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

Pipeline Safety: Information Collection Activities	]	Docket No. PHMSA-2019-0172

COMMENTS IN RESPONSE TO NOTICE OF PROPOSED FORM REVISIONS

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

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I. Introduction

The American Gas Association (AGA),[1] American Petroleum Institute (API),[2] American Public Gas Association (APGA),[3] GPA Midstream Association,[4] and Interstate Natural Gas Association of America (INGAA)[5] (jointly "the Associations") submit these comments for consideration by the Pipeline and Hazardous Materials Safety Administration (PHMSA) regarding the Agency's Notice and request for comments on proposed revisions to Form PHMSA F 7100.2-1, "Annual Report for Natural and Other Gas Transmission and Gathering Pipeline Systems," Form PHMSA F 7100.4-1, "Underground Natural Gas Storage Facility Annual Report," and Form PHMSA F 7100.2, "Incident Report—Gas Transmission and Gathering Systems."[6] Pipeline safety is the top priority of the Associations and our members. Our goal is to continually improve the safety, reliability, and environmental performance of our nation's natural gas pipeline network.

The Associations strongly support clear reporting requirements that provide pipeline safety data to PHMSA to help inform the agency's regulatory programs. The information shared through these forms also enables operators to learn from each other, consistent with pipeline safety management system (PSMS) principles. We appreciate that PHMSA's proposed form updates reflect prior input from the Associations regarding these forms.[7] The comments below suggest a few additional modifications to the

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[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] GPA Midstream Association has served the U.S. energy industry since 1921 and has nearly 70 corporate members that directly employ more than 75,000 employees that are engaged in a wide variety of services that move vital energy products such as natural gas, natural gas liquids ("NGLs"), refined products and crude oil from production areas to markets across the United States, commonly referred to as "midstream activities". The work of our members indirectly creates or impacts an additional 450,000 jobs across the U.S. economy. GPA Midstream members recover more than 90% of the NGLs such as ethane, propane, butane and natural gasoline produced in the United States from more than 400 natural gas processing facilities. In 2017-2019 period, GPA Midstream members spent over $105 billion in capital improvements to serve the country's needs for reliable and affordable energy.

[5] INGAA is a trade association that advocates regulatory and legislative positions of importance to the interstate natural gas pipeline industry. INGAA is comprised of 26 members, representing 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.

[6] Pipeline Safety: Information Collection Activities, 85 Fed. Reg. 82,028 (Dec. 17, 2020).

[7] *See* Comments of AGA, API, APGA, and INGAA on Proposed Changes to the Gas Transmission Annual Report (Jan. 23, 2020).

proposed forms that will help ensure clear requirements and better facilitate the collection of the most useful pipeline safety information.

II. Comments on the Gas Transmission and Gas Gathering Annual Report

A. PHMSA should further clarify which relief valve and emergency shutdown events must be reported under Part G1.

The Associations do not oppose reporting a count of intentional gas transmission pipeline relief valve and emergency shutdown (ESD) events on the gas transmission and gas gathering annual report. However, the Associations note that this information is already available to PHMSA today during inspections because operators are required to record relief and ESD events as abnormal operating conditions (AOCs) under 49 C.F.R. § 192.605(c). Therefore, the reporting of this information on the annual report may provide limited added value, particularly for pipelines in remote areas (i.e., in class 1 and 2 non-HCA/MCA locations) and for small volume releases.

If PHMSA does require a count of all intentional relief valve and ESD events in G1 of the annual report, PHMSA should explicitly clarify that leaks are not reportable under G1 because leaks are required to be reported under Part M of the annual report.

Additionally, PHMSA should clarify that relief valve "chatter," which can generally be rectified by adjustment of the relief device, is not reportable under G1. These events involve very small releases that do not rise to the level of an actual "relief valve lift" and do not create a potential hazard.

Furthermore, PHMSA should clarify in the instructions for Part G1 that only "confirmed" lifts/events should be reported. This would clarify that the proposed reporting changes do not require operators to implement new procedures to identify relief valve lifts, and that the proposed changes simply require operators to report the number of relief valve lifts and ESD events that are observed (and currently recorded as AOCs) by operator personnel, consistent with operators' current operations and maintenance procedures. This clarification will ensure that the new reporting requirement does not lead to excessive focus on identifying very small lift events that may not be detected by operators' routine monitoring procedures.

