Van Ness Feldman 🗤

vnf.com



Dates of Interest

January 2021

21-22 AGA <u>Overview of Pipeline</u> <u>Safety Reauthorization</u>, Virtual

February 2021

- 2-3 SGA <u>DOT 192 Compliance</u> <u>Gas Pipeline Operators</u>, Virtual Workshop
- 4 Comments due on <u>Midstream Processing</u> <u>Facilities FAQs</u>
- 16 Comments due <u>OQ FAQs</u>
- 16 Comments due on <u>Proposed Changes to</u> <u>Report Forms</u>
- 24-25 <u>Pipeline Pigging & Integrity</u> <u>Management Conference</u>, Virtual

March 2021

- 1-4 AGA <u>Gas Piping</u> <u>Technology Committee</u> Meeting, Virtual
- 4 Common Ground Alliance Conference & Expo, Orlando, FL
- 16 Comments due <u>Batch-2</u> FAQs for Gas Transmission <u>Rule</u>
- 16 Comments due <u>NPRM to</u> <u>Update of Regulatory</u> <u>References to Technical</u> <u>Standards</u>
- 16-17 <u>Pipeline Safety Regulatory</u> <u>Compliance</u>, Virtual
- 23-24 SGA <u>Pipeline Integrity</u> <u>Management</u>, Virtual

April 2021

- 5-8 MEA <u>Gas Ops</u>, Virtual Forum
- 19-22 GTI <u>Gas Distribution</u> <u>Operations</u>, Webinar
- 20-22 <u>2021 Pipeline Conference,</u> Savannah, GA
- 27-28 SGA <u>DOT 192 Compliance</u> for Natural Gas Pipeline <u>Operators</u>, Virtual
- 28-29 <u>World Pipeline Integrity</u> 2021, Virtual

1

Pipeline Safety Update

ISSUE NO. 163 – JANUARY 19, 2021

Susan Olenchuk, Bryn Karaus, Jacob Cunningham, and Marco Bracamonte

The PIPES Act 2020 reauthorizes federal pipeline safety programs through FY 2023. PHMSA requests comments on additional FAQ guidance for the Gas Transmission Final Rule. PHMSA issues final rule on Gas Pipeline Regulatory Reform. PHMSA requests comments on revised Operator Qualification FAQs. PHMSA proposes to incorporate by reference multiple consensus standards. Status of PHMSA Rulemakings. Other Updates from PHMSA

The PIPES Act 2020 Reauthorizes Federal Pipeline Safety Programs Through FY 2023.

On December 27, 2020, President Trump signed the Protecting our Infrastructure of Pipelines and Enhancing Safety Act of 2020 (PIPES Act 2020) reauthorizing funding for federal pipeline safety programs through fiscal year 2023 and amending the Pipeline Safety Laws.

Van Ness Feldman has prepared an overview chart the PIPES Act 2020 and a redline showing how the PIPES Act 2020 amends Pipeline Safety Laws. Please contact <u>Susan Olenchuk</u>, <u>Bryn Karaus</u>, or <u>Jake</u> <u>Cunningham</u> for a copy.

The PIPES Act 2020 does not include provisions that would have increased federal civil penalty caps, reduced the standard for demonstrating criminal liability for violations, required the installation of automatic or remote-controlled shut-off valves on existing gas transmission and hazardous liquid pipelines, or authorized the Pipeline and Hazardous Materials Safety Administration (PHMSA) to establish a Voluntary Information-Sharing System. Additionally, the PIPES Act 2020 retains the existing requirement that PHMSA perform a cost-benefit analysis for each new adopted safety standard.

Below is a brief synopsis of PIPES Act 2020's provisions.

Provisions Addressing Rulemaking Proceedings

Leak Detection and Repair & Inspection and Maintenance Plans. The PIPES Act 2020 requires that PHMSA issue regulations requiring operators of regulated gas gathering lines in Class 2, Class 3 and Class 4 locations and operators of gas transmission distribution pipelines to implement leak detection and repair programs. The new regulations must contain minimum performance standards reflecting capabilities of commercially available advanced leak detection technologies that include continuous monitoring or periodic surveys with handheld or mounted equipment. The regulations also must accommodate leak detection practices that rely on human sense and include a schedule for repairing or replacing leaking pipe.

