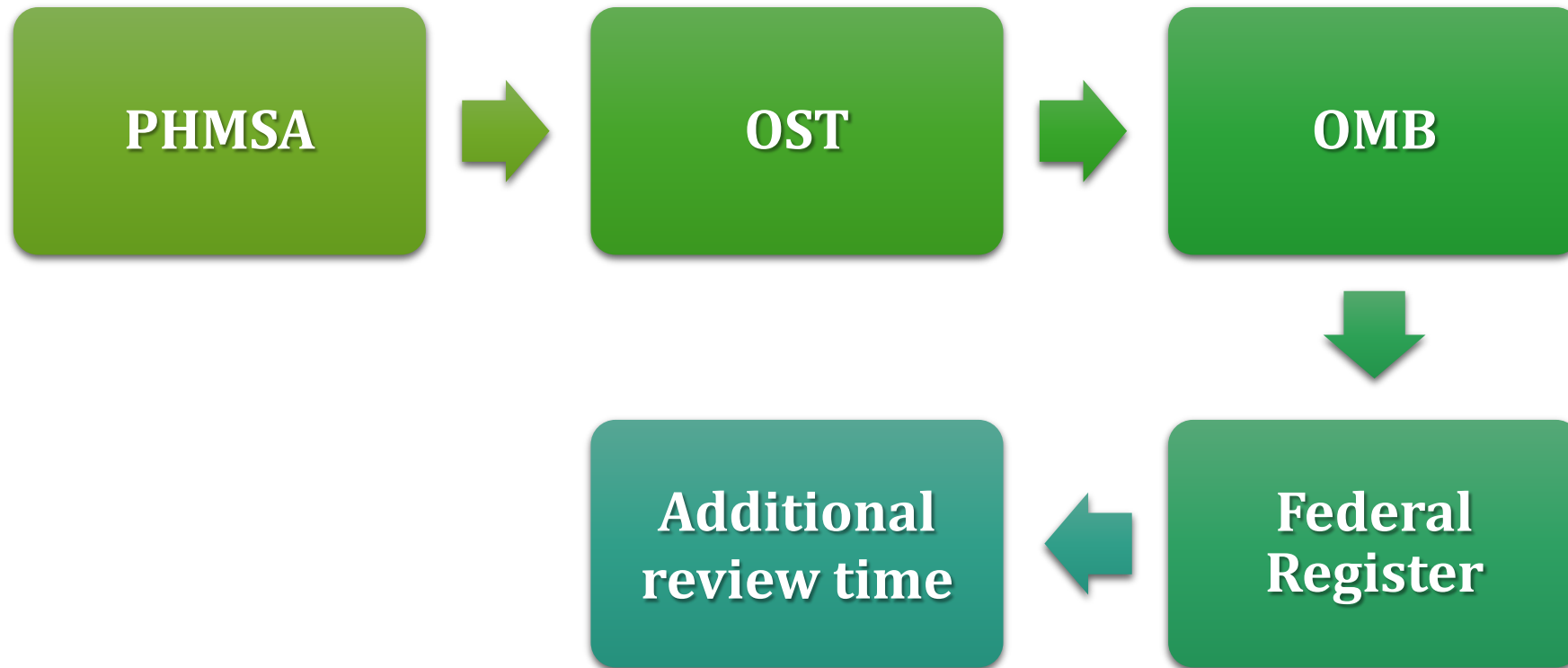
Interpretive Rules

- These tell the public what the agency thinks the statute and the rules the agency administers mean.

Rulemaking Process



Significant Rules



Non-significant Rules

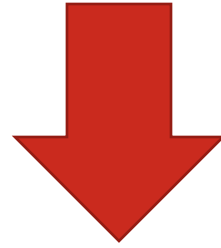
PHMSA



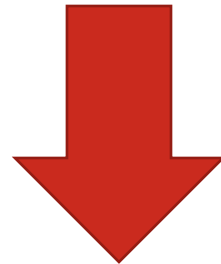
Federal
Register

OMB Determines what rules are Significant

NPRMs can be found here



FEDERAL REGISTER
The Daily Journal of the United States Government



or linked on the PHMSA website

PHMSA Regulations

Retroactive

- All existing pipelines, regardless of the date of construction
- Govern operations and maintenance of pipeline facilities
- Includes operator qualification, Integrity management and control room management

PHMSA Regulations Part 192

192 Retroactive Subparts

KIL-A-MOP

PHMSA Regulations

Non-retroactive

- Only apply from code enactment forward
- Cannot apply to pre-existing pipelines
- Govern design, materials, construction and testing requirements



Reminder

- The following PHMSA regulatory updates are simply an overview
- Details can be found in the Federal Register postings

Interim Final Rule Safety of Underground Natural Gas Storage Facilities

(Docket No: PHMSA-2016-0016)

Rationale – Aliso Canyon

One of the largest natural gas releases in U.S. history

- 4-month-long blowout
- 5.4 BCF released (CARB)
 - 8 MMT CO₂ equivalent
 - 20% increase to statewide CH₄ emissions

