Pipeline Safety Program Overview

NARUC Winter Meeting

February 2005

Reorganization

- PHMSA will be rolled out today with official standing Feb. 20 2005 – you're invited:

  2:30 p.m. with Secretary Mineta
- OPS organization remains in tact
- Chief Safety Officer will oversee both pipeline and hazmat safety programs to add SAFETY emphasis, validation, and advocacy
- Rising expectations of Congressional and public interest

Three Major Pillars of Our Strategy

- Risk and Integrity Management
- Shared Knowledge and Responsibility
- Improving our Stewardship in a Changing World -- Energy, Environment and Security

Action Plan – Distribution IMP

- **Identify opportunities to enhance protection**
- **Consider a range of possible initiatives**

Educational	Regulatory
Technological	Legislative

- **Address DOT IG's 3-element strategy**
  - Understand infrastructure condition
  - Prioritize actions to address safety concerns, making best use of information
  - Track information and communicate progress to regulator

Action Plan – General Approach

- Build on AGF Report, DIGIT, State and Industry initiatives
- Involve all stakeholders
- Assure flexibility to the maximum extent practicable
- Identify strategies to implement selected option(s); “details” is the next step

Action Plan – Structure

- Executive Steering Team: State Commissioners (4), Industry/Trade execs* (2-4), Public (2), OPS (Me) – adding State Fire Marshal
- Coordinating Team: Mike Israni, NAPSR Chair/Vice, Industry (1), Public (1)
- Task Teams: Strategic Options, Risk Control, Data, Outside Force – federal/ state/ industry subject matter experts /State Fire Marshal
- Support group

*Companies plus AGA, APGA

Action Plan -- Schedule

- Initial Meeting of Executive Steering Team (with Coordinating Team) – mid-March
- Task Teams begin work – March -- April
- Report to Congress on Plan -- May
- Public meeting – September
- Recommendations to Executive Steering Team – December
- Interim products/progress available on web

Implementation Options

- **Option 1: Structured Nation-Wide Education Program**

Example

National/local advertising campaign similar to call-before you-dig

- **Option 2: Model State Legislation**

Example

Prepare draft language that could be incorporated by States into legislation addressing distribution pipeline safety issues.

Implementation Options

- **Option 3: National Consensus Standard or Guidelines**

Example

National Consensus Standard or other guidance document detailing specific practices for improving distribution pipeline safety under different circumstances.

- **Option 4: Guidance Document for Adoption by States**

Example

Similar to Option 3 except made mandatory. States could adopt in whole or in part based on local needs.

Implementation Options

- **Option 5: Simple Flexible Federal Regulation**

Example

Regulation requiring that each operator have an integrity plan that reflects (a) knowledge of infrastructure, (b) consideration of applicable threats, (c) activities to reduce risk, and (d) process for monitoring performance.

(Consistent with IG recommendations)

- **Option 6: Prescriptive Federal Regulation**

Example

Regulation similar to the integrity management rule for gas transmission pipelines

Implementation Options

- **Option 7: Development of Innovative Safety Technology**

Example

Support research and development of techniques to assess the integrity of small-diameter, networked pipeline systems of varying materials.

Team Questions – 1st Draft

Strategic Options Team:

- What are the characteristics of Federal IMP regulations suitable for adoption by state?
- What options have the greatest potential to address safety issues beyond the jurisdiction or scope of existing safety regulations?
- What are the costs and benefits associated with potential implementation options and how would consumers be affected by different scenarios.

Team Questions

- *Risk Control Practices Team*
- What measures and practices not currently mandated in federal regulation have demonstrated cost effectiveness in addressing significant threats?
- What developmental technologies represent the greatest opportunity to improve prevention detection and mitigation?
- How might financial incentives be used to advance safety improvements?

Team Questions

Data Team:

- Which threats have greatest impact on distribution safety?
- What causal factors contribute most to threats – “Drilling Down”?
- Are there data available for States to identify where approaches to distribution safety are more effective?
- How do you “slice and dice” to integrate data into a cohesive, prioritized plan?

Team Questions

Outside Force Team:

- What practices have demonstrated cost effectiveness in preventing outside force, particularly excavation damage related?
- What existing state laws have contributed to preventing outside force damage?
- What changes might improve the effectiveness of protection against outside force damage.
- How can alliances be built for expanded to bring more alignment in a community, state or region?

Reinvestigation of EFVs

- NTSB is pressing their recommendation for a mandatory regulation
- Some in Congress and the fire service are speaking out
- Examined 99-03 data – looking for “candidate” incidents
- 100 of 634 incidents (16%) met criteria
- 2 causes accounted for 86% -- excavation damage (48%) and vehicular damage (38%)
- This is looking backward and does not speak to future opportunities, albeit narrow

Options for OPS Action

- Pursue a study to validate EFV performance since our last action, which preceded the ASTM standards – states and AGA can help with data
- Work with standards groups, states and industry to pursue targeted best practices
- Having advised states, leave action to them
- Have EFVs a consideration within Distribution Integrity initiative
- Seek NARUC view – would Commissioners review operators decision not to use EFVs within an IMP context?

OQ Challenges

- Need to address NTSB old concerns
- Consensus OQ standard was the best solution:
- should be on scientific or technical basis
- should be stakeholder consensus-based
- should meet PSIA 2002 mandates, especially training and evaluation criteria
- should be discussed in public forum with view toward “incorporation-by-reference” in future rulemaking, or “feathering” into regulation

OPS OQ Commitment

- Called for development of a standard
- Need for prescriptiveness to provide “floor”
- All 13 issues are important to resolve
- 3 pages on training is worth it
- Task list needs a solid technical foundation
- The public and Congress holds us to a higher standard today – need to act before reauthorization

Coming Soon
Public Education

- Goal: Improving the effectiveness of existing public education efforts
- 1st step: Finalizing final rule incorporating API 1162
- 2nd step – Workshops and technical assistance to “Get the Ball Rolling”
- 3rd Step – Planning for Required Review of Plans

Public Education Plan Reviews

- Congress provided direction on a Clearinghouse to centralize the review for federal and states agencies – NAPSR is not completely on board with concept
- Preparation would include development of review criteria in a public process as with “protocols” for IMP and OQ inspections

Coming Soon
LNG Policy Issues

- LNG Public Education? -- Thank you to Commissioners Keating, Mason, and Kelly for their leadership at the workshop on February 2.
- Improvements to Federal Regulations? -- Advancing modeling and more fire protection considered in NFPA 59A.
- Follow-on to Fire Marshals efforts with regional, facility oriented emergency planning?

Where do we go next?