Within 1 year, operators must update their inspection and maintenance plans to address elimination of hazardous leaks, minimizing natural gas releases, and the replacement or remediation of pipelines known to leak based on material, design, or past operating and maintenance history. The Comptroller General must evaluate how PHMSA and state regulators review operators' plans and submit recommendations to PHMSA and Congress. In addition, PHMSA must submit a report to Congress discussing best available technologies, practices, and designs that prevent or minimize methane releases from pipeline facilities and to update its regulations as necessary.

Van Ness Feldman 🗤

vnf.com

<u>May 2021</u>

10-13 <u>Pipeline Risk Management</u> <u>Forum, Houston, TX</u>

State-Specific Association Meetings

February 2021

- 2 Comments due <u>VA Proposed</u> <u>Rule: Professional Engineering</u> <u>Stamps for Gas Projects</u>
- 22 Comments due <u>MPUC</u> <u>Rulemaking on Natural Gas</u> and LNG Facility Operators

Recent Van Ness Feldman Publications

Army Corps Finalizes Certain Nationwide Permits Two Years Ahead of Schedule – January 15, 2021 Hydro Newsletter – Volume 8, Issue 1 – January 4, 2021 Pipeline Safety Update – Issue No. 162 - December 23, 2020

Congress Clears Major Year-End Legislative Package Including Federal Spending, COVID-19 Relief, and other Measures – December 22, 2020

Native Affairs Quarterly – Winter 2020 – December 17, 2020



Idled Pipelines. The PIPES Act 2020 defines an "idled pipeline" as a pipeline that has ceased normal operations and will not resume service for at least 180 days, has been isolated from product sources, and has been purged of combustibles and hazardous materials and maintains a blanket of inert nonflammable gas at low-pressure, unless the volume of gas is so small that no potential hazard exists. PHMSA must adopt risk-based regulations for idled pipelines and verify that they have been purged. Before an idled pipeline can resume operations, it must be inspected and comply with regulations, including any that are adopted while the pipeline was idled.

Gas Gathering Pipelines. PHMSA must issue the pending final rule addressing the safety of gas gathering pipelines no later than March 27, 2021. In addition, the Comptroller General must assess the geospatial and technical data, including design and material specifications, collected by gathering pipelines and provide recommendations to Congress

Consideration of Pipeline Class Location Changes. PHMSA must review the comments submitted in response to the July 2018 advanced notice of proposed rulemaking (ANPRM) on Class Location Change Requirements and determine whether to publish a notice of proposed rulemaking (NPRM). Note that the NPRM on <u>Class Location Requirements</u> was published on October 14, 2020 and that comments were filed on December 14, 2020.

Regulatory Updates. PHMSA must publicly post monthly updates regarding each final rule required by the PIPES Act 2020, or by any previous statute mandating that PHMSA issue a final rule, which have not been published in the Federal Register. After each final rule is published, PHMSA must notify Congress.

Unusually Sensitive Areas. PHMSA must incorporate new definitions of "coastal beaches" and "certain coastal waters" into its regulations for purposes of determining whether a hazardous liquid pipeline is located in or could affect a high consequence area (HCA). The term "certain coastal waters" means the territorial sea of the U.S., the Great Lakes and their connecting waters, and the marine and estuarine waters of the U.S. up to the head of tidal influence. The term "coastal beach" means land between the high- and low-water marks of certain coastal waters. Operators of underwater hazardous liquid pipelines in HCAs must assess the pipeline's condition annually and potential impacts by maritime equipment or vessels.

Purpose and General Authority. When evaluating whether the benefits of a proposed or issued safety standard justifies the costs, PHMSA must consider both safety and environmental benefits.

Provisions Affecting Gas Distribution Systems

Distribution Integrity Management Plans. PHMSA must adopt regulations requiring that distribution integrity management plans (DIMP) provide for evaluating risks related to cast iron pipes and mains and risks associated with operating a low-pressure distribution system at pressures that make connected gas-burning equipment unsafe. In addition, when ranking risks and identifying risk mitigation measures, operators must consider factors other than past observed abnormal operating conditions and avoid unsupported determinations that allow low probability events to have no potential consequences. The PIPES Act 2020 also sets forth required inspection intervals.

