

# VanNess Feldman

## Pipeline Safety Update Issue No. 63 –September 11, 2013

PHMSA proposes rule to update standards incorporated by reference, extends comment period in IVP docket, and issues advisory bulletin warning operators of the recall of certain pipeline leak clamps. TSA requests comments on pipeline security information collection. AGA releases cast iron pipe report. Alberta government releases pipeline safety review.

## PHMSA Proposes Rule to Update Standards Incorporated by Reference

On August 16, the Pipeline and Hazardous Materials Safety Administration (PHMSA) issued a notice of proposed rulemaking (NPRM) to amend the incorporation by reference (IBR) of numerous voluntary consensus standards into the pipeline safety regulations to reflect new and updated standards, and to make various editorial changes to the rules. The updated IBR standards affect PHMSA's hazardous liquid, gas and Liquefied Natural Gas (LNG) safety regulations, and cover pipe transport, plastic pipe, public awareness, line pipe, tank, flange, fitting and valve specifications, external corrosion direct assessment, and other topics. Proposed editorial changes include an amendment to the liquid Integrity Management rule clarifying that operators must maintain compliance records for the life of the pipe. Comments are due on October 15. The NPRM is <a href="https://example.com/here-new-maintain-new-main

# PHMSA Extends Comment Period on Proposed Integrity Verification Process

On September 12, PHMSA will publish notice of an extension of the comment period related to its proposed Integrity Verification Process (IVP). In the pre-publication version of the federal register notice, PHMSA indicates that it has made revisions to the proposed IVP, which will be made available in the docket. The purpose of the comment period extension is to provide interested parties adequate time to comment on the proposed

#### **Dates of Interest**

#### September 2013

- 17-20 AOPL Annual Business Conference, Newport Beach, CA
- 25-27 Southern Gas Assn DOT
  Compliance Workshop Transmission & Midstream Pipelines,
  Houston, TX
- 30 <u>Comments due</u> on PHMSA's Notice on Class Location Requirements

#### October 2013

- 7 Comments due on PHMSA's revised IVP
- 15 Comments due on PHMSA's Notice of Periodic Updates of Regulatory References to Technical Standards and Miscellaneous Amendments
- 15 Comments due on TSA Renewal of OMB Information Collection on pipeline security

#### November 2013

- 4-5 American Gas Assn Executive
  Safety Leadership Summit,
  Washington, DC
- 17-20 NARUC Annual Meeting, Orlando, FL
- 21-22 <u>2013 Pipeline Safety Trust</u> <u>Conference, New Orleans, LA</u>

revisions. PHMSA also has posted to the <u>docket</u><sup>2</sup> workshop presentations and a document containing frequently asked questions about IVP. Comments are due October 7. The pre-notice is here.<sup>3</sup>

#### Other PHMSA and DOT Activities

*PHMSA Enforcement Activity.* In August, PHMSA issued four final orders assessing approximately \$340,000 in civil penalties. PHMSA also issued two orders directing amendment, two decisions on petition for reconsideration, eight notices of probable violation, nine notices of amendment, nine warning letters, and one notice of proposed safety order. Case documents and more information are <a href="here">here</a> and <a href="here">here</a> and <a href="here">here</a>.

PHMSA Advisory Bulletin on Repair Clamp Recall. On August 28, PHMSA issued an advisory bulletin notifying pipeline operators that, on July 17, T.D. Williamson, Inc. (TDW) recalled all of its Leak Repair Clamps (LRCs) of any pressure class and any size. According to the advisory, the LRCs may experience dangerous leaks due to a defective seal. PHMSA advises operators to investigate whether LRCs are installed, discontinue use immediately, and contact TDW for further recall instructions. The advisory is <a href="https://example.com/here/beauty-seal/bases/">here</a>.6

Status of PHMSA rulemakings. The chart below reflects publicly available information on the status of PHMSA rulemakings. More information from DOT is available <a href="here.">here.</a><sup>7</sup> Information from OMB's Office of Information and Regulatory Affairs (OIRA) is <a href="here.">here.</a><sup>8</sup> Recently updated information appears in bold.

## Regulations and Code Compliance: Upcoming PHMSA State Seminars

#### October 2013

7-11 Virginia (Gas & Liquids)
9-11 Mississippi (Gas)
15-18 New Jersey (Gas)
21-25 Vermont (Gas)
21-25 Kansas (Gas)
21-25 New England (Gas)

PHMSA offers training on gas and hazardous liquid pipeline safety regulations. More information is available here.

