

**BEFORE THE
UNITED STATES DEPARTMENT OF TRANSPORTATION
PIPELINE AND HAZARDOUS MATERIALS SAFETY ADMINISTRATION
WASHINGTON, D.C.**

Pipeline Safety: Farm Taps
Frequently Asked Questions

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Docket No. PHMSA-2019-0131

COMMENTS ON DRAFT FARM TAP FAQs

**FILED BY
AMERICAN GAS ASSOCIATION
AMERICAN PETROLEUM INSTITUTE
AMERICAN PUBLIC GAS ASSOCIATION
INTERSTATE NATURAL GAS ASSOCIATION OF AMERICA**

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Introduction & General Comments

The American Gas Association (AGA),¹ American Petroleum Institute (API),² American Public Gas Association (APGA),³ and Interstate Natural Gas Association of America (INGAA)⁴ (jointly “the Associations”) submit these comments for consideration by the Pipeline and Hazardous Materials Safety Administration (PHMSA) concerning the draft Farm Taps Frequently Asked Questions (FAQs).⁵

Pipeline safety is the top priority of the Associations and our members. The Associations support PHMSA’s efforts to provide clarity regarding the pipeline safety requirements applicable to individual service lines directly connected to transmission pipelines, commonly referred to as “farm taps.” The Associations’ comments only address gas transmission and distribution pipeline considerations affected by the draft FAQs—these comments do not address considerations related to individual service lines directly connected to production or gathering pipelines.⁶ The Associations’ comments also do not reflect the changes to 49 C.F.R. § 192.740 proposed in PHMSA’s Notice of Proposed Rulemaking on Gas Pipeline Regulatory Reform, which was published subsequent to the publication of these draft FAQs.⁷

The Associations commend PHMSA for making significant improvements to these FAQs since their original publication in 2018. But in order for this guidance to be practicable and consistent with long-standing operational practices, additional changes are needed to FAQ #3 and other FAQs that address the point on PHMSA-jurisdictional piping at which the transmission line ends and the distribution service line begins. It is neither practicable nor necessary for safety to establish a uniform service line starting point for every transmission line farm tap. PHMSA should instead allow operators to designate the end

¹ The American Gas Association, founded in 1918, represents more than 200 local energy companies that deliver clean natural gas throughout the United States. There are more than 74 million residential, commercial and industrial natural gas customers in the U.S., of which 95 percent — over 71 million customers — receive their gas from AGA members. Today, natural gas meets more than one-fourth of the United States’ energy needs.

² API is the national trade association representing all facets of the oil and natural gas industry, which supports 9.8 million U.S. jobs and 8 percent of the U.S. economy. API’s more than 625 members include large integrated companies, as well as exploration and production, refining, marketing, pipeline, and marine businesses, and service and supply firms. They provide most of the nation’s energy and are backed by a growing grassroots movement of more than 25 million Americans.

³ APGA is the national, non-profit association of publicly-owned natural gas distribution systems. APGA was formed in 1961 as a non-profit, non-partisan organization, and currently has over 740 members in 37 states. Overall, there are nearly 1,000 municipally-owned systems in the U.S. serving more than five million customers. Publicly-owned gas systems are not-for-profit retail distribution entities that are owned by, and accountable to, the citizens they serve. They include municipal gas distribution systems, public utility districts, county districts, and other public agencies that have natural gas distribution facilities.

⁴ INGAA is a trade association that advocates regulatory and legislative positions of importance to the interstate natural gas pipeline industry. INGAA represents the vast majority of the U.S. interstate natural gas transmission pipeline companies. INGAA’s members operate nearly 200,000 miles of pipelines and serve as an indispensable link between natural gas producers and consumers.

⁵ Pipeline Safety: Farm Taps Frequently Asked Questions, 85 Fed. Reg. 21,820 (Apr. 20, 2020) [hereinafter, *Draft FAQs*].

⁶ API is filing a separate joint comment letter with GPA Midstream Association that addresses its concerns with the draft FAQs for farm taps connected to production and gathering lines.

⁷ Pipeline Safety: Gas Pipeline Regulatory Reform, 85 Fed. Reg. 35,240 (June 9, 2020).

of transmission piping and the start of distribution service line piping at the first isolation point off of the source piping (as proposed in the draft FAQs), the first fitting off of the source piping, or another reasonable point, such as a downstream valve, regulator, meter, fitting, or custody transfer point, including the connection to customer piping. The Associations' proposal does not affect whether farm taps off of transmission lines are subject to federal pipeline safety regulations, only where the transition between regulated transmission and distribution piping occurs.