Emergency Response Plans. PHMSA must update its regulations to require that distribution system operators' emergency response plans contain written procedures for establishing communication with first responders, other public officials, and the general public, and implementing a voluntary, opt-in system to facilitate rapid communication with customers in an emergency.

Operations and Maintenance Manuals. PHMSA must update its regulations to require that procedural manuals for operations, maintenance, and emergencies address: responding to overpressurization; managing significant technology, equipment, procedures, and organization changes on the distribution system; and ensuring that relevant qualified personnel review and certify construction plans for accuracy, completeness, and correctness.



Pipeline Safety Management Systems (SMS). PHMSA must submit a report to Congress on the use of SMS by distribution system operators in accordance with the American Petroleum Institute's (API) Recommended Practice 1173. The report must contain recommendations on how to facilitate the adoption of pipeline SMS. PHMSA and State authorities also must promote and assess the pipeline SMS frameworks and promote self-disclosure of errors and deviations from regulatory standards.

Pipeline Safety Practices. PHMSA must adopt record-keeping requirements for distribution system operators to ensure that records are traceable, reliable, and complete, accessible to construction and engineering personnel, and available for inspection. PHMSA also must adopt regulations requiring operators to have a qualified agent monitor and control gas flow during construction projects, and requiring that distribution system operators assess and upgrade certain district regulator stations to minimize the risk of an overpressurization event.

Risk Analysis and Integrity Management Programs. PHMSA must study, and submit a report to Congress, on methods other than direct assessment for assessing the integrity of distribution pipelines, and determine whether such methods are feasible and would provide a greater level of safety than direct assessment.

Provisions Affecting LNG Facilities

Cost Recovery and Fees for LNG Facility Reviews. PHMSA is authorized to establish procedures for collecting fees from persons requesting authority from the Federal Energy Regulatory Commission (FERC) to construct an LNG facility costing at least \$2.5 billion. The fee would cover expenses PHMSA incurs in determining whether the proposed LNG facility complies with the Part 193 siting requirements.

Updates to Standards for LNG Facilities. PHMSA must review and update its Part 193 operating and maintenance standards to reflect a risk-based regulatory approach that is consistent with numerous standards set forth in the Act and achieves a level of safety equivalent to or greater than current standards.

National Center of Excellence for LNG Safety. PHMSA must submit to Congress a report on resources necessary to establish a National Center of Excellence for LNG Safety. PHMSA may establish the Center, in consultation with LNG stakeholders, if appropriated funds are available.

Provisions Related to Enforcement

Due Process Protections in Enforcement Proceedings. The PIPES Act 2020 adopts multiple provisions intended to enhance transparency and fairness in enforcement proceedings conducted by PHMSA.

Interstate Drug and Alcohol Oversight. PHMSA must amend its program for auditing compliance with Part 199 drug and alcohol regulations to minimize duplicative audits of operators and contractors by PHMSA and multiple state agencies.

Self-Disclosure of Violations. When establishing the amount of a civil penalty, PHMSA must consider whether the operator self-disclosed and corrected the violation before it was discovered by PHMSA.

Whistleblower Protections. The scope of whistleblower protections is expanded to include former employees and allows employees to bring an original action in a U.S. district court with a jury trial, regardless of the amount in controversy, if the Secretary of Labor does not act on the complaint within 210 days. The rights and remedies provided under this section cannot be waived and no predispute arbitration agreement is valid or enforceable.

Other Provisions

Automatic and Remote-Controlled Shut-Off Valves on Existing Pipelines. PHMSA must arrange for the National Academy of Sciences (NAS) to study potential methodologies or standards for installing automatic or remote-controlled shut-off valves on existing gas transmission pipelines located in HCAs

Van Ness Feldman up

vnf.com

or, with respect to hazardous liquid pipelines, those located in a commercially navigable waterway or unusually sensitive area. NAS must submit a report to Congress describing the results of the study.

Advancement of New Pipeline Safety Technologies and Approaches. PHMSA is authorized to implement safety-enhancing testing programs to evaluate innovative technologies and practices that test the safe operation of natural gas and hazardous liquid pipeline facilities. The program expires in three years.