Rulemaking	Next Action	Estimated Date of Next Action
Miscellaneous Rule on Construction Inspections, Leak Surveys, etc.	Publication of Final Rule	December 6, 2013 <sup>*</sup>
Part 190 Enforcement and Regulatory Procedures Update	Publication of Final Rule	December 31, 2013*
Enforcement of State Excavation Damage Laws	Publication of Final Rule	January 16, 2014
Standards for Conducting Condition Assessments of In-Service Pipelines	Publication of NPRM	March, 2013
Safety of On-Shore Hazardous Liquid Pipelines	Publication of NPRM	January 14, 2014
Excess Flow Valves	Publication of NPRM	January 22, 2014
Changes to NPMS Data Collection and Standards	Publication of NPRM	June, 2013
Miscellaneous Rule on Special Permit Renewals, Cost Recovery for Design Reviews, and Incident Reporting	Publication of NPRM	January, 2014
Periodic Updates of Regulatory References to Technical Standards and Miscellaneous Amendments	Publication of NPRM	August 16, 2013* (Actual)
Safety of Gas Transmission Pipelines	Publication of NPRM	February 17, 2014
Issues related to Use of Plastic Pipe in the Gas Pipeline Industry	Publication of NPRM	April 2014

<sup>\*</sup>Rulemakings no longer appear on DOT's significant rulemaking report list, possibly indicating a determination of non-significant status.

DOT OIG FY 2014 Challenges. On September 4, the DOT Office of Inspector General (OIG) issued a memorandum identifying seven top management challenges across the DOT for FY 2014. Included among the challenges are actions to strengthen pipeline safety and secure cyber infrastructure to protect sensitive systems and data. More detail on these and other challenges will be included in DOT's forthcoming Annual Financial Report. The memo is <a href="https://example.com/here/benefits/here/benefits/">here/benefits/here/benefits/here/benefits/</a>

PHMSA Requests Comment on Revised Liquid Operators' Accident Report Form. On September 11, PHMSA issued a notice 10 requesting comments on proposed revisions to the liquid pipeline accident report form (PHMSA Form F7000-1) and related instructions, and announcing that a revised information collection request for the form will be submitted to OMB for approval. The notice responds to comments received in response to an information collection request published in April 2013 proposing revisions to the form and proposing to incorporate by reference American Petroleum Institute RP 1130, the industry standard on leak detection.

### **Other Industry Updates**

TSA Requests Comments on Pipeline Operator Security Information Collection. On August 16, the Transportation Security Administration (TSA) issued a notice of intent to request renewal of a current Office of Management and Budget Information Collection Request, concerning pipeline operator security information. The TSA's Pipeline Security Guidelines 11 recommend that pipeline operators submit contact information of pipeline operator security personnel and information about company events related to pipeline security. The notice is here. 12

AGA Releases Cast Iron Reduction Report. On September 16, the American Gas Association (AGA) released a report 13 entitled "Managing the Reduction of the Nation's Cast Iron Inventory." AGA intends that the report serve as a foundation for a discussion of cast iron pipe inventory, management, and replacement in light of PHMSA's obligation under the Pipeline Safety, Regulatory Certainty, and Job Creation Act of 2011 to develop a report on cast iron pipe replacement. The AGA report indicates that, since 1985, the amount of cast iron main has dropped from approximately 63,000 miles nationwide to under 34,000 miles, leading to a reduction in incidents. The AGA report estimates retirement, replacement, and reconditioning costs associated with all cast iron inventory nationwide at over \$82 billion.

### **Updates from Canada**

Alberta Government Releases Pipeline Safety Review. On August 23, the Government of Alberta released an independent review of the Energy Resources Conservation Board's (ERCB) pipeline integrity management requirements; its handling of pipeline incidents; and the regulation of pipelines crossing waterways. The review found that Alberta provides the most

## State-Specific Association Meetings

#### September 2013

22-24 <u>Arkansas Gas Assn 2013</u> <u>Conference</u>, Fayetteville

30-10/2 Oklahoma Damage Prevention Summit, Norman, OK

#### <u>October 201</u>3

8-10 <u>Virginia State Corporation</u>
<u>Commission Pipeline Safety</u>
<u>Conference</u>, Virginia Beach, VA

16-17 Pennsylvania PUC Gas Safety Seminar, State College, PA

19-22 Oklahoma Independent
Petroleum Assn Fall Conference,
Ridgedale, MO

22-23 <u>Kansas Pipeline Safety Seminar,</u> Salina, KS

28-30 <u>Mississippi Damage Prevention</u>

Summit, Tunica MS

#### **Federal Funding Resource Center**

Van Ness Feldman continually identifies federal funding opportunities related to energy, environment, natural resources, and public lands, including PHMSA grants.