Alleged public health impacts



FLIR video of release
Environmental Defense Fund

Rationale – PIPES Act of 2016

Statutory Mandate: Pl 114-183, Section 13

The Secretary “shall issue minimum safety standards for underground natural gas storage facilities” within 2 years

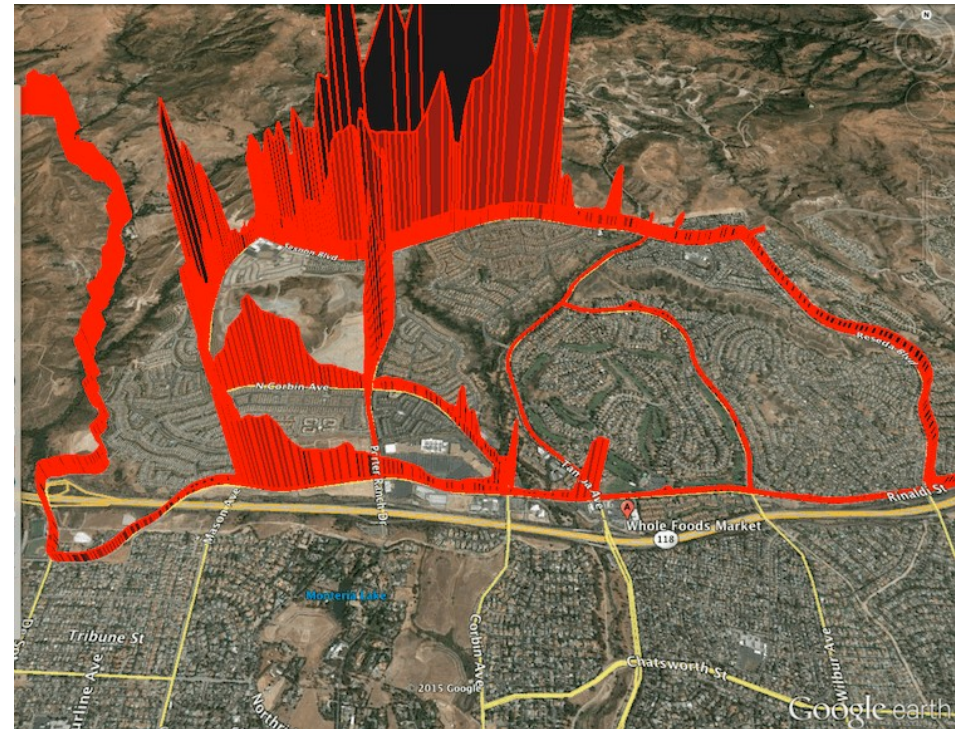
Considerations

- Consensus standards
- Economic impacts on gas consumers and end users
- Findings of the Aliso Canyon task force

Key Dates

**Publication Date:
December 19, 2016**

**Effective Date: January
18, 2017**



Summary of Interim Final Rule

Reporting requirements

Incorporates by reference

- API RP 1170, “Design and Operation of Solution-mined Salt Caverns used for Natural Gas Storage” (July 2015), and
- API RP 1171, “Functional Integrity of Natural Gas Storage in Depleted Hydrocarbon Reservoirs and Aquifer Reservoirs” (September 2015).

49 CFR Part 191

Underground natural gas storage facility reporting requirements

- § 191.1 Scope
- § 191.3 Definitions
- § 191.15 Incident report
- § 191.17 Annual report
- § 191.21 Information Collection
- § 191.22 National Registry
- § 191.23 Safety-related conditions

49 CFR Part 192

Underground natural gas storage facility safety

- § 192.3 Definitions
- § 192.7 Documents incorporated by reference
- § 192.12 Underground natural gas storage facilities requirements

Emergency Order Authority

Effective Date: October 14, 2016

Interim Final Rule

Required by Section 16 of the PIPES Act

- Establishes temporary emergency order procedures to address unsafe conditions or practices imposing an imminent hazard
- Augments PHMSA's existing enforcement authority (e.g. Corrective Action Order, Safety Orders)

Major Provisions

Expands enforcement authority to address imminent safety hazards that exist across a subset or larger group of owners and operators.

Applies only when PHMSA determines that an unsafe condition or practice is causing an imminent hazard.

Major Provisions

Provides PHMSA authority to issue an emergency order without advance notice or opportunity for a hearing.

Applies only to the extent necessary to abate the imminent hazard.

Damage Prevention Programs (Excavation Enforcement)

Docket No. PHMSA-2009-0192

Damage Prevention Programs (Excavation Enforcement)

Key Dates

- Publication Date: July 23, 2015
- Effective Date: January 1, 2016

Rulemakings On The Horizon!