As PHMSA acknowledges in the draft FAQs, farm taps are configured in many different ways, reflecting the diverse nature of America's natural gas pipeline system. It is impracticable and unrealistic for PHMSA to prescribe that distribution service line piping begins at the exact same point for every farm tap. Gas transmission operators often transfer custody to local distribution companies (LDCs) at some point along the farm tap, which could be the first fitting, the first isolation point, or another valve, regulator, or meter further downstream. From a safety perspective, there is nothing significant about the first isolation point, and there is no safety benefit gained by requiring gas transmission operators to treat any of the piping between the first isolation point and the beginning of the LDC's piping as distribution piping. Similarly, in the case where the entirety of the farm tap piping is owned by an LDC starting at the first fitting off of the source transmission pipeline, there is no value in requiring the gas distribution operator to treat the small section of piping between the source transmission piping and the first isolation point as transmission piping. PHMSA's regulatory requirements are rigorous for both transmission lines and distribution lines. The Associations' proposal provides operators the reasonable flexibility that is necessary to determine where the transmission piping ends and distribution piping begins for the wide variety of farm tap configurations.

Because custody transfer from transmission to distribution operators often occurs downstream of the first isolation point (including scenarios where transmission operators deliver gas directly to an end user), PHMSA's proposed guidance that gas transmission operators must treat all farm tap piping after the first isolation point as distribution piping would require many operators who currently only operate gas transmission pipelines to become gas distribution operators. Although a transmission operator would not be required to develop a DIMP plan in this scenario due to § 192.740, the operator would still be required to comply with other aspects of the distribution safety regulations and reporting requirements. For example, the transmission operator would be required to odorize the small amount of piping between the first isolation point and the custody transfer point. Where farm tap piping is already being odorized downstream, installing upstream odorization adds no safety benefits and creates practical challenges associated with installing the new equipment and ensuring the correct level of odorant. As another example, if a transmission operator has replaced farm tap piping downstream of the first isolation point after April 14, 2017, the operator may have installed equipment that does not meet the excess flow valve requirements because the operator treated the replaced piping as transmission, creating a potential compliance question if PHMSA now classifies all piping downstream of the first isolation point as "distribution."

There is no basis in the rulemaking history of 49 C.F.R. Part 192 for PHMSA to now deem all farm tap piping upstream of the first isolation point as transmission line piping and downstream of the first isolation point as distribution service line piping. The service line starting point for farm taps has never been defined in Part 192, likely reflecting the fact that it is not feasible and does not provide added safety benefit to define a uniform service line starting point for every farm tap scenario. This point is further supported by PHMSA's recognition in the draft FAQs that "there are many individual, varied

scenarios,” and that the Agency “cannot define an explicit regulatory treatment of every farm tap installation.”⁸

Furthermore, PHMSA’s various attempts to define a uniform service line starting point for farm taps have proved unsuccessful. In the currently-proposed FAQ #3, PHMSA proposes that “the ‘source’ piping ends and the service line begins at the first point where the downstream service line can be isolated from source piping.” This is a shift from the 2018 FAQs, where PHMSA indicated that “[f]arm taps typically initiate at the fitting connecting the service line to its source of gas supply.” Earlier rulemakings took a third approach, suggesting that the distribution service line piping does not begin on a farm tap off of a transmission line until the custody transfer meter from the transmission operator to an LDC or customer-owned piping.⁹ This history suggests that a “one-size-fits-all” solution is not appropriate or workable.

Also, neither the currently-proposed FAQs nor the 2018 FAQs recognized that piping with an MAOP greater than 20% of SMYS is required to be classified as transmission under § 192.3 regardless of its location on a farm tap. This renders a single, uniform service line starting point impossible due to different regulator configurations and pressure profiles on different farm taps.

Finally, PHMSA’s use of a guidance document to introduce a prescriptive demarcation of the end of source piping and beginning of a service line runs contrary to the requirements of 49 C.F.R. § 5.29(c). In that section, DOT operating administrations are reminded that guidance documents must avoid mandatory language unless the language is describing an established statutory or regulatory requirement¹⁰ Furthermore, the Office of Management and Budget has also stated that “a guidance document should never be used to establish new positions that the agency treats as binding”¹¹ Here, prescribing that the first isolation point off of the source piping or any other single point is always the distribution service line starting point is clearly not an established requirement in either the Pipeline Safety Act or PHMSA’s Part 192 regulations. Neither the first isolation point nor any other single service line starting point is mentioned in PHMSA’s regulations or in legislative or regulatory history.

⁸ Draft FAQs at FAQ #4.

⁹ See Customer Owned Service Lines, 59 Fed. Reg. 5,168 (Feb. 3, 1994) (PHMSA stated that “[a] ‘farm tap’ is a customer-owned service line that begins at a customer meter, usually adjacent to a gas transmission line, and runs (often a considerable distance) to a single consumer. . . . [and] is referred to as a customer-owned service line.”) (emphasis added); Excess Flow Valve—Performance Standards, 61 Fed. Reg. 31,449 (June 20, 1996) (PHMSA stated that “[a] farm tap operates as a service line when a local distribution company operates a metered farm tap on a transmission line delivering gas to a farmer or other landowner.”) (emphasis added).

