DEPARTMENT OF TRANSPORTATION BEFORE THE PIPELINE AND HAZARDOUS MATERIALS SAFETY ADMINISTRATION

Pipeline Safety: Information Collection)	
Activities Changes to the Hazardous)	Docket No. PHMSA-2013-0061
Liquids Accident Report Issues & Responses)		

COMMENTS OF THE ASSOCIATION OF OIL PIPE LINES AND THE AMERICAN PETROLEUM INSTITUTE

The American Petroleum Institute ("API")¹ and the Association of Oil Pipe Lines ("AOPL")² appreciate the opportunity to comment on the Pipeline and Hazardous Materials Safety Administration's ("PHMSA") proposed changes to the Hazardous Liquid Pipeline Systems Accident Report in the above captioned proceeding.

I. Instructions for Volume Spilled (Part A9) and Volume Recovered (Part A11)

In the Notice, PHMSA proposes that all product exiting the system at a pipeline failure site, regardless of the operator's continued control of the product, be reported in both Volume Spilled and Volume Recovered sections of the accident report. PHMSA contends that it will not otherwise receive an accurate characterization of the environmental consequences of an accident.

API and AOPL respectfully submit that including volumes recovered in a controlled manner (such as product collected in a drum or pan, or removed directly from the pipe by a vacuum truck, drained into a sump, vented off to a different area, or flared) as Volume Spilled would run contrary to PHMSA's objective of attaining an accurate characterization of environmental consequences. This is because volume released in a controlled manner, is never out of a pipeline operator's control, and consequently, never released into the air, ground, or water, with environmental consequences. Thus, there is no environmental consequence of product completely contained by the pipeline operator,

¹ API is the only national trade association that represents all aspects of America's oil and natural gas industry—an industry which supports 9.2 million American jobs and 7.7 percent of the U.S. economy. ² 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, AOPL and API members operate approximately 90% of the hazardous liquids pipeline miles in the United States.

and to that extent, API and AOPL disagree with PHMSA's assertion that "[t]he difference between Volume Spilled and Volume Recovered provides the most accurate characterization of the environmental consequences of the accident." As a result, by removing controlled release volumes from the Volumes Spilled category, PHMSA would possess a more accurate characterization of the environmental consequences of an accident.

PHMSA also proposes to revise the instructions to exempt product removed from the system at locations remote from the failure site from both the Volume Spilled and Volume Recovered categories. PHMSA states that this revision will provide pipeline operators with an incentive to move product away from the failure site. Containing a release as quickly and as safely as possible is always a top priority for pipeline operators, and will continue to be the overriding focus of pipelines regardless of any change in the Accident Report. Operators will work expeditiously and tirelessly to minimize any environmental consequence regardless of the reporting requirements.

The essential point API and AOPL seek to convey here, however, is that the Accident Report accurately reflect the environmental consequence, which the proposed modification would not do. For example, under the proposal, if there are two 50 barrel releases, and in one instance the operator used a vacuum truck to recover all of the barrels before any reach the ground, and, in the second instance, it is unable to do so and therefore all 50 barrels reach the ground, each incident would be reported as a 50 barrel release. In other words, under PHMSA's proposed reporting requirement, these very different spill events would look identical, giving the public an inaccurate characterization of the environmental consequence.

If PHMSA nonetheless proceeds with proposed this revision to the Accident Report, then it is important to recognize that data included in future reports will differ substantially from Accident Report data previously provided. API and AOPL request that PHMSA use these metrics prospectively, as this update will significantly alter the historical record. New volumes will be affected in two ways. For all liquid pipelines, the additional volume from controlled efforts to remove product at the failure location will increase volumes of some releases and the proposal to exempt product removed from the system at locations remote from the site will potentially decrease the volumes of HVL releases where distant flaring volumes have historically been included.

II. Instructions for Time Sequence (Part A18)

In the Notice, PHMSA proposes to require the time sequence fields in part A18 for every report. Question 18.a directs the operator to input the local time Operator identified Accident. Since identification could occur by a number of different methods, API and AOPL request that PHMSA clarify this reporting requirement, to ensure consistent reporting. As requested in the initial comments, API and AOPL suggest that PHMSA replace the term "identified" with the more commonly used and well-established term "discovered" used by PHMSA. API and AOPL simply seek more clarity to prevent the inconsistencies in this data field.

Further, adding this definition will not necessarily make the metrics of "Local time operator identified accident" and "Local time Operator resources arrived on site" the same, as PHMSA suggests in the Notice. Rather, including this definition will provide those completing the form with a more precise understanding of the time to be reported.

In the Notice, PHMSA stated that it has modified the instructions to clarify that PHMSA will use the time sequence data to calculate accident response time. API and AOPL raise concern that PHMSA is attempting to use these data fields to determine a metric that this Accident Report was not designed to capture. Indeed, these two data fields cannot capture the complexity of detection, discovery, and response.

III. Instructions for National Response Center Report Number

In the Notice, PHMSA proposed that operators be required to provide an NRC number or select one of the following options: NRC notification not required, NRC notification required but not made, or NRC report number not known. API and AOPL responded that an added option of "NRC Notification was Not Required at the Time of the Release." would be beneficial. PHMSA responded that it has already proposed "NRC Notification Not Required" as an option.

It appears that PHMSA may have misapprehended API and AOPL's suggestion regarding these options. As API and AOPL previously explained, in certain instances an NRC notification is not required at the time of release (for example, the incident has not crossed the financial reporting threshold) but, issues arise later that would require an NRC notification (such as an incident ultimately crossing the financial threshold). Consequently, API and AOPL propose an additional option to address this more nuanced circumstance, which would state, "NRC Notification was not required at the time of the release." This added option would allow operators to report accurately without impunity.

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³ According to PHMSA's established policy, discovery of an accident occurs "when an operator's representative has adequate information from which to conclude the probable existence" of an accident.

IV. Adopt API 1130

In the Notice, PHMSA seeks to revise the Accident Report to collect more data on small spills and to revise the instructions for completing the form. Section 195.50 specifies the definition of an "accident" and the reporting criteria for submitting a Hazardous Liquid Accident Report (Form PHMSA F7000–1) is detailed in Section 195.54. Section 195.444 requires operators of single-phase hazardous liquid pipeline facilities that use Computational Pipeline Monitoring (CPM) leak detection systems to comply with the standards set out in American Petroleum Institute (API) publication API 1130. API 1130 provides information collection and maintenance guidance on many factors such as measurement capabilities, communications reliability, pipeline operating condition, and product type. Compliance with API 1130, including its recordkeeping requirements, supports pipeline safety by ensuring the proper functioning of CPM leak detection systems.

API and AOPL submit that the proposed requirement related to API 1130 still remains unclear. To the extent that PHMSA is suggesting additional requirements that include computational pipeline monitoring on the Accident Report, API and AOPL oppose such a proposal, as PHMSA's intentions on this matter remain ambiguous. API and AOPL are also unable to comment on the data collection burden at this point based upon the information available at this time. API and AOPL would appreciate the opportunity to comment on a more formal and clearly articulated proposal before PHMSA adopts aspects related to API 1130.

V. Additional Requests

API and AOPL request that PHMSA include a redline of the proposed revisions to the form and the instructions in future rulemakings, to allow the industry review and comment on the actual proposed text as opposed to commenting on an overarching concept. API and AOPL would also appreciate the opportunity to view the proposed changes before any revisions go into effect.

VI. Conclusion

API and AOPL request that PHMSA consider these comments when promulgating revisions to the Hazardous Liquids Accident Form.

Sincerely,

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