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Dates of Interest

<u>April 2014</u>

- 30 Applications for Technical Assistance Grants due (reopened and date extended)
- 28 5/2 <u>NAPSR Southern Region</u> <u>Meeting</u>, Panama City, FL
- <u>May 2014</u>
- 6-8 <u>Southern Gas Ass'n</u> <u>Practical In-Line</u> <u>Inspection Workshop</u>, Tulsa, OK
- 9 <u>Applications due</u> for PHMSA Competitive Academic Agreement Program grant
- 19-23 <u>NAPSR Western Region</u> <u>Meeting</u>, Cody, WY
- 20-23 <u>AGA Operations</u> <u>Conference</u>, Pittsburgh, PA
- 21-23 <u>Southern Gas Ass'n</u> Integrity Management for Gas Transmission Pipeline Workshop, Houston, TX
- 30 <u>Comments due</u> on PHMSA OPID Assignment Request and Operator Registry Notification

June 2014

- 2-6 <u>NAPSR Eastern Region</u> <u>Meeting</u>, Virginia Beach, VA
- 4-5 <u>Northwest Gas Ass'n</u> <u>Annual Energy</u> <u>Conference</u>, Stevenson, WA
- 3-5 Southern Gas Ass'n Advanced In-Line Inspection Workshop, Dublin, OH

Pipeline Safety Update

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EPA releases technical papers on methane gas emissions. Deadline for submitting applications for TAG grants extended to April 30. Presentations from PHMSA's workshop on class location and gas transmission integrity management are available. Updated status of PHMSA rulemakings. Midla Pipeline reiterates safety concerns in FERC abandonment proceeding. Pennsylvania DEP proposes rules for certain gathering lines.

EPA Releases Technical Papers on Methane Gas Emissions

On April 15, the U.S. Environmental Protection Agency (EPA) <u>released</u>¹ a series of technical white papers addressing five topics regarding methane and volatile organic chemical (VOC) emissions in the oil and natural gas production sector. The technical papers address <u>compressors</u>,² <u>emissions in completions and</u> <u>ongoing production</u>,³ <u>leaks</u>,⁴ <u>liquids unloading processes</u>,⁵ and <u>pneumatic devices</u>.⁶ These technical papers build upon the <u>Methane Strategy</u>⁷ that the White House released last month, which outlined efforts that federal agencies, including the Pipeline and Hazardous Materials Safety Administration (PHMSA), will take to monitor natural gas pipeline systems and to ensure that leaks and accidental releases are minimized or eliminated. Input on the papers are due June 16, 2014.

PHMSA Activities

PHMSA extends deadline for TAG grant applications until April 30. PHMSA has extended until April 30, 2014, the deadline for submitting applications for a <u>Technical Assistance Grant</u>.⁸ TAG grants are designed to support the pipeline safety-related activities of local communities and non-profit entities.

PHMSA convenes workshop on class location and gas transmission integrity management. On April 16, PHMSA hosted a workshop to discuss whether applying gas integrity management (IM) program requirements beyond high consequence areas would mitigate the need for class location requirements. The presentations of PHMSA officials, state regulators, and industry representatives are <u>here.</u>⁹

Status of PHMSA Rulemakings. The table below reflects the most current, publicly-available information on the status of PHMSA rulemakings as reported in the Department of Transportation's (DOT) April 2014 Significant Rulemaking <u>Report</u>.¹⁰ Additional information from the Office of Management and Budget's (OMB) Office of Information and Regulatory Affairs (OIRA) is <u>here</u>.¹¹

DOT's April Report includes additional information on the status of PHMSA's efforts to issue comprehensive new proposed safety rules for hazardous liquid and gas pipelines. According to the Report, since 2012, PHMSA has sent its notice of proposed rulemaking (NPRM) for hazardous liquid pipeline safety to DOT's Office of the Secretary on three occasions, and the NPRM was last returned to the Secretary for review on March 7, 2014. PHMSA sent its initial version of the gas transmission NPRM to the Secretary's office for review on March 12, 2014.

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Dates of Interest (continued)

<u>June 2014</u>

11-14 Southern Gas Ass'n Offshore & Coastal Pipeline Operations Conference and Exhibits, Biloxi, MS

17-19 AGA Gas Utility Operations Best Practices Follow-up Conference, New York, NY

> Regulations and Code Compliance: Upcoming PHMSA State Seminars

<u>May 2014</u>

6-8 New Mexico (Gas & Liquid)

<u>June 2014</u>

9-13 Hawaii (Gas & Liquid) 24-27 Missouri (Gas)

<u>July 2014</u>

21-25 Louisiana (Gas)

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

State-Specific Association Meetings

<u>May 2014</u>

1 <u>Pipeline Safety</u> <u>Seminar, CA Office of</u> <u>the State Fire Marshall,</u> Concord, CA

<u>June 2014</u>

4-6 <u>Kentucky Gas</u> <u>Association Annual</u> <u>Meeting</u>, Owensboro, KY

23-25 <u>Alabama Damage</u> <u>Prevention Summit</u>, Montgomery, AL

Rulemaking & Next Action	Estimated Date to OMB	DOT Estimated Publication Date	OIRA Estimated Publication Date
Excess Flow Valves; NPRM	March 17, 2014	June 27, 2014	May 2014
Issues Related to Use of Plastic Pipe in the Gas Pipeline Industry; NPRM	N/A	N/A	April 2014
Safety of Gas Transmission Pipelines; NPRM	May 8, 2014	August 20, 2014	July 2014
Safety of On-Shore Hazardous Liquid Pipelines; NPRM	April 15, 2014	July 25, 2014	April 2014
Valve Installation and Minimum Rupture Detection Standards; NPRM	September 18, 2014	December 29, 2014	TBD
Enforcement of State Excavation Damage Laws; Final Rule	April 25, 2014	August 6, 2014	March 2014
Miscellaneous Amendments to Pipeline Safety Regulations; Final Rule	April 25, 2014	August 6, 2014	August 2014
Periodic Updates of Regulatory References to Technical Standards and Miscellaneous Amendments; Final Rule	N/A	N/A	TBD
Operator Qualification, Cost Recovery, Incident Reporting, CO ₂ , Special Permit Renewal, and Other Issues; NPRM	N/A	N/A	N/A NPRM in development