¹⁰ 49 C.F.R. § 5.29(c). The Department of Transportation codified its long-standing position that guidance must not impose “any substantive legal requirements above and beyond statute or regulation.” Administrative Rulemaking, Guidance, and Enforcement Procedures, 84 Fed. Reg. 71,714, 71,715 (Dec. 27, 2019). See also, Memorandum from Steven G. Bradbury, General Counsel, U.S. Dep’t of Transp. to Secretarial Officers and Heads of Operating Administrations (Dec. 20, 2018) (Review and Clearance of Guidance Documents), <https://www.transportation.gov/sites/dot.gov/files/docs/regulations/328566/gen-counsel-mem-guidance-documentssigned-122018.pdf> at 3.

¹¹ Memorandum for Regulatory Policy Officers at Executive Departments and Agencies and Managing and Executive Directors of Certain Agencies and Commissions (Oct. 31, 2019), <https://www.whitehouse.gov/wpcontent/uploads/2019/10/M-20-02-Guidance-Memo.pdf> at 3.

Instead of a bright-line rule established through guidance, PHMSA should continue its current practice for establishing the distribution service line starting point on farm taps off of transmission lines: operators should be required to designate and document the start of distribution service line piping at either the first fitting off of the source piping, the first isolation point, or some other reasonable downstream point, such as another valve, regulator, meter, or custody transfer point, including the connection to customer piping. This approach is not uncommon in the pipeline safety regulations. For example, in 49 C.F.R. § 192.10, operators must identify the specific point at which operating responsibility transfers to a producing operator.¹²

The Associations also recommend that PHMSA pursue a more durable resolution to this long-standing issue by updating Part 192. Specifically, in the forthcoming “Safety of Gas Transmission Pipelines, Repair Criteria, Integrity Management Improvements, Cathodic Protection, Management of Change, and Other Related Amendments” Final Rule, PHMSA should update § 192.3 to (1) incorporate an appropriate distribution center definition that allows the beginning of farm tap piping to be classified as a distribution center¹³ and (2) explicitly allow operators to voluntarily designate piping as transmission, even if the pipeline could be classified as distribution under existing § 192.3. This approach would allow operators appropriate flexibility to establish and document a reasonable distribution service line starting point for each farm tap based on its particular configuration and other system-specific factors. This solution was unanimously recommended by the Gas Pipeline Advisory Committee in 2018.¹⁴ This approach would also help ensure a more uniform treatment of laterals, regardless of whether a lateral is a “farm tap” or serving some other type of end user.

Below, the Associations have suggested tracked changes and provided comments regarding PHMSA’s draft FAQs to address the general comments provided above and other miscellaneous concerns.

¹² 49 C.F.R. § 192.10.

¹³ The Associations recommend the following definition for “distribution center”: *Distribution center* means the initial point where gas piping used primarily to deliver gas to customers who purchase it for consumption as opposed to customers who purchase it for resale, for example: (1) at a metering location, (2) pressure reduction location, such as a gate station or custody transfer point, or (3) where there is a reduction in the volume of gas, such as a lateral off a transmission line.

¹⁴ See GPAC Meeting Tr. 281:3–284:3 (Mar. 27, 2018), <https://primis.phmsa.dot.gov/meetings/FilGet.mtg?fil=971>.

Proposed Farm FAQs with the Associations' Suggested Tracked Changes

Exercise of Enforcement Discretion

FAQ #1 – Is PHMSA currently enforcing the federal regulations issued in § 192.740 on January 23, 2017, regarding the operation and maintenance requirements for pressure regulating, limiting, and overpressure protection for individual service lines directly connected to production, gathering, or transmission pipelines?

Answer: The regulation is in effect, but PHMSA has issued an Exercise of Enforcement Discretion Regarding Farm Taps (84 FR 11253; March 26, 2019) stating that PHMSA will not take any enforcement action relating to violations of § 192.740 with respect to operators that choose to include farm taps in their Distribution Integrity Management Program (DIMP) plans, and will instead require that such operators comply with the existing DIMP regulations (49 CFR Part 192, Subpart P).

During the period when this exercise of enforcement discretion is in place, pipeline operators must still comply with all other regulations applicable to service lines, such as the requirement in § 192.16 to notify customers of their responsibility to maintain buried “customer-owned” piping that is not maintained by the operator.

Applicability

FAQ #2 – § 192.740 refers to “individual service lines directly connected to production, gathering, or transmission pipelines.” Are these the same as farm taps?