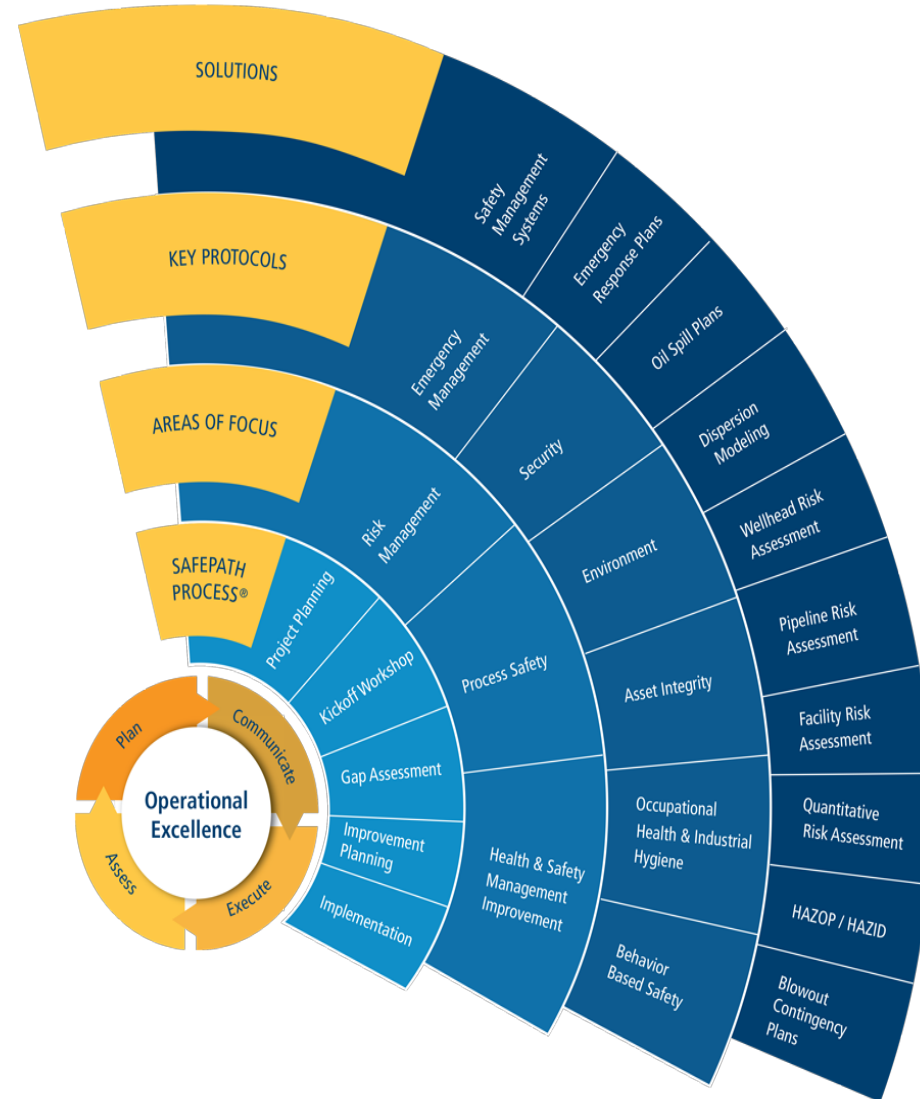
Plastic Pipe Rule

- Increased design factors
- Incorporation of PA-12
- New installation capabilities
- Incorporation of new standards



Gas IM RuleS

- Broken down into multiple rules (4 or 5)
- Will be released in phases
- Will be released as **Final Rules**, not to be released as Proposed Rules before release



Alert Notices & Advisory Bulletins

- ADB- 2017-02
- ADB- 2017-01



Transmission IM Training

ADB- 2017-02

- For operators of natural gas transmission pipelines
- PHMSA's expectations regarding how mature IM programs should implement the **training and qualification requirements** included in § 192.915 and discussed in ASME B31.8S-2004.
- PHMSA's expectations for operator implementation of each subsection in § 192.915 are outlined in the following Guidance:

Transmission IM Training

- 192.915—“What knowledge and training must personnel have to carry out an integrity management program?”
- 192.915(a)—“Supervisory Personnel”
- 192.915(b)—“Persons who Carry out Assessments and Evaluate Assessment Results”
- 192.915(c)—“Persons Responsible for Preventive and Mitigative Measures”

PHMSA inspectors will use this Advisory Bulletin to clarify the intent of existing regulatory language when evaluating operator IM program personnel training and qualification effectiveness

Transmission IM Deactivation of Threats

ADB- 2017-01

- For owners and operators of gas transmission pipelines
- PHMSA has developed guidance on threat identification and the **minimum criteria for deactivation of threats**, as established by a previously issued rule.
- Guidance on documenting rationale of analyses, justifications, determinations, and decisions related to threat deactivation

Transmission IM Deactivation of Threats

- The threats identified in ASME B31.8S-2004 may be considered **active or inactive, but are never permanently eliminated.**
- A threat must be considered active if any data required by Appendix A is missing, as **lack of data** indicating the existence of a threat is **not acceptable justification** for considering the threat inactive.
- Documents to support the determination of an inactive threat status must be maintained, as per the requirements of § 192.947

Loose Ends

- NTSB Recommendations
- Safety Management Systems
- Risk Modeling Working Group
- Volunteer Information Sharing(VIS) Working Group
- Training and Qualifications Course Revamps and Accreditation

Any Questions??





THANKS!

Bryan Kichler

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PHMSA Training and
Qualifications

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