Pipeline Safety Testing Enhancement Study. PHMSA must submit a report to Congress on the agency's research and development capabilities and whether an independent pipeline safety testing facility under the Department of Transportation (DOT) should be established to increase those capabilities.

Pipeline Workforce Development. PHMSA must review whether inspector training programs can be provided online, increase the number of full-time employees to complete outstanding rulemakings, and use incentives to recruit and retain a required amount of inspection and enforcement personnel.

Safety-Related Condition Reports. Operators must submit safety-related condition reports within 5 business days after first establishing that a safety-related condition exists. A State authority or State governor receiving a safety-related condition report may provide it to any relevant emergency response or planning entity.

PHMSA Issues Final Rule on Gas Pipeline Regulatory Reform

On January 5, PHMSA issued its Gas Pipeline Regulatory Reform <u>final rule</u> amending Parts 191 and 192 of the federal pipeline safety regulations. PHMSA states that the final rule is intended to ease regulatory burdens with respect to the construction, operation, and maintenance of gas pipeline systems without adversely affecting safety. The final rule becomes effective March 12, and compliance is required beginning October 1.

Distribution Integrity Management Programs

Farm Taps. The final rule amends § 192.740 and § 192.1003 to provide operators of farm taps that originate at gas transmission pipelines or regulated gathering lines the option of inspecting and maintaining the farm tap's pressure regulating equipment under either § 192.740 or the operator's DIMP. The final rule also provides that farm tap service lines connected to production lines or unregulated gathering lines are exempt from DIMP, § 192.740, and the annual reporting requirement. Such lines, however, remain subject to other provisions of Part 192 and Part 191, including the requirements to have an operator identification number and to submit distribution incident reports. PHMSA also withdrew the March 26, 2019 <u>Exercise of Enforcement Discretion Regarding Farm Taps</u>, which announced that the agency would not initiate an enforcement action against an operator who elected to manage the safety of farm taps under DIMP instead of § 192.740.

The final rule describes a farm tap as "the common name for a pipeline directly connected to a gas transmission, production, or gathering pipeline that provides gas to a customer." Though acknowledging that the pipeline safety regulations do not define the term farm tap, the final rule states that "portions of a farm tap upstream of either the outlet of the customer's meter or the connection to a customer's piping, whichever is further downstream maybe a service line regulated under part 192."

The NPRM had stated that the service line begins at the first aboveground point, such as the inlet to a valve or regulator, where the line is isolated from the source pipeline, and that the service line continues until it terminates at the outlet of the customer's meter or the connection to the customer's piping, whichever is further downstream. The NPRM stated that, if there were no isolation point, the farm tap is exempt from DIMP, § 192.740, and annual reporting, but would be subject to all other requirements in parts 191 and 192 applicable to service lines even if the source pipeline is an unregulated gathering or production pipeline. Consistent with this language, proposed § 192.740(c)(4) had contained an exemption for "[p]ipe segments upstream of either: The inlet to the first pressure regulator, the connection to customer-owned piping, or the outlet of the meter, whichever is further upstream."

Van Ness Feldman 🗤

vnf.com

In response to comments, PHMSA stated that it did not adopt proposed § 192.740(c) because the final rule is not intended to resolve general definitional questions involving farm taps. Rather, the final rule states that any further questions regarding farm taps will be addressed in pending proposed "<u>Farm Taps Frequently Asked Questions</u>," the pending final rules associated with the Gas Transmission Final Rule, and, if necessary, additional rulemakings and guidance.

PHMSA also rejected the argument that characterizing portions of farm taps as jurisdictional service lines creates new legal obligations for service line operators who also operate non-jurisdictional production lines and rural gathering lines that are not subject to part 192. Rather, PHMSA stated that removing such farm taps from regulation would change longstanding practice.

Master Meter Operators. The final rule exempts master meter operators from DIMP because PHMSA concluded that these operators, which operate small systems such as apartment complexes or mobile home parks, struggle to effectively implement DIMP requirements. Even when implemented properly, PHMSA concluded that the safety benefits are not significant given the simple configurations of master meter systems and their limited geographic footprint, and that more fundamental risk mitigation activities yield greater safety benefits. PHMSA declined to adopt the recommendation of some commenters to extend the DIMP exemption to small liquefied petroleum gas (LPG) distribution pipeline systems or small distribution systems serving 100 or fewer customers.