Answer: Although the term “farm tap” is not defined in Part 192, the term is commonly used to describe the “individual service lines” referred to in § 192.740. However, it is important to note that there are many piping applications and scenarios in which the term “farm tap” is applied. Refer to the definition of a “service line” in § 192.3 and the guidance in FAQ #3 and FAQ #4, below, to determine if all or part of a particular line is a regulated service line.

FAQ #3 – Where do § 192.740 requirements for individual service lines apply?

Answer: Section 192.740 applies to service lines directly connected to production, gathering, or transmission lines that are not operated as part of a distribution system. On a farm tap, the “source” piping ends and the service line begins at the first point where the downstream service line can be isolated from source piping (e.g. the inlet to a valve or regulator, hereafter referred to as the “first isolation point”). The operator must designate and document the beginning of the service line at a reasonable demarcation point, such as the first fitting off of the source piping, the first isolation point off of the source piping, or another reasonable valve, regulator, meter, fitting, or custody transfer point downstream, including the connection to customer piping. The service line continues downstream until it terminates at the outlet of the customer’s meter or the connection to a customer’s piping, whichever is further downstream (see the definition of a service line in § 192.3).

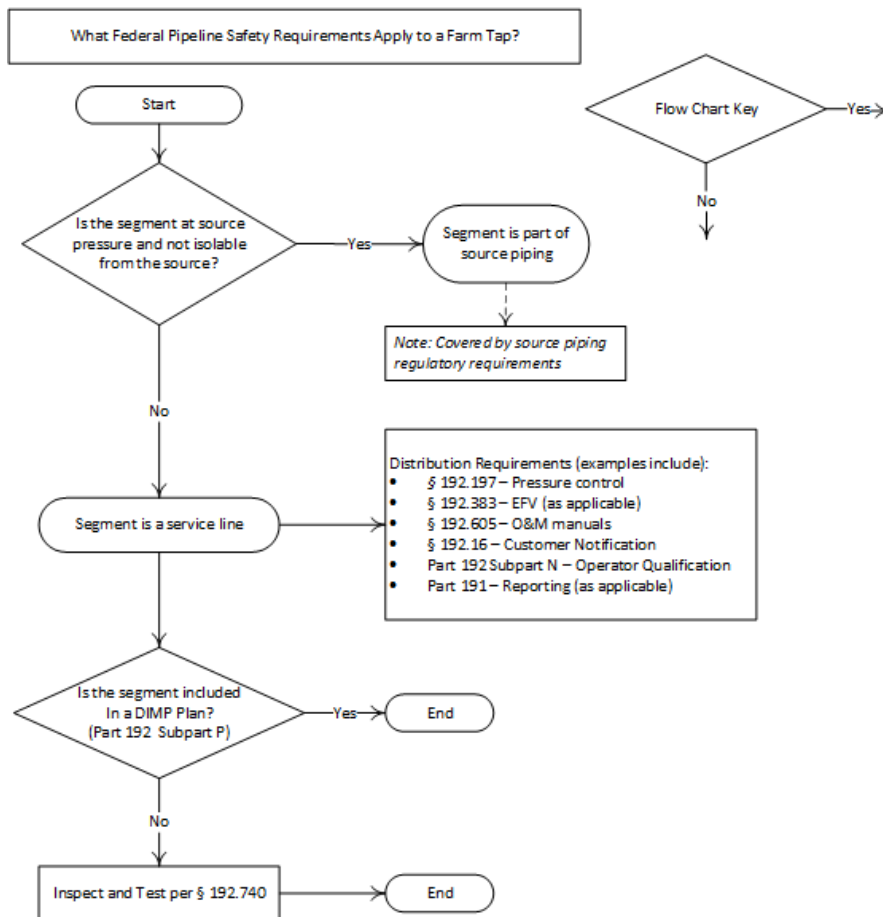
Commented [A1]: As noted above, these comments are limited to farm taps off of transmission pipelines. The Associations’ proposed changes to FAQ #3 provide suggested language that is appropriate for taps off of transmission lines. The Associations take no position in these comments as to whether FAQ #3 as drafted is appropriate for farm taps off of gathering and production lines. (API’s position in that regard is described in a joint comment letter with GPA Midstream dated June 18, 2020.)

Pursuant to the Exercise of Enforcement Discretion noted in FAQ #1, the service line is subject to either § 192.740 or Part 192 Subpart P (DIMP). In addition, any other applicable gas distribution requirements in Part 191 and 192, such as certain operations and maintenance (O&M) requirements, apply to the service line.