FERC Activities

Owners of Midla Pipeline reiterate safety concerns in FERC abandonment proceeding. On April 18, American Midstream (Midla), LLC responded to objections to its application to the Federal Energy Regulatory Commission (FERC) for approval to abandon portions of its natural gas pipeline in Louisiana and Mississippi. <u>Midla's response</u>¹² reiterates the company's concern about the safety of the pipeline, arguing that it has deteriorated to the point where Midla cannot guarantee safety and reliability.

State Activities

Pennsylvania DEP proposes rules for certain gathering lines. The Pennsylvania Department of Environmental Protection (DEP) has <u>proposed regulations</u>¹³ that would apply PHMSA's corrosion control requirements in 49 C.F.R. Parts 192 (gas) and 195 (hazardous liquids) to gathering pipelines. The DEP has <u>solicited</u>¹⁴ public comments and hosted public hearings on the proposed regulations.

PG&E pleads not guilty in criminal case following San Bruno incident. On April 21, officials for Pacific Gas & Electric Co. (PG&E) entered a plea of not guilty to twelve counts of violating the federal pipeline safety laws.

FOR MORE 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 or any PHMSA or pipeline related matter, please contact <u>Susan</u> <u>Olenchuk</u> at (202) 298-1896 or <u>sam@vnf.com</u>, <u>Jim Curry</u> at (202) 298-1831 or <u>jbc@vnf.com</u>, <u>Keith Coyle</u>, at (202) 298-1811 or <u>kjc@vnf.com</u>, or <u>Michael O'Neill</u> at (202) 298-1904 or <u>mlo@vnf.com</u> or any member of the firm's Pipeline & LNG practice group.

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¹ EPA, White Papers on Methane and VOC Emissions (Apr. 15, 2014):

http://www.epa.gov/airquality/oilandgas/whitepapers.html.

² EPA, Report for Oil and Natural Gas Sector Compressors Review Panel (Apr. 2014):

http://www.epa.gov/airquality/oilandgas/pdfs/20140415compressors.pdf.

³ EPA, Report for Oil and Natural Gas Sector Oil Well Completions and Associated Gas during Ongoing Production Review Panel (Apr. 2014):

http://www.epa.gov/airquality/oilandgas/pdfs/20140415completions.pdf.

⁴ EPA, Report for Oil and Natural Gas Sector Leaks Review Panel (Apr. 2014):

http://www.epa.gov/airquality/oilandgas/pdfs/20140415leaks.pdf.

⁵ EPA, Report for Oil and Natural Gas Sector Liquids Processes Review Panel (Apr. 2014):

http://www.epa.gov/airquality/oilandgas/pdfs/20140415liquids.pdf.

⁶ EPA, Report for Oil and Natural Gas Sector Pneumatic Devices Review Panel (Apr. 2014):

http://www.epa.gov/airguality/oilandgas/pdfs/20140415pneumatic.pdf.

⁷ The White House, Climate Action Plan: Strategy to Reduce Methane Emissions (Mar. 2014):

<u>http://democrats.energycommerce.house.gov/sites/default/files/documents/White-House-Methane-</u> Climate-Strategy-2014-3-28.pdf.

⁸ PHMSA, Technical Assistant Grants Application:

http://www.grants.gov/web/grants/search-grants.html?keywords=DTPH5614SN000003

⁹ PHMSA, Class Location Methodology Public Workshop (Apr. 16, 2014):

http://primis.phmsa.dot.gov/meetings/MtgHome.mtg?mtg=95&nocache=9447.

¹⁰ DOT April 2014 Significant Rulemaking Report:

http://www.dot.gov/sites/dot.gov/files/docs/APRIL%202014%20INTERNET%20REPORT.docx.

¹¹ OIRA DOT Rulemaking Status Page:

http://www.reginfo.gov/public/do/eAgendaMain?operation=OPERATION GET AGENCY RULE LIST&cur rentPub=true&agencyCd=2100&Image58.x=52&Image58.y=10.

¹² Am. Midstream (Midla), LLC, Reply of Am. Midstream (Midla), LCC, Renewed Request for Technical Conference and Request for Consolidation, FERC Docket No. CP14-125 (Apr. 18, 2014):

http://elibrary.ferc.gov/idmws/common/OpenNat.asp?fileID=13518753.

¹³ Penn. Dep't of Envt'l Prot. Proposed Rules for Oil & Gas Operations (Dec. 2013):

<u>http://files.dep.state.pa.us/PublicParticipation/Public%20Participation%20Center/PubPartCenterPortalFil</u> es/Environmental%20Quality%20Board/2013/August%2027%20EQB/Proposed%20Rulemaking%20-%20Ch%2078/Annex.pdf.

¹⁴ Penn. Dep't of Envt'l Prot., Environmental Quality Board Opens Public Comment Period on Proposed Oil and Gas Regulations, Will Hold Public Hearings (Dec. 12, 2014):

http://www.portal.state.pa.us/portal/server.pt/community/newsroom/14287?id=20296&typeid=1.