

Thure Cannon Executive Director

October 22, 2012

Office of Information and Regulatory Affairs Records Management Center, Room 10102 NEOB, 725 17th Street NW Washington, DC 20503

ATTN: Desk Officer for the U.S. Department of Transportation <u>PHMSA.OIRA_Submission@omb.cop.gov</u>

Re: Comments of the Texas Pipeline Association on Pipeline Safety: Information Collection Activities, Revision to the Gas Transmission and Gathering systems Annual Report, Docket No. PHMSA-2012-0024

Dear Sir or Madam:

The Texas Pipeline Association (TPA) consists of almost 40 gas and hazardous liquid pipeline operators within the State of Texas. TPA's members operate a majority of the natural gas and hazardous liquids pipeline mileage within the State of Texas. TPA's members operating hazardous liquid and gas transmission pipelines will potentially be directly impacted by the proposed changes to the Annual Report for Gas Transmission and Gathering Pipeline Systems (Annual Report) as noticed in the September 21, 2012 Federal Register.

TPA is generally supportive of the proposed changes to the Annual report and appreciates PHMSA's efforts to enhance data collection as a solid foundation for future regulatory action. Although not every comment submitted by TPA was adopted by PHMSA, the overall proposed Annual Report represents a reasonable step forward.

TPA has one remaining issue with the proposed Annual Report which should be addressed before finalizing the revised Annual Report. New Part Q contains information on records related to the Maximum Allowable Operating Pressure (MAOP) determination for a variety of segments of each pipeline operator's system. For each method of determining MAOP under the PHMSA pipeline safety regulations, the proposed Annual Report requires an entry for miles with records and miles without records. This information is stated to be the information required by Section 27 of the Pipeline Safety, Regulatory Certainty and Job Creation Act of 2011. However, that Section allows a greater time for the reporting and requires the reporting of pipeline segments for which records are insufficient to confirm the established MAOP. TPA is concerned that PHMSA's requirement of early reporting and the description of miles

of pipeline with insufficient records as miles "without records" will create inappropriate impressions with the public resulting in misleading conclusions.

Pipeline operators are not likely to have completed their record reviews for all of their pipelines by December 31, 2012, the deadline for reporting information for the Annual Report. Congress provided operators until July 3, 2013 to make this report. The fact that an operator's review is not complete does not mean that there are no records to support the established MAOP. An operator may not have begun to address a particular segment and will not know the status of the records for that segment by December 31, 2012. An operator may have begun an evaluation of the records for a particular segment, but may still be conducting a search for additional records in order to satisfy the "traceable, verifiable and complete standard that PHMSA has created for meeting the statutory reporting requirement. An operator could have a record of pressure testing of a pipeline segment, but no material specifications for the pipe within that segment. Thus, the operator would have a record showing the capability of the pipeline to withstand the MAOP, but not all of the records required by PHMSA. Under either of these situations, reporting those miles of pipelines as "without records" is clearly misleading.

Rather than labeling the columns in Part Q of the Annual Report as "without records" or "w/out Recds," TPA recommends that those columns be labeled as "with inadequate records." If preferred, the columns could also be labeled as "with insufficient records," which would better track the statutory language. Such an alternative labeling would more accurately communicate the actual status of those miles of pipeline. It would not create a false impression in the minds of the public that an operator has no records. Instead it would communicate that the operator does not have the records necessary to meet the PHMSA standard. This reporting would also allow PHMSA to begin to understand the scope of the effort that may be required after July 3, 2013 to reconfirm an MAOP as expeditiously as economically feasible. TPA's alternative labeling would do no harm to PHMSA's ongoing regulatory program and would not mislead the public concerning the status of operators' pipeline records. This minor change should be made in the form prior to finalizing it.

TPA appreciates the opportunity to provide these comments and urges OMB to adopt TPA's recommended alternative language for Part Q of the form. Please do not hesitate to contact me, if you have questions concerning these comments.

Respectfully submitted,

Thure Cannon

Executive Director