If piping is at source pressure and cannot be isolated from the source, then the piping is considered part of the source pipeline and subject to any applicable federal pipeline safety regulations. For example, a stub line coming off a transmission line would be covered by Part 192 transmission line requirements until the first isolation point for the service line. The following flow chart may be a useful reference for determining when service line requirements apply:

Commented [A2]: Consistent with the above comments and suggested redlines, PHMSA should require operators to designate a reasonable transition point between transmission and distribution piping, which could be the first fitting off of the transmission line, the first isolation point, or another reasonable valve, regulator, meter, custody transfer point, or fitting downstream.

If PHMSA accepts the Associations' recommendation, the flow chart below should be updated accordingly.



FAQ #4 – How does an operator determine if a farm tap is regulated by PHMSA?

Answer: Because there are many individual, varied scenarios, PHMSA cannot define an explicit regulatory treatment of every farm tap installation. Generally, any portion of a farm tap that meets the definition of a service line is a gas distribution service line subject to the applicable requirements for distribution service lines in of Part 192. A service line is regulated regardless of whether the common source of supply is regulated by PHMSA. A regulated service line may originate from an unregulated production or gathering pipeline. As described in FAQ #3 provides guidance regarding where the source piping ends and, the service line begins at the first isolation point and, The service line ends at the outlet of the meter or the inlet of customer-owned piping, whichever is upstream.

Under certain circumstances, a farm tap may not include a distribution service line. As described in FAQ #3, pipeline facilities from the source pipeline up to the first isolation point retain the classification of the source pipeline. For example, if customer-owned piping connects directly to the first isolation point, it is possible that no portion of the farm tap operated by the source pipeline operator is a service line. Finally, a farm tap that operates at a hoop stress of 20 percent or more of SMYS or supplies gas to a large-volume customer, as defined in § 192.3, is a transmission pipeline subject to all applicable requirements in Parts 191 and 192.

Previous PHMSA interpretations of specific situations may be relevant in determining the status of all or part of an operator's farm tap. PHMSA-issued interpretations detail the consideration of farm taps as distribution service lines.^{15, 16, 17} Interpretations are available at: <https://www.phmsa.dot.gov/regulations/title49/b/2/1>. It should be noted that states may have regulations that are more stringent than Parts 191 and 192 and are applicable to all or part of a farm tap, including customer piping.

Reporting

FAQ #5 – Are operators of unregulated source pipelines with regulated individual service lines ~~(farm taps)~~ required to submit a gas distribution annual report?

Answer: Yes, if any portion of an operator's farm taps are regulated service lines, the operator must submit an annual report. Operators of distribution pipelines are currently required to submit a distribution system annual report per § 191.11 of Department of Transportation Form PHMSA F 7100.1-1, except as provided in § 191.11(b).

Refer to the definition of a "service line" in § 192.3 and the guidance in FAQ #3 and FAQ #4 to determine if all or part of a particular line is a regulated service line.

Commented [A3]: This suggested edit is intended to provide consistency with the language used throughout these FAQs and to be clear that not all of the "farm tap" piping is necessarily a distribution service line. A portion of the farm tap piping is often transmission piping.

¹⁵ PHMSA. (April 19, 2011). *Response to Northern Natural Gas Company* (Interpretation #PI-11-0008).

¹⁶ PHMSA. (September 12, 2012). *Response to Atmos Energy* (Interpretation #PI-11-0016).

¹⁷ PHMSA. (November 5, 2018). *Response to the Kentucky Public Service Commission* (Interpretation #PI-18-0019). Retrieved from: <https://www.phmsa.dot.gov/sites/phmsa.dot.gov/files/docs/standards-rulemaking/pipeline/interpretations/69976/kentucky-psc-pi-18-0019-11-05-2018-part-192740.pdf>.

FAQ #6 – Are operators of production lines and unregulated gathering pipelines that also operate farm taps feeding gas to customers required to have an Operator Identification Number (OPID)?

Answer: Yes, if any portion of an operator’s farm taps are regulated service lines, then that operator must obtain an OPID in accordance with § 191.22. While the operator’s production pipelines and unregulated gathering pipelines are exempt from the Part 191 requirements (see § 191.1(b)(4)), any facility that meets the definition of a service line is a regulated distribution pipeline and therefore does not fall within the exemption for unregulated gathering pipelines. Any operator of such facilities must therefore obtain an OPID pursuant to § 191.22.

Refer to the definition of a “service line” in § 192.3 and the guidance in FAQ #3 and FAQ #4 to determine if all or part of a particular line is a regulated service line.

FAQ #7 – If two different operators perform O&M on a farm tap (for example, one operator is responsible for O&M from the source pipeline up to the ~~first isolation~~starting point of the service line and the other operator is responsible for O&M ~~downstream from the~~for the service line ~~first isolation point~~ to the outlet of the customer meter), who is responsible for the annual reporting on the F7100.1-1 Gas Distribution Annual Report?