Reporting

Mechanical Fitting Failure Reporting (MFF). The final rule eliminates the requirement for pipeline operators to submit separate MFF reports because the data no longer provides statistically significant causal or predictive insights. In addition, PHMSA stated that improvements in fitting design, operator joining practices, and federal safety requirements since MFF reporting was first implemented have improved the safety of mechanical fittings on newer installations. PHMSA will instead require that each gas distribution operator provide the number of MFFs on its Gas Distribution Annual Report. PHMSA also will revise the Gas Distribution Incident Report form to require information from MFF reports for incidents involving a failure of a mechanical joint.

Monetary Threshold for Incident Reporting. The final rule increases the threshold amount of property damage cost from \$50,000 (originally established in 1984) to \$122,000, excluding the cost of gas lost, for determining whether a release of gas is an incident and reportable to PHMSA. In the future, PHMSA will annually adjust the property damage criterion to account for inflation based on an established formula to be set forth in new appendix A to Part 191. PHMSA will annually post the revised threshold amount on its website on July 1.

Corrosion Control

External Corrosion Control Monitoring. The final rule amends § 192.462(b) to clarify that gas pipeline operators may inspect cathodic protection rectifiers either directly onsite or by using remote monitoring technologies, and to clarify that such inspections must consist of recording amperage and voltage measurements. The final rule also clarifies that annual testing required under § 192.465(b) must continue to be performed via physical inspection.

Atmospheric Corrosion Monitoring. The final rule amends § 192.481 to require atmospheric corrosion inspections on distribution service lines every 5 years (not to exceed 63 months) if no corrosion was observed during the last inspection. The inspection interval is every three years, not to exceed 39 months, regardless of whether corrosion was observed during the last inspection. PHMSA states that this interval aligns with the current frequency for leakage surveys for service lines that are located outside of business districts and will not adversely affect pipeline safety because the risk of atmospheric corrosion on service lines is low. The final rule also amends § 192.491(c) to clarify that an operator must retain records of the two most recent atmospheric corrosion inspections in order to use the 5-year inspection interval. The final rule also clarifies that, under DIMP, an operator must consider atmospheric corrosion when evaluating a facility's corrosion risks.



Plastic Pipelines

PE Pipe Diameter. The final rule incorporates by reference the 2018a edition of ASTM "Standard Specification for Polyethylene (PE) Gas Pressure Pipe, Tubing, and Fittings" (ASTM D2513-18a) which specifies the design requirements of polyethylene (PE) pipe and fittings. The final rule allows the use of a 0.40 design factor for PE pipe produced on or after the effective date of the final rule with up to a maximum diameter of 24 inches and modifies the table in § 192.121(c)(2)(iv) to reflect this change.

Joining Requirements. The final rule amends § 192.281 and § 192.285 to provide increased flexibility when developing joining procedures. In particular, the final rule incorporates the 2019 edition of ASTM F2620, "Standard Practice for Heat Fusion Joining of Polyethylene Pipe and Fittings," and clarifies that procedures demonstrated to provide an equivalent or superior level of safety as ASTM F2620.

Other Part 192 Amendments

Test Requirements for Pressure Vessels. The final rule amends § 192.153(e)(1) and § 192.619(a)(2)(ii) to clarify that a fabricated unit or pressure vessel installed between July 14, 2004 and March 12, 2021 (the effective date of the final rule), using a test pressure of 1.3 times the maximum allowable operating pressure (MAOP), consistent with the hydrostatic pressure test factors of ASME Boiler and Pressure Vessel Code (BPVC), Section VIII, Division 1, is not subject to the strength testing requirements of § 192.505(a) or (b). The final rule explains that this revision ensures that an operator of a pressure vessel designed and hydrostatically tested in accordance with ASME BPVC since PHMSA incorporated the 2001 edition complies with the regulations. Given this change, PHMSA withdraws the unpublished October 27, 2015 stay of enforcement pertaining to certain pressure vessels tested in accordance with ASME BPVC.

