# DEPARTMENT OF TRANSPORTATION BEFORE THE PIPELINE AND HAZARDOUS MATERIALS SAFETY ADMINISTRATION

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Pipeline Safety: Information Collection Activities	)	Docket No. PHMSA 2013–0003
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### COMMENTS OF THE AMERICAN PETROLEUM INSTITUTE AND THE ASSOCIATION OF OIL PIPE LINES

The American Petroleum Institute ("API")<sup>1</sup> and the Association of Oil Pipe Lines ("AOPL")<sup>2</sup> hereby submit comments in response to the July 11, 2013, *Notice and Request for Comment* issued by the Pipeline and Hazardous Materials Safety Administration ("PHMSA").

# I. Improved Instructions: Reporting of Actionable Anomalies Removed Due to Pipe Replacement Or Abandonment

As stated in the initial response to the Notice, API and AOPL do not oppose PHMSA's proposal to include actionable anomalies removed due to pipe replacement or abandonment in Part F of the Annual Report. Indeed, the industry believes that reporting such metrics will demonstrate the progress in safety achieved by pipeline operator integrity management programs.

However, in order to achieve useable, meaningful, and practical metrics, API and AOPL submit that further clarification in the instructions is necessary. Specifically, API and AOPL continue to support a definition of repair as included in the PPTS Advisory Bulletin, "Reporting Integrity Management Program Activity in the Infrastructure Survey" (2004), which defines "repair" as "a mechanical fix of some kind – a sleeve or clamp, for instance – that restores the pressure-containing capability of the pipe." A pipe repair can include the installation of pressure-containing sleeves or non-pressure containing sleeves, replacing a section of pipe or welding to fill in an anomaly, and grinding to remove stress concentrators. A repair should not include touching-up, re-establishing or replacing coating.

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<sup>&</sup>lt;sup>1</sup> API is the only national trade association that represents all aspects of America's oil and natural gas industry, leaders of a technology-driven industry that supplies most of America's energy, supports more than 9.2 million jobs and 7.5 percent of the U.S. economy. Our more than 500 corporate members, from the largest major oil company to the smallest of independents, come from all segments of the industry. They are producers, refiners, suppliers, pipeline operators and marine transporters, as well as service and supply companies that support all segments of the industry.

<sup>&</sup>lt;sup>2</sup> AOPL is a national trade association that represents owners and operators of oil pipelines across North America, and educates the public about the vital role oil pipelines serve in the daily lives of Americans. AOPL members bring crude oil to the nation's refineries and important petroleum products to our communities, including all grades of gasoline, diesel, jet fuel, home heating oil, kerosene, propane, and biofuels. Together, API and AOPL members operate approximately 90% of the hazardous liquids pipeline miles in the United States.

API and AOPL also believe that a replacement should be categorized as a type of repair. Moreover, API and AOPL submit that the term replacement should be defined as the process of substituting or exchanging a piece of equipment that is broken, inoperative or in disrepair with equipment that restores the system to full functionality. API and AOPL submit that a replacement is commonly considered to be a type of repair. API and AOPL contend that these definitions would help PHMSA better achieve its goal of gathering meaningful information to better assess the effectiveness of integrity management programs. With this data, PHMSA can then identify where further improvement may be needed. API and AOPL's proposed modifications achieve such a goal by clarifying and streamlining reporting. If PHMSA continues to require separate reporting of repairs and replacements, the current level of ambiguity and inconsistency will remain.

#### II. By-State Reporting for Parts D and E

API and AOPL oppose PHMSA's proposal to require by-state reporting for Parts D and E of the Annual Report. Specifically, the Notice states that PHMSA "expects that the additional data proposed for collection is already integrated with information systems containing the data currently reported on both a by-state and by-commodity basis..." and that "based on conversation with industry, PHMSA expects most, if not all, hazardous liquid pipeline companies contain primary information regarding their enterprise in a GIS, and as such, the information requested should be readily available by state." API and AOPL submit that PHMSA's proposed modification seems to misapprehend the technical capabilities and integration of operator's information management systems, and consequently has proposed an overly burdensome rule without recognizing the difficulty placed upon operators by the proposed revisions.

In this regard, the modifications seem to imply that a new report may be generated by the click of a button, but in reality, many operator systems are designed so that operators must manually sort through data in order to assemble the requested information, which is a time-consuming, cumbersome process. The information is not readily available, or easily accessible and the proposed modifications will not enable PHMSA or operators to better understand the risks associated with hazardous liquids pipelines, or otherwise advance the goals of pipeline safety. As the industry stated in previous comments and testimony, pipelines are not managed according to geopolitical boundaries but rather by the physical features of the pipelines and environments they operate in. PHMSA has not refuted this aspect of pipeline operations, nor justified its requirement in this rulemaking. API and AOPL request that PHMSA refrain from enacting this proposed revision.

## II. Online Enhancements and Transparency

API and AOPL request that PHMSA include the updated form with proposed revisions to the Annual Report and corresponding instructions in the public docket. This will not only increase transparency, but will also provide the industry a greater understanding of the proposed revisions with each draft or iteration. Indeed, PHMSA references updates in the Notice, however the industry has not been able to review the exact language or terminology proposed,<sup>3</sup> which

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<sup>&</sup>lt;sup>3</sup> For example, the Notice references the updated instructions to the Annual Report which state that "PHMSA has

frustrates the public notice and comment process. API and AOPL request updated drafts be included in the docket as they become available in order to ensure an open and transparent process for review of the changes to the Annual Report.

Furthermore, API and AOPL appreciate PHMSA's efforts to provide the ability to navigate freely between different Parts of the Report, but note that nonessential validations, such as requiring completion of Part L prior to Parts F and G, may needlessly complicate and slow down completion of the Report.

#### III. Conclusion

API and AOPL appreciate the opportunity to comment on the proposed changes to the Annual Report for Hazardous Liquid Pipeline Systems and would be happy to clarify our comments.

Sincerely,

Peter J. Grafial

Peter T. Lidiak

Andrew J. Black

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American Petroleum Institute 1220 L Street, NW Washington, DC 20005

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AOPL®
Association of Oil Pipe Lines

Association of Oil Pipe Lines 1808 Eye Street, NW Washington, DC 20006