Answer: Only the operator of the service line ~~downstream from the first isolation point~~ is responsible for reporting the service line information in its F7100.1-1 Distribution Annual Report. The operator of the source pipeline would report the ~~stub piping~~ up to the ~~first isolation~~starting point of the service line on its annual report as its source pipeline designation.

For example, the operator of a gas transmission pipeline with a farm tap would report the ~~stub piping~~ up to the ~~first isolation~~starting point of the service line as transmission pipeline mileage in its F7100.2-1 Gas Transmission and Gathering Annual Report; if the service line downstream ~~from the first isolation point~~ is operated by a separate entity, then only that entity is responsible for reporting it as a service line on a Distribution Annual Report.

O&M Requirements

FAQ #8 – Does an operator of an unregulated production or gathering pipeline with regulated individual service lines need to be qualified in accordance with Subpart N of Part 192 and have an O&M?

Answer: Yes, the operator qualification regulations in 49 CFR Part 192 Subpart N require that operator personnel—including contractors—who perform covered tasks on regulated service lines must be qualified. Metallic pipe welders (§§ 192.227 and 192.229) and plastic pipe joiners (§ 192.285) working on service lines must also be qualified in accordance with federal regulations. Finally, operators of distribution service lines must prepare and follow an O&M manual (§ 192.605) even if those service lines originate from an unregulated production or gathering source pipeline.

Refer to the definition of a “service line” in § 192.3 and the guidance in FAQ #3 and FAQ #4 to determine if all or part of a particular line is a regulated service line. However, if the unregulated production or

gathering pipeline operator does not operate the portion of the farm tap that is a service line, then operator qualification and O&M requirements may not apply.

Source of Supply and Local Distribution Company (LDC) Operations

FAQ #9 – What is the “common source of supply” under the § 192.3 definition of a service line?

Answer: The common source of supply may be a production, gathering, transmission, or distribution pipeline. The definition of a service line in § 192.3 is:

a distribution line that transports gas from a common source of supply to an individual customer, to two adjacent or adjoining residential or small commercial customers, or to multiple residential or small commercial customers served through a meter header or manifold. A service line ends at the outlet of the customer meter or at the connection to a customer's piping, whichever is further downstream, or at the connection to customer piping if there is no meter.

FAQ #10 – Individual service lines (“farm taps”) directly connected to interstate pipelines are often operated and maintained by a local distribution company (LDC). Does the individual service line on a farm tap begin at the first isolation point, such as a valve, where operation is taken over by the LDC? At which point does the farm tap become distribution piping subject to DIMP?

Commented [A4]: This suggested edit is intended to provide consistency with the language used throughout these FAQs and to be clear that not all of the “farm tap” piping is necessarily a distribution service line. A portion of the farm tap piping is often transmission piping.

Answer: As described in FAQ #3 and #4, operators should exercise reasonable discretion in determining where the transmission source pipeline ends and the distribution service line begins on a farm tap. Examples of service line starting points that may be reasonable if an LDC operates and maintains piping that is directly connected to an interstate transmission line include the first fitting or isolation point off of the source pipeline, the first readily-accessible valve off of the source piping, the custody transfer point between operators, or another valve, regulator, meter, or fitting, at the first isolation point connecting the service line to a common source of supply. The service line ends at the outlet of the customer’s meter or at the connection to a customer’s piping, whichever is further downstream (see the definition of a service line in § 192.3). Any portion of a farm tap that is classified as a service line is a distribution line.

Under the Exercise of Enforcement Discretion noted in FAQ # 1, operators of service lines covered by the requirements of § 192.740 have the option of complying with either § 192.740 or the DIMP requirements in 49 CFR Part 192 Subpart P as detailed in § 192.1003(b). If the operator does not comply with § 192.740, any portion of the farm tap that is classified as a service line must be included in a DIMP plan. In this instance, since the LDC takes over the farm tap beginning at the first isolation pointstart of the service line, it is responsible for including that portion of the line in a DIMP.

Regulator Testing

FAQ #11 – The language in § 192.740(b)(3) implies that the regulators must be checked for “lockup.” Are there alternatives to lockup testing that may be used to meet § 192.740(b)(3)?

Answer: Possibly. Testing for lockup (measuring the maximum outlet pressure at zero flow) is one method to determine if the regulator is functioning properly. However, lockup is not defined in the regulations, and § 192.740(b)(3) does not specify a method for compliance. Therefore, any practicable alternative method that meets the requirements of § 192.740(b)(3) is acceptable. The inspection procedure used must be documented in the operator's O&M manual, as prescribed by § 192.605.