The final rule also adopts a number of revisions to the pressure testing requirements applicable to pressure vessels and pre-fabricated units.

Welding Process Requirement. The final rule amends § 192.229 to permit welders or welding operators to weld using a particular welding process if they have welded with that process within the preceding 7½ months (instead of the current 6 months) and the welds were tested and found acceptable under API Standard 1104 "Welding of Pipelines and Related Facilities." The amendment is intended to provide operators increased flexibility in scheduling welding activities to maintain welder requalification. The final rule also incorporates by reference the 20th edition of API Standard 1104, dated October 2005, including a July 2007 errata and a 2008 addendum.

Pre-Test Applicability. The final rule amends § 192.507 to permit operators to test fabricated units and short segments of pipe prior to installation on steel pipelines operated at a hoop stress less than 30% of specified minimum yield strength (SMYS) and at or above 100 psi. Currently, the regulations allow this allowance only to steel pipelines to be operated at a hoop stress greater than 30% of SMYS.

PHMSA Requests Comments on Additional FAQ Guidance for the Gas Transmission Final Rule.

On January 15, PHMSA issued a <u>Notification and Request for Comments</u> seeking comments on a second set of draft FAQs to help operators of gas pipelines comply with the requirements of the Gas Transmission Final Rule. Comments on the <u>Draft Batch-2 FAQs</u> are due March 16.

PHMSA states that the Draft Batch-2 FAQs, dated November 30, contain the agency's proposed responses to additional questions that were raised by attendees at the February 27 public meeting addressing the first batch of proposed FAQs. Topics addressed in the Draft Batch-2 FAQs include safety-related conditions, moderate consequence areas (MCAs), spike hydrostatic testing, material verification requirements, reconfirmation of MAOP, and assessment of pipeline segments outside of HCAs



PHMSA Requests Comments on Revised Operator Qualification FAQs

On January 15, PHMSA issued a <u>Notification and Request for Comments</u> regarding proposed revised <u>Operator Qualification FAQs</u> (OQ FAQs) addressing the implementation of operator qualification regulations for gas pipelines and hazardous liquid pipelines. The proposed revised OQ FAQs will update and clarify the existing OQ FAQs, which were developed in 2003, and address compliance questions received from operators and the public. Comments on the proposed revised OQ FAQs are due February 16.

PHMSA Proposes to Incorporate by Reference Multiple Consensus Standards.

On January 15, PHMSA issued a <u>Notice of Proposed Rulemaking</u> that would incorporate by reference into the federal pipeline safety regulations new, updated, or reaffirmed editions of more than 20 consensus standards. Comments on the NPRM are due March 16.

Consensus standards that PHMSA proposes to incorporate by reference include the following:

API Specification 5L, *Specification for Line Pipe*, 46th edition, April 2018, including Errata 1 (May 2018), which is the primary manufacturing specification for seamless and welded steel pipe for use in both gas and hazardous liquid pipeline transportation systems. The specification contains new Annex M adding requirements for pipe manufacturers making welded jointers, and Annex N addressing baseline requirements for pipe manufactured for strain-based design projects.

API Specification 6D, *Specification for Pipelines and Piping Valves*, 24th edition, August 2014, and multiple errata and addendum, which defines the design, manufacturing, assembly, testing, and documentation requirements for valves used in pipeline systems.

API Standard 1104, *Welding of Pipelines and Related Facilities*, 21st edition, September 2013, including multiple errata and addendum.

ASME B31.8-2018, Gas Transmission and Distribution Piping Systems, November 20, 2018.

ASME B31.8S-2016, Managing System Integrity of Gas Pipelines, Supplement to ASME B31.8, October 31, 2016, which describes the foundations for an effective integrity management program for gas transmission pipelines. PHMSA explained that it is not proposing to incorporate by reference the 2018 edition of ASME B31.8S because it removes nearly all communications plan requirements included in § 192.911(m) of PHMSA's regulations.

NACE SP0204-2015, Stress Corrosion Cracking (SCC) Direct Assessment Methodology, March 14, 2015.

National Fire Protection Association (NFPA) 58, *Liquefied Petroleum Gas Code*, 2020 edition, October 25, 2019.

