



Pipeline Safety Update

ISSUE NO. 94 – SPECIAL EDITION – MARCH 11, 2015

Susan Olenchuk, James Curry, Keith Coyle, Tyson Kade

PHMSA Issues Final “Miscellaneous Rule”

On March 11, the Pipeline and Hazardous Materials Safety Administration (PHMSA) published a [final rule](#) to update and clarify a number of pipeline safety regulations affecting gas and liquid pipelines. The “Miscellaneous Rule” addresses substantive issues in sixteen different areas, and makes a number of other editorial amendments. The regulations are effective on October 1, 2015, and PHMSA has authorized immediate compliance with the amended rules.

The issues that prompted the most debate include:

Post-Construction Inspections

PHMSA is prohibiting individuals involved in the construction of a gas transmission line, main or hazardous liquid pipeline from inspecting their own work. In response to comments on the proposed rule, PHMSA clarified that it did not intend to require third-party inspections or prohibit all persons from a company from inspecting the work of another company employee. PHMSA stated that only the person who performed the construction task will be excluded from conducting the subsequent inspection, and clarified the text of the rule accordingly.

Leak Surveys of Type B Onshore Gas Gathering Lines

PHMSA is requiring that operators of Type B onshore gas gathering lines conduct leakage surveys using leak detection equipment and promptly repair hazardous leaks that are discovered. Several commenters raised objections to the proposal, including its potential economic impact, waiting until after completion of the ongoing Congressionally-mandated review of gathering line regulations, and that excavation damage poses a greater risk than leaks. In adopting the proposed measure, PHMSA noted that leak surveys of Type B gathering lines are a widespread industry practice, and because of the asserted similar risk profile with transmission lines, these gathering lines should also be subject to annual leak surveys (*i.e.*, not exceeding 15 months, but at least once each calendar year, and more frequently in densely populated areas). PHMSA made one modification to the regulatory language, substituting the phrase “promptly repair” for the proposed word “fix.”

Alternative Methods for Calculating Pressure Reductions for Hazardous Liquid Pipeline Anomalies

PHMSA is providing alternative methods for calculating a pressure reduction for immediate repair conditions caused by threats other than corrosion. In adopting language suggested by the Liquid Pipeline Advisory Committee, PHMSA established that acceptable methods now include, but are not limited to, ASME/ANSI B31G and PRCI PR-3-805 (R-STRENG). These standards already apply to determine whether an anomaly is an “immediate repair condition,” and PHMSA is now broadening their application to include calculating a temporary reduction in operating pressure. In

To subscribe to the Pipeline
Safety Update visit:
www.vnf.com/knowledgecenter.aspx



addition, if no suitable calculation method can be identified for any given anomaly, the operator must reduce operating pressure by 20 percent or more until the pipeline anomaly is repaired.

Odorization of Gas Transmission Laterals

PHMSA proposed to modify the method for calculating the length of a lateral gas line in certain class locations for purposes of consistently applying the odorization requirement. Based on comments and discussion at the advisory committee meeting, PHMSA withdrew this proposed revision. PHMSA plans to re-evaluate the proposal and may consider the revision in a future rulemaking.

Ethanol is a Hazardous Liquid

PHMSA adopted its proposal to add ethanol to the definition of “hazardous liquid.” PHMSA declined a request to also add “bio-diesel petroleum” to the definition of hazardous liquid, and noted that it may address this issue in a future rulemaking.

Additional Changes

In addition to these changes, PHMSA’s final rule also addresses the following:

- Provides greater scheduling flexibility for the qualification of plastic pipe joiners, and requires re-qualification of a joiner if any production joint is found unacceptable by testing;
- Eliminates the allowance for combining equipment loading stresses in mill hydrostatic tests for new pipe to be operated at an alternative maximum allowable operating pressure (MAOP);
- Declines to adopt a 20 percent limitation on indirect expenses for grants to state pipeline safety programs, but PHMSA intends to maintain the provision in its payment agreements with states as a matter of policy;
- Removes an exemption specifying certain testing procedures for vintage pipe transported by railroad;
- Postpones to a future rulemaking consideration of standards applicable to the threading of copper wire because of the restriction on PHMSA’s ability to incorporate by reference documents that are not available to the public free of charge;
- Repeals the requirement to submit a report to PHMSA within 60 days of completing certain underwater inspections of pipelines in the Gulf of Mexico and its inlets;
- Exempts certain components in low-pressure gas pipelines from strength testing requirements;
- Requires a 60-day notice prior to the start of pipe manufacturing or construction activities for newly constructed alternative MAOP pipelines;
- Adds a regulatory requirement for the submission of National Pipeline Mapping System data;
- Clarifies qualification standards for welders and welding operators; and

- Requires that pressure vessels for use in meter stations, compressor stations, and Class 3 or Class 4 locations be designed and tested at a pressure that is 1.5 times the MAOP.

FOR MORE INFORMATION

Van Ness Feldman is preparing a redline of the affected rule sections. Please contact [Susan Olenchuk](mailto:sam@vnf.com) at (202) 298-1896 or sam@vnf.com, [Jim Curry](mailto:jim@vnf.com) at (202) 298-1831 or jbc@vnf.com, [Keith Coyle](mailto:keith@vnf.com), at (202) 298-1811 or kjc@vnf.com, for a complimentary copy.

© 2015 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.