

December 17, 2018

Ms. Nancy White
Senior Policy Advisor for Policy and Programs
U.S. Department of Transportation
Pipeline and Hazardous Materials Safety Administration
1200 New Jersey Avenue, S.E.
Washington, D.C. 20590

Re: Guidance on the Extension of the 7-year Integrity Management Reassessment Interval by 6 Months (Docket No. PHMSA-2018-0073)

Dear Ms. White:

The American Gas Association (AGA), American Petroleum Institute (API), American Public Gas Association (APGA) and Interstate Natural Gas Association of America (INGAA) (jointly “the Associations”) submit these comments for consideration by the Pipeline and Hazardous Materials Safety Administration (PHMSA) concerning the “Guidance on the Extension of the 7-year Integrity Management Reassessment Interval by 6 Months.”¹

The Associations support PHMSA’s proposed new Gas Transmission Integrity Management FAQs (FAQ-281 and FAQ-282) and revisions to existing FAQ-207. The Associations provide recommendations below to enhance the clarity of the FAQs. The Associations appreciate PHMSA’s consideration of these comments.

PHMSA should clearly state that reassessment intervals are based on *calendar years*.

For clarity and consistency, PHMSA should refer to the “7 calendar year” reassessment interval throughout these FAQs, rather than a “7 year” interval. This is consistent with the Pipeline Safety, Regulatory Certainty, and Job Creation Act of 2011 (Effective January 3, 2012), which requires operators to set a maximum reassessment interval using the specified number of calendar years.² The calendar year basis for establishing maximum reassessment intervals is also addressed in PHMSA’s Gas Transmission Integrity Management FAQ-41.³ Therefore, in FAQ-281, PHMSA should be clear that notification should be made 180 days prior to end of the calendar year in which the assessment is due.

PHMSA should also update the language in FAQ-40, 41 and 43 to reflect the availability of the six-month extension and the associated notification requirements. Although outside the scope of the current Notice, the Associations also note that there are a number of additional FAQs that reference the “7

¹ Pipeline Safety: Guidance on the Extension of the 7-year Integrity Management Reassessment Interval by 6 Months, 83 Fed. Reg. 57,388 (Nov. 15, 2018).

² Pipeline Safety, Regulatory Certainty, and Job Creation Act of 2011, Pub. L. No. 112-90. § 5, 125 Stat. 1904, 1908.

³ PHMSA, Gas Transmission Integrity Management: FAQs, (Jul. 26, 2018).

<https://www.phmsa.dot.gov/pipeline/gas-transmission-integrity-management/gt-im-faq>.

year” reassessment interval that should be revised to reflect the technical correction to calendar years. These include FAQ-42, 133, 207, 255, 256, 257, 264, 266, 267, and 268.

PHMSA should consider notifications made within 180 days of the assessment deadline.

PHMSA should also consider allowing notifications within 180 days of the assessment deadline if the operator provides sufficient justification. The 2011 Act allows for an extension of the reassessment interval and does not specify a 180-day lead time. In fact, the same type of unexpected event that would necessitate an extension of the reassessment interval *may also make a 180-day notice impracticable*. For example, an extreme weather event may occur less than 180 days before the end of the seven calendar year interval, preventing an operator from completing a planned assessment. As another example, if an operator conducts an assessment with an internal inspection (ILI) device, but learns during analysis of the ILI data that there was a problem with the assessment that affected data accuracy, then a 180-day notification may not be possible. Analysis of ILI data can take many months.

If an operator does not satisfactorily explain its reason for notifying PHMSA after the 180-day deadline, then PHMSA can object to the operator’s extension.

PHMSA should clarify that extension notifications may be made for reasons other than a lack of internal inspection tools or a need to maintain product supply.

PHMSA should clarify its reference to § 192.943 in new FAQ-282. It is unclear whether PHMSA intends to reference the “How to apply” process in § 192.943(b), or if PHMSA is also referencing § 192.943(a). Section 192.943(a) only allows waiver from an assessment interval in the event of a lack of internal inspection tools or a need to maintain product supply. As noted previously, there are other circumstances, such as extreme weather events, which may impact an operator’s ability to conform to the seven calendar year reassessment interval.