PHMSA's interpretations of § 192.739(a), which mirrors § 192.740(b), may be instructive. Specifically, PHMSA's interpretations to the Arizona Corporation Commission (#PI-92-058, issued October 22, 1992, and #PI-93-019, issued April 28, 1993) clarify specific inspections and tests that the operator of a distribution system is required to conduct for pressure regulating and limiting equipment and equivalent tests to ensure a regulator is leak free and has the correct set point (see <https://www.phmsa.dot.gov/regulations/title49/b/2/1> for access to interpretations).

FAQ #12 – How can an operator perform tests pursuant to § 192.740 for portions of farm taps that are service lines and use a regulator with an internal relief?

Answer: Section 192.740 does not specify a method for compliance; therefore, any practicable method that meets the requirements of § 192.740(b) may be used. The method must be documented in the operator's O&M manual, as prescribed by § 192.605. The equipment manufacturer may be able to provide additional information or recommend test methods.

An example of one method for testing the internal relief on a pressure-regulating device would be to install a test port and then a valve downstream from the regulator with an internal relief. The operator would shut the downstream valve but keep the inlet supply active to the regulator with the internal relief. Next, the operator would open the test port to insert nitrogen or another inert gas and activate the internal relief on the regulator. This would determine the pressure at which the internal relief mechanism would activate.

An internal relief mechanism on a pressure-regulating device would provide overpressure protection in many applications. As outlet pressures build above the set point of the regulator, the diaphragm would move off the relief valve seat, allowing the excess pressure to bleed out through the screened vent. An internal relief on a pressure-regulating device can be checked for leakage by performing a soap test at the vent. This method is not considered a stand-alone test on the internal relief.

PHMSA has issued several interpretations that are applicable to the requirements of § 192.740, such as PHMSA's response to the Arizona Corporation Commission.¹⁸ In this interpretation, PHMSA states:

Regulator stations must be inspected and tested to comply with § 192.739 using any practicable method that will demonstrate the presence or absence of the listed qualities. Set-point, lock-up, and full-stroke-operation would be part of the inspection and testing if such tests are practicable at the station concerned. If not, whatever other tests are practicable in meeting the

Commented [A5]: This suggested edit is intended to provide consistency with the language use earlier in these FAQs and to be clear that not all of the "farm tap" piping is necessarily a distribution service line. A portion of the farm tap piping is often transmission piping.

¹⁸ PHMSA. (October 22, 1992). *Response to the Arizona Corporation Commission (#PI-92-058)*. Retrieved from: <https://www.phmsa.dot.gov/sites/phmsa.dot.gov/files/legacy/interpretations/Interpretation%20Files/Pipeline/1992/PI92058.pdf>.

requirements of § 192.739 must be used. Specific procedures should be documented in the utility's operating and maintenance plan prescribed by § 192.605.

This interpretation was further clarified in follow-up to the Arizona Corporation Commission interpretation.¹⁹ The use of “any practicable method,” as noted above, is also applicable to the testing of a single-service regulator station per § 192.740 that is not equipped with necessary valves, manifolds, or bypasses to perform testing for set-point, lock-up, and full-stroke operation (see <https://www.phmsa.dot.gov/regulations/title49/b/2/1> for access to interpretations).

Exemptions

FAQ #13 – Are portions of existing farm taps that are service lines exempted so they do not have to comply with § 192.740?

Answer: No. Section 192.740 does not exempt existing service lines. Subject to the Exercise of Enforcement Discretion noted in FAQ # 1, all farm tapservice lines must comply with the applicable distribution service line regulations contained in Part 192. The maintenance requirements in Subpart M apply to all applicable service lines regardless of the date of installation.

FAQ #14 – If § 192.740 applies to a farm tapservice line installed in the 1960s, does the pipeline need to be redesigned to meet § 192.197?

Answer: No. If the farm tapservice line was installed prior to March 12, 1971 (see § 192.13(a)), it would not have to be redesigned to meet the design requirements of § 192.197, but the farm tapservice line would still need to be tested in accordance with the maintenance requirements of § 192.740.

If a farm tapservice line was installed prior to March 12, 1971, and the regulators on that ~~farm tapservice line~~ were modified or replaced after the effective date(s) in § 192.13(b), then the components affected are considered new and must meet the current requirements in the regulations, including §§ 192.197 and 192.740. Similarly, any device installed after March 12, 1971, must meet the requirements contained in §§ 192.197 and 192.740.

Other Part 192 Requirements for Individual Service Lines (Including Service Line Portions of Farm Taps)

FAQ #15 – What requirements of 49 CFR Part 192 must new service lines from single-service regulator stations meet?

Answer: Any portion of a farm tap that meets the definition of a service line must meet all applicable requirements in 49 CFR Parts 191 and 192, subject to the Exercise of Enforcement Discretion noted in FAQ # 1.

