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Significant New Safety Requirements Proposed For Natural Gas Pipelines

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On March 17, the U.S. Department of Transportation's Pipeline and Hazardous Materials Safety Administration (PHMSA) issued a major proposal to revise the safety standards for onshore natural gas pipelines. The proposed rule follows years of study as well as specific direction from Congress requiring new pipeline safety initiatives. The proposal spans over 500 pages and contains numerous major and minor revisions and agency statements that together demonstrate PHMSA's intention to assert substantially more control over the design, operation and maintenance of pipelines to prevent incidents.

If promulgated as written, the proposal would apply Integrity Management (IM) requirements to more pipelines. It would also expand the definition of regulated gathering lines, accelerate pipeline repairs, and set a higher bar for data gathering and analysis of risk, among other changes. The proposed rule does not address underground gas storage, valves and leak detection, or quality management systems.

The proposed rule is likely to generate extensive comment from industry, state authorities, and safety and environmental interest groups, and it could change significantly before it becomes final. The proposal has not yet been published in the Federal Register.

In the proposed rule, PHMSA seeks to:

- expand Integrity Management (IM) requirements to more pipelines
- apply pressure testing, MAOP verification, and design requirements for pre-1970 pipelines
- redefine gathering lines and production facilities, abandoning the use of API RP 80
- remove the reporting exemption for gas gathering lines
- modify pipeline repair criteria
- define a new "Moderate Concentration Area" (MCA) in addition to "High Consequence Area" (HCA)

- add new requirements for data collection, validation and integration
- extend requirements for corrosion control and longitudinal weld seam pipelines

In the original Advance Notice of Proposed Rule Making (ANPRM) in 2011, the agency raised over a dozen major topics for potential regulatory action, as well as scores of specific questions on which public comment was sought.

In the preamble to the proposed rule just issued, PHMSA briefly summarized the comments on each topic and question, and described the position it had taken in the proposal. In a few instances, the agency said it would address a topic in a separate rulemaking (e.g., valve spacing, automatic shut-off valves and remote-controlled valves, and leak detection measures). It also indicated that it was still considering whether to undertake future regulatory action concerning underground gas storage and quality management systems.

For more information regarding the proposed rule and its potential impact on specific situations, please contact us.

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