As another example, environmental permits may be needed before conducting assessment activities. If an operator demonstrates that it acted proactively to secure permitting in advance of the assessment deadline, this should constitute sufficient justification for an extension of the reassessment interval. Similarly, in the event that an operator plans to retire a pipeline in the immediate future, this should be sufficient justification for granting the 6-month extension.

The Associations assume that PHMSA intends to consider any extension notification, as long as it is made in accordance with § 192.949 and meets the documentation and justification requirements in FAQ-282. If this is the case, then PHMSA should make clear in the FAQs that extension notifications may be submitted for reasons other than a lack of internal inspection tools or a need to maintain product supply.

PHMSA should clarify how it will respond to extension requests

PHMSA should address reassessment interval extension requests similar to other notifications allowed under Subpart O. Subpart O notification are deemed sufficient unless PHMSA objects to the notification.⁴ PHMSA should provide any objections to extension requests within 90 days of the notification, consistent with recent recommendations of PHMSA's Gas Pipeline Advisory Committee.⁵

To address the above considerations, the Associations propose additions to the FAQs in Appendix A.

⁴ Advisory Bulletin: Integrity Management Notifications for Gas Transmission Lines, ADB-05-04, (Jul. 25, 2005). "OPS does not treat integrity management notifications as petitions for approval of underlying actions. Subpart O regulations do not require such approval. Rather, OPS uses the notifications to determine if further review is needed to verify that the actions described in the notifications are consistent with safety and the Subpart O regulations."

⁵ GPAC Meeting Final Voting Slides at 2 (Dec. 14, 2017), <https://primis.phmsa.dot.gov/meetings/FilGet.mtg?fil=931>.

Appendix – Proposed Additions to FAQ-281, 282 and 207

(The Associations' proposed additions are shown in red.)

NEW FAQ-281. How do I extend the assessment schedule beyond 7 calendar years?

Notify PHMSA, in accordance with 49 CFR 192.949, of the need for an extension, which may not exceed 6 months. The notification must be made 180 days prior to end of the calendar year in which the 7 year assessment is due date and include sufficient information to justify the extension. If unexpected conditions (such as weather-related conditions, assessment tool malfunctions, changes in field or operating conditions, or local gas supply issues) make the 180-day notification impracticable, the operator must make the notification as soon as practicable and justify why shorter notice was necessary.

If an operator does not receive an objection letter from PHMSA within 90 days of notifying PHMSA, the operator can proceed with the extended assessment deadline.

NEW FAQ-282. What constitutes sufficient information to justify extension of the assessment interval?

Documentation is required to comply with 49 CFR 192.943 and or notify PHMSA of other unexpected conditions includes:

- An explanation as to why the deadline could not be met and how it will not compromise safety, and
- Identification of any additional actions necessary to ensure public safety during the extension time period.

REVISED FAQ-207. Table 3 of ASME/ANSI B31.8S indicates that reassessment intervals must be 5 years for some instances in which test pressure was higher than would be required by subpart J. If I conduct my assessments in accordance with Subpart J, must I reassess more frequently than once every 7 calendar years?

Section 192.939(a)(1) specifies requirements for establishing reassessment intervals. Two options are allowed: (i) Basing the interval on identified threats, assessment results, data integration, and risk analysis, or (ii) using the intervals specified in Table 3 of ASME/ANSI B31.8S. An operator using the former option (§ 192.939(a)(1)(i)) could establish intervals longer than those in Table 3. The intervals that can be established by either method are limited to the maximum intervals in the table in § 192.939.

Pressure tests used as integrity management assessments must meet the requirements of Subpart J, including required test pressures. Higher test pressures must be used to justify extended reassessment intervals (§ 192.937(c)(2)). As used here “extended reassessment intervals” refers to any interval longer than 7 **calendar** years as required by §§ 192.937(a) and 192.939(a) and (b).