#### www.vnf.com/funding

The site is updated daily and a weekly email highlights new and expiring opportunities. To sign up for the weekly updates, e-mail <a href="mailto:vnf@vnf.com">vnf@vnf.com</a> with "FFO Subscribe" in the subject line.

thorough overall regulatory regime of all the assessed Canadian jurisdictions, and provides 17 recommendations for improvement. The Alberta Government's press release concerning the report is <a href="here">here</a>, 14 and the report is <a href="here">here</a>. 15 The ERCB prepared a response to the report, available <a href="here">here</a>. 16

#### For Additional Information

Van Ness Feldman counsels clients on pipeline safety compliance, enforcement, and litigation under the Pipeline Safety Laws and Regulations and related statutes. If you are interested in additional information regarding pipeline safety matters, please contact <a href="Susan Olenchuk">Susan Olenchuk</a> at (202) 298-1896 or <a href="Sam@vnf.com">Sam@vnf.com</a>, <a href="Jim Curry">Jim Curry</a> at (202) 298-1831 or <a href="Jbc@vnf.com">Jbc@vnf.com</a>, or any member of the firm's <a href="Natural Gas">Natural Gas</a> or <a href="Oil & Products Pipelines">Oil & Products Pipelines</a> practice groups.



In February 2012, Van Ness Feldman expanded its capabilities by combining practices with the Seattle law firm of GordonDerr LLP, a preeminent real estate, land use, water law, and civil litigation firm in the Pacific Northwest. Learn more at <a href="https://www.vnf.com">www.vnf.com</a>.

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www.gpo.gov/fdsys/pkg/FR-2013-08-16/pdf/2013-19348.pdf

http://www.regulations.gov/#!docketDetail;D=PHMSA-2013-0119

http://www.ofr.gov/OFRUpload/OFRData/2013-22161 Pl.pdf

http://www.phmsa.dot.gov/public/enforcement.

http://primis.phmsa.dot.gov/comm/reports/enforce/Enforcement.html?nocache=781.

 $\frac{\text{http://www.regulations.gov/contentStreamer?objectId=09000064813c9832\&disposition=attachment\&contentType=pdf.}$ 

http://sitepilot03.firmseek.com/client/vanness/www/assets/attachments/DOT%20Sept%202013%20Significant%20rulemaking%20report.pdf

http://www.reginfo.gov/public/do/eAgendaMain?operation=OPERATION\_GET\_AGENCY\_RULE\_LIST&currentPub=true&agencyCd=2100&Image58.x=52&Image58.y=10

http://www.oig.dot.gov/sites/dot/files/Announcement%20to%20Secretary%20-

%20Top%20Management%20Challenges%20for%20FY%202014.pdf

http://sitepilot03.firmseek.com/client/vanness/www/assets/attachments/Information%20Request%20Submission%20Request%20for%20Comments%20Sept%202013.pdf

http://www.tsa.gov/sites/default/files/assets/pdf/Intermodal/tsa\_pipeline\_sec\_guideline\_april2011.pdf.

http://www.gpo.gov/fdsys/pkg/FR-2013-08-16/pdf/2013-19974.pdf.

http://www.aga.org/our-

issues/safety/pipleinesafety/Distributionintegrity/Documents/Managing%20the%20Nation%27s%20Cast%20Iron%20Inventory.pdf.

<sup>&</sup>lt;sup>1</sup> PHMSA IBR and Miscellaneous NPRM.

<sup>&</sup>lt;sup>2</sup> PHMSA IVP Docket.

<sup>&</sup>lt;sup>3</sup> PHMSA Extension of Comment Period for Proposed IVP.

<sup>&</sup>lt;sup>4</sup> PHMSA Enforcement Cases.

<sup>&</sup>lt;sup>5</sup> PHMSA Enforcement Information.

<sup>&</sup>lt;sup>6</sup> PHMSA Notice of Recall on Leak Repair Clamps.

<sup>&</sup>lt;sup>7</sup> DOT Significant Rulemaking Report for September 2013.

<sup>&</sup>lt;sup>8</sup> OIRA DOT Rulemaking Status Page.

<sup>&</sup>lt;sup>9</sup> DOT OIG Top Management Challenges for FY 2014.

<sup>&</sup>lt;sup>10</sup> PHMSA Request for Comments on Accident Report Form

<sup>&</sup>lt;sup>11</sup> TSA Pipeline Security Guidance.

<sup>&</sup>lt;sup>12</sup> TSA Information Collection.

<sup>&</sup>lt;sup>13</sup> AGA Cast Iron Inventory.

Alberta Government Pipeline Safety Press Release.
<a href="http://alberta.ca/release.cfm?xID=34837BA1BC6E0-C585-A3BB-28688A4DAAB8B7F6">http://alberta.ca/release.cfm?xID=34837BA1BC6E0-C585-A3BB-28688A4DAAB8B7F6</a>.

<sup>&</sup>lt;sup>15</sup> Alberta Pipeline Safety Review.

http://www.energy.alberta.ca/Org/pdfs/PSRfinalReportNoApp.pdf.

Energy Resources Conservation Board Response to the Minister of Energy. <a href="http://www.energy.alberta.ca/Org/pdfs/2013ERCBresponsePipelinesReport.pdf">http://www.energy.alberta.ca/Org/pdfs/2013ERCBresponsePipelinesReport.pdf</a>.