Commented [A6]: This suggested edit and similar suggested edits below are intended to provide consistency with the language use earlier in these FAQs and to be clear that not all of the “farm tap” piping is necessarily a distribution service line. A portion of the farm tap piping is often transmission piping.

¹⁹ PHMSA. (April 28, 1993). *Follow-up to the Arizona Corporation Commission Interpretation* (PI-93-019). Retrieved from: <https://www.phmsa.dot.gov/sites/phmsa.dot.gov/files/legacy/interpretations/Interpretation%20Files/Pipeline/1993/PI93019.pdf>.

Refer to the definition of a “service line” in § 192.3 and the guidance in FAQ #3 and FAQ #4 to determine if all or part of a particular line is a regulated service line. If compliance with certain provisions is not feasible, any operator may apply for a special permit in accordance with the procedure set forth in § 190.341.

FAQ #16 – Who is responsible for notifying farm tap customers of their responsibilities under § 192.16?

Answer: The most-downstream entity operating the service line is responsible for notifying farm tap customers of their responsibility to maintain customer-owned buried piping unless that piping is maintained by the operator in accordance with § 192.16(a). The notification must meet the requirements of § 192.16: Customer Notification.

FAQ #17 – What is the “source of gas supply” under § 192.381(d), which provides that “An operator shall locate an excess flow valve as near as practical to the fitting connecting the service line to its source of gas supply?”

Answer: The source of gas supply may be a production, gathering, transmission, or distribution pipeline. For further guidance on EFV requirements, PHMSA posted answers to questions raised during two webinars on this topic. The questions and answers are included in Docket No. PHMSA-2011-0009 and may be viewed at: <https://www.regulations.gov/document?D=PHMSA-2011-0009-0053>.

FAQ #18 – Do all or just new individual service lines require EFVs? Where should EFVs be located?

Answer: Section 192.383(b) requires operators install EFVs on service lines installed or replaced after April 14, 2017, that serve any of the following: single-family residences, branched services, multi-family residences, or single, small commercial customers. Prior to that date, operators were required to install an EFV on any new or replaced service line serving a single-family residence that was installed or replaced after February 12, 2010. However, there are exceptions to the installation requirement included in § 192.383(c). Customer gas load and other issues may predicate the use of a manual service line shut-off valve in place of an EFV on a service line serving multi-family residences and single, small commercial applications (see § 192.385).

If the installation meets the requirements of §§ 192.381, 192.383, or 192.385, then the operator must meet the requirement of § 192.381(d) and locate the EFV as near as practical to the fitting connecting the service line to its source of gas supply.

For further guidance on EFV requirements, PHMSA posted answers to questions raised during two webinars on this topic. The questions and answers are included in Docket No. PHMSA-2011-0009 and may be viewed at: <https://www.regulations.gov/document?D=PHMSA-2011-0009-0053>.

Local Agreement Consumers

FAQ #19 – Is the service line portion of a farm tap service line required to meet the requirements of § 192.740 if it runs from a production wellhead or production pipeline to provide gas at no cost to a consumer who retains the mineral rights on the property?

Answer: The cost of gas (free or otherwise) is not pertinent to whether a farm tap is regulated. Similarly, the cost of gas provided as part of any right of way (ROW) agreement is also not relevant to whether the farm tap is regulated.

Refer to the definition of a “service line” in § 192.3 and the guidance in FAQ #3 and FAQ #4 to determine if all or part of a particular line is a regulated service line.

FAQ #20 – If the source of gas to a farm tap is an intrastate line, are there additional requirements that may be in place?

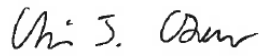
Answer: Possibly. Each state that has a certified pipeline safety program with PHMSA is responsible for adopting and enforcing the federal pipeline safety standards. Additionally, states with a certified program may adopt additional or more stringent safety requirements for intrastate pipelines above the minimum federal safety standards in the 49 CFR regulations. Operators of intrastate regulated individual service lines should contact their state regulatory agency if they have any questions about state requirements.

Commented [A7]: This suggested edit is intended to provide consistency with the language use earlier in these FAQs and to be clear that not all of the “farm tap” piping is necessarily a distribution service line. A portion of the farm tap piping is often transmission piping.

Respectfully submitted,
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Christina Sames, Vice President
Operations and Engineering
American Gas Association
(202) 824-7214
csames@aga.org



Cj Osman, Vice President of Operations, Safety
and Integrity
Interstate Natural Gas Association of America
(202) 216-5912
CjOsman@INGAA.org



Sonal Patni, Director
Operations and Engineering
American Gas Association
(202) 824-7328
spatni@aga.org



Erin Kurilla, Vice President, Operations and
Pipeline Safety
American Public Gas Association of America
(202) 905-2904
ekurilla@apga.org



Dave Murk, Pipeline Manager
American Petroleum Institute
(202) 682-8080
murkd@api.org