Operators conducting assessments by pressure testing and who use test pressures meeting Subpart J requirements may establish a reassessment interval of 7 **calendar** years, unless their analysis under § 192.939(a)(i) indicates a need for a shorter interval. This is true even if Table 3 would lead to a shorter interval.

Operators who use Table 3 test pressures may establish reassessment intervals in accordance with Table 3 up to the maximums listed in the table in § 192.939, again unless their analysis under § 192.939(a)(i) indicates a need for a shorter interval. Operators who establish intervals longer than 7 **calendar** years must conduct a confirmatory direct assessment within the 7 **calendar** year period. (For segments operating at less than 30% specified maximum yield strength, a low-stress reassessment per § 192.941 may be conducted in lieu of confirmatory direct assessment—see § 192.939(b)(1)).

PHMSA may extend the 7 **calendar** year interval for an additional 6 months **following the end of the calendar year** if the operator submits written notice that includes sufficient justification regarding the need for an extension (Reference FAQ-281 and 282).

REVISED FAQ-40. How often must periodic integrity assessments be performed on HCA pipeline segments after the baseline assessment is completed?

Assessments of some kind must be performed at intervals no longer than seven **calendar** years. Assessments for all threats must be performed using in-line inspection, pressure testing, direct assessment, or "other technology" within the maximum intervals specified in 192.939, which vary based on operating stress levels. (Operators whose integrity management programs satisfy the criteria for "exceptional performance" in 192.913 can establish longer intervals for these assessments, based on their risk assessments). Seven-year assessments conducted within those maximum intervals (if the maximum interval exceeds 7 **calendar** years) can be performed using confirmatory direct assessment or, for low-pressure pipelines, the methods specified in 192.941.

PHMSA may extend the 7 calendar year interval for an additional 6 months following the end of the calendar year if the operator submits written notice that includes sufficient justification regarding the need for an extension (Reference FAQ-281 and 282).

REVISED FAQ-41. Does the requirement that gas pipeline operator establish assessment intervals not to exceed a specified number of years mean calendar years (i.e., pipe assessed in 2004 must be re-assessed during 2011) or actual years?

Re-assessments must be conducted in accordance with an operator's procedures for determining the appropriate reassessment interval. Prior to the enactment of the Pipeline Safety, Regulatory Certainty, and Job Creation Act of 2011, the maximum interval was set using actual years from the date of the previous assessment. Effective January 3, 2012, this was modified such that the maximum interval may be set using the specified number of calendar years. For example, a pipe segment assessed on March 23, 2004 with a seven **calendar** year interval must be re-assessed before December 31, 2011, using at least confirmatory direct assessment. This segment would need to be re-assessed using one of the methods specified in the rule before December 31, 2014, December 31, 2019 or December 31, 2024, depending on its operating stress (see § 192.939). Note that this change from actual years to calendar years is specific to gas pipeline reassessment interval years and does not alter the actual year interval requirements which appear elsewhere in the code for various inspection and maintenance requirements.

PHMSA may extend the 7 calendar year interval for an additional 6 months following the end of the calendar year if the operator submits written notice that includes sufficient justification regarding the need for an extension (Reference FAQ-281 and 282).

REVISED FAQ-43. Can a re-assessment interval be extended beyond the maximum interval specified in 192.939?

PHMSA can grant waivers from the reassessment intervals specified in 192.939 in instances in which appropriate inspection tools are not available or where conducting an assessment would imperil gas supply. Operators must apply for such waivers at least 180 days before the end of the reassessment interval. **If unexpected conditions (such as weather related conditions, assessment tool malfunctions, changes in field or operating conditions, or unless local gas supply issues) make the 180-day notification this impracticable, the operator must make the notification as soon as practicable and justify why shorter notice was necessary (Reference FAQ-281 and 282).** Operators whose integrity management programs meet criteria for exceptional performance in 192.913 can implement performance-based programs in which they can establish longer reassessment intervals based on their own risk analyses, except that reassessment by some method must be carried out at an interval no greater than seven **calendar** years (see 192.913(c) and FAQ-133).

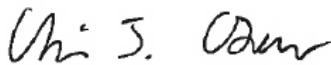
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