Below is a consolidated set of the Associations' proposed modifications to the instructions for Part G1 of the annual report **in red**.

PART G1 – RELIEF VALVE LIFTS AND COMPRESSOR STATION EMERGENCY SHUTDOWN (ESD) EVENTS

If a relief valve lift or ESD event has been reported as an incident on PHMSA Form F7100.2, do not include the lift/event in this part. Report the number of **confirmed** lifts/events separately for these three areas - HCA, MCA, and Neither in HCA nor MCA. For each of these three areas, provide the number of events with gas release over and under 3 million standard cubic feet. **Do not report relief valve leaks or chatter under this Part.**

B. PHMSA should require Part G1 data beginning with the calendar year 2022 annual report.

PHMSA should not begin requiring the reporting of any intentional release data under Part G1 until the 2022 calendar year annual reports (due in March 2023). Although operators are currently recording some of this intentional release data as part of AOC recordkeeping, operators' internal reporting systems and processes may need to be modified to capture, consolidate, and report the data pertaining

to relief valve lifts and ESD events in the form PHMSA proposes to collect it. These reporting procedures may not currently be in place for the 2021 reporting year because reporting these events is not yet required. It is not reasonable to require operators to report data for the current calendar year without finalizing the new requirements before the year began.

C. PHMSA should align MCA reporting requirements with § 192.710.

PHMSA should modify the instructions for Part G d–e to clarify that operators are only required to report baseline and reassessment data for MCA segments subject to § 192.710. Not all segments in MCAs are in-scope for the § 192.710 assessment program. Although operators may voluntarily assess segments beyond the § 192.710 requirements, there should not be a regulatory requirement to distinguish between baseline and reassessments if there is not a regulatory requirement to conduct both baseline assessments and reassessments. The Associations' proposed change would align with PHMSA's proposal not to distinguish between baseline and reassessment mileage for class 1 and class 2 non-HCA/MCA segments.

Below are the Associations' proposed modifications to Part G of the form and the instructions **in red**.

Form:

PART G– MILES OF BASELINE ASSESSMENTS AND REASSESSMENTS COMPLETED IN CALENDAR YEAR (HCA, MCA, and Outside HCA or MCA Segment miles)
a. HCA Segments Baseline assessment miles completed during the calendar year.
b. HCA Segments Reassessment miles completed during the calendar year.
c. HCA Segments Total assessment and reassessment miles completed during the calendar year.
d. MCA **§ 192.710** Segments Baseline assessment miles completed during the calendar year.
e. MCA **§ 192.710** Segments Reassessment miles completed during the calendar year.
f. MCA **§ 192.710** Segments Total assessment and reassessment miles completed during the calendar year.
g. CLASS LOCATION 3 OR 4 AND neither HCA nor MCA **§ 192.710** Segments assessment miles completed during the calendar year.
h. CLASS LOCATION 1 OR 2 AND neither HCA nor MCA **§ 192.710** Segment assessment miles completed during the calendar year.

Instructions:

PART G – MILES OF BASELINE ASSESSMENTS AND REASSESSMENTS COMPLETED IN CALENDAR YEAR (HCA, MCA, and Outside HCA or MCA Segment miles)

Report the number of miles of pipeline that were assessed during the calendar year. Report separately the number of miles inspected for baseline assessments (e.g., initial baseline assessments and new baseline assessments, including those which occur due to new pipelines or facilities, new HCA, etc.) and miles for which a reassessment was conducted. For segments outside both HCA and MCA **and MCA segments that are not subject to § 192.710**, assessment miles are reported on **either** ~~**a single**~~ line **(g) or (h)** and are not characterized as baseline or reassessment. For the "in HCA" portions, do not include pipelines or portions of pipelines that are not in an HCA but which are included in an IM Program as a

result of Alternative MAOP under 192.620 or a PHMSA directive such as Corrective Action Order, Compliance Order, or Special Permit.