NFPA 59, Utility LP-Gas Plant Code, 2018 edition, August 17, 2017.

PHMSA also proposed editorial amendments and corrections to the pipeline safety regulations, including a proposal to clarify that, with respect to NFPA 58 and 59, an operator is required to comply only with the NFPA standard that applies to the type of facility operated based on the scope and applicability statements in those standards. PHMSA also proposes to correct the minimum wall thickness tables in § 192.121 for PE pipe, polyamide (PA) 11, and PA 12 pipe to include specifications for pipe with a copper tubing size (CTS) of 1¼ inches and to correct the minimum wall thickness for 1 inch CTS pipe.



Status of PHMSA Rulemakings

The chart below shows the status of PHMSA's pending pipeline safety rulemakings. In December, OMB's Office of Information and Regulatory Affairs (OIRA) released the <u>Fall 2020 Unified Agenda</u> of Regulatory and Deregulatory Actions which reflects updated anticipated publication dates for a number of PHMSA's regulatory initiatives. Those changes are reflected in bold. DOT has not released a <u>Significant Rulemaking Report</u> since February. PHMSA's status <u>Chart</u> of actions mandated in the Protecting our Infrastructure of Pipelines and Enhancing Safety Act of 2016 (PIPES Act of 2016) was updated in August.

Pending Final Rules					
Proceeding	DOT Estimated Publication	OIRA Estimated Publication	PHMSA's Chart		
Gas Pipeline Regulatory Reform	Published January 11, 2021				
Liquid Pipeline Regulatory Reform	Not Listed	April 2021	Not Listed		
Safety of Gas Transmission Pipelines, Repair Criteria, Integrity Management Improvements, Cathodic Protection, Management of Change, and Other Related Amendments	July 24, 2020	April 2021	November 9, 2020		
Safety of Gas Gathering Pipelines	July 24, 2020	April 2021	November 9, 2020		
Valve Installation and Minimum Rupture Detection Standards	Not Provided	April 2021	Not Provided		

Pending Notices of Proposed Rulemakings					
Proceeding	DOT Estimated Publication	OIRA Estimated Publication	PHMSA's Chart		
Amendments to LNG Facilities		June 2021			
Class Location Requirements	Published October 14, 2020				
Periodic Standards Update Rule	Published January 15, 2021				
Periodic Standards Update II	Not Listed	April 2021	Not Listed		
Repair Criteria for Hazardous Liquid Pipelines	June 26, 2020	July 2021	Not Listed		

Pending Advance Notices of Proposed Rulemakings

Proceeding	DOT Estimated Publication	OIRA Estimated Publication	PHMSA's Chart
Coastal Ecological Unusually Sensitive Areas	February 20, 2020	January 2021	November 3, 2020

Other Updates from PHMSA

DOT increases maximum civil penalties for pipeline safety violations. On January 11, DOT issued a final rule increasing the maximum federal civil penalties that PHMSA may assess for violations of the Pipeline Safety Laws. Effective January 11, the maximum civil penalty for each pipeline safety violation increased from \$218,647 to \$222,504 per violation per day, and the maximum penalty for a related series of pipeline safety violations increased from \$2,186,465 to \$2,225,034. The maximum additional penalty for LNG pipeline safety violations increased from \$79,875 to \$81,284. These increased penalties apply only to violations occurring after the rule's January 11 effective date.

PHMSA announces that it will accept grant applications. On January 12, PHMSA <u>announced</u> that it will accept applications for up to \$17 million in grants for safety awareness, training, research, and other activities that will help communities avert or avoid hazardous materials- related and pipeline safety incidents. With respect to pipeline safety, PHMSA is offering funds for Technical Assistance Grants, One-Call and State Damage Prevention, and Competitive Academic Agreement Programs for research and technologies.



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>Bryn Karaus</u> at (202) 298-1821 or <u>bsk@vnf.com</u>, or any member of the firm's <u>Pipeline & LNG</u> practice group.

© 2021 Van Ness Feldman, LLP. All Rights Reserved. This document has been prepared by Van Ness Feldman for informational purposes only and is not a legal opinion, does not provide legal advice for any purpose, and neither creates nor constitutes evidence of an attorney-client relationship