III. Comments on the Gas Transmission and Gas Gathering Incident Report Instructions

A. PHMSA should further clarify which relief valve and emergency shutdown events must be reported as incidents.

The Associations appreciate PHMSA's proposal to provide clarity regarding which relief valve and ESD events are considered "unintentional" and therefore a reportable incident under 49 C.F.R. § 191.3 if the volume of gas released exceeds 3 MMSCF. Where a relief valve, emergency shutdown vent, or other engineered pressure control system relieves gas pressure through a safe, designed pathway and prevents any injuries or fatalities, then the safety system has performed as intended. In the 2010 final rule that created the 3 MMSCF incident threshold, PHMSA noted that "controlled releases are not events with significant safety consequences" and therefore are not required to be reported as unintentional incidents under § 191.3.[8] Nevertheless, reporting of relief valve and ESD events has been a source of confusion for operators and conflicting direction from PHMSA personnel in recent years.

PHMSA's proposed edits to the incident reporting instructions provide some assistance regarding the distinction between "intentional" and "unintentional" releases, but additional changes are needed to ensure clear requirements and consistent application for different scenarios.

First, PHMSA should not require that a relief valve or ESD system "close" at the specified setpoint in order for the event to be considered intentional. If the relief valve or ESD opens at the specified set point and relieves gas through the intended pathway, then the relief valve has functioned as designed. From a safety standpoint, it is not important whether the valve perfectly reseats/closes on its own following an event or is instead fully closed by subsequent operator intervention. This proposed change is important because a known characteristic of relief devices is that they may not reseat completely following a relief event; operators have limited ability to control whether a relief device fully reseats following a lift event.

Also, PHMSA should clarify that when determining whether a relief valve opened at the specified set point, the operator should consider the relief valve manufacturer's specified tolerances. Relief valves are commonly designed to begin partially opening before the set point is reached to reduce the risk of overpressure. Similarly, ESD systems may be designed to activate in response to a "condition" rather than a "set point" (for example, gas detection), and that should be reflected in the incident report instructions. Additionally, depending upon the nature of a relief event, an ESD valve may not need to fully open to safely relieve the pressure—what matters is that the ESD valve "properly" opens as designed.

Finally, it is not logical to classify manual ESD activations as unintentional. These events are inherently intentional—trained operator personnel familiar with the design of the ESD system are choosing to intentionally activate the ESD system in response to a potential system hazard.

Below is a consolidated set of Associations' proposed modifications to the incident report instructions **in red**.

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[8] Pipeline Safety: Updates to Pipeline and Liquefied Natural Gas Reporting Requirements, 75 Fed. Reg. 72,878, 72,884 (Nov. 26, 2010).

General Instructions

The intentional and controlled release of gas for the purpose of maintenance or other routine operating activities is not to be reported. When gas is released through a relief valve or a compressor station has an Emergency Shutdown (ESD) **system** and devices open ~~**and close**~~ at the specified set points **(considering the manufacturer's specified tolerances) or conditions**, the release of gas is considered intentional. Reports are required if the loss of gas unintentionally released is 3 million cubic feet or more.

A7. Estimated volume of gas released unintentionally

The volume released during a relief valve activation is considered ~~**un**~~intentional when the device ~~**does not**~~ opens ~~**or close**~~ at the specified setpoint**, considering the manufacturer's specified tolerances**. The volume released during an Emergency Shutdown (ESD) that is activated by a station safety device is considered intentional. The volume released during an ESD in which one or more valves **in the release pathway** do not ~~**fully or**~~ properly **open** ~~**operate**~~ is considered unintentional. ~~**The volume released during a manually activated ESD is considered unintentional when the activation is due to a safety condition at the facility.**~~

IV. Underground Natural Gas Storage Facility Annual Report

A. PHMSA should clarify the requirements for reporting plugged wells.

PHMSA has proposed revising Part C10 of the Underground Natural Gas Storage Facility Annual Report to require separate reporting of the count of re-plugged, plugged but not abandoned, and plugged & abandoned wells during the calendar year. The Associations support this change but recommend that PHMSA structure the reporting so each of these categories of wells are reported separately and without any duplication between counts.

For example, the Associations recommend the following structure for Part C10, with change from PHMSA's proposal in **red:**

C10. Wells plugged and abandoned during the calendar year:

C10a: Number of wells re-plugged during the calendar year: _____

C10b: Number of wells plugged but not abandoned during the calendar year: _____

C10c: Number of wells plugged & abandoned during the calendar year: _____

Additionally, the Associations recommend that PHMSA clarify what is meant by wells which are plugged but not abandoned. The Associations believe this reporting is not intended to include temporary plugs (e.g., retrievable bridge plugs) that will subsequently be removed, but it would be helpful for PHMSA to confirm.