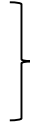


**BEFORE THE  
PIPELINE AND HAZARDOUS MATERIALS SAFETY ADMINISTRATION  
UNITED STATES DEPARTMENT OF TRANSPORTATION  
AND THE OFFICE OF MANAGEMENT AND BUDGET  
WASHINGTON, D.C.**

Pipeline Safety: Expanding the Use of Excess Flow  
Valves in Gas Distribution Systems to Applications  
Other than Single-Family Residences

Docket No. PHMSA-2011-0009  
OMB Control No. 2137-0629



**COMMENTS OF THE AMERICAN GAS ASSOCIATION  
ON THE  
ASSOCIATED GAS DISTRIBUTION ANNUAL REPORT CHANGES**

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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 72 million residential, commercial and industrial natural gas customers in the U.S., of which 94 percent — over 68 million customers — receive their gas from AGA members. Today, natural gas meets more than one-fourth of the United States' energy needs.

AGA supports the changes to the pipeline safety regulations made through the Expanding the Use of Excess Flow Valves (EFV) in Gas Distribution Systems to Applications Other than Single-Family Residences Final Rule<sup>1</sup>. However, AGA is concerned with the proposed revisions to the Gas Distribution Annual Report (OMB No. 2137-0629), including PHMSA's suggestion that the revision would have no increase in an operator's burden. See 81 Fed. Reg. 71001. As written, the changes will be burdensome and do not reflect the EFV final rule language. In addition, PHMSA must make it clear that the Distribution Annual Report changes go into effect for the March 2018 submission. Otherwise, operators will be required to submit data prior to the effective date of the rule.

AGA recommends PHMSA make the following modifications to the proposed changes to the Annual Report.

*The Annual Report questions should not be burdensome and should reflect the Final Rule language.*

PHMSA has proposed to expand the questions within Part E – *Excess Flow Valve (EFV)* (See Figure 1) to include two new categories:

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<sup>1</sup> 81 Fed. Reg. 70987 (October 14, 2016).

- (1) EFVS on branched services, multi-family residential, and small commercial customers (meter capacity not exceeding 1,000 Standard Cubic Foot per Hour).
- (2) Curb valves for customers with meter capacity exceeding 1,000 Standard Cubic Foot per Hour.

**Figure 1: Gas Distribution Annual Report – Proposed Changes Due to PHMSA 2011-0009**

<b>PART E – EXCESS FLOW VALVE (EFV) and CURB VALVE DATA-</b>
<del>Total</del> Number Of EFVs on Single-family Residential Services Installed During Year _____
<del>Estimated</del> Number of <u>Single-family Residential Services with</u> EFVs In the System At End Of Year _____
<u>Number of EFVs on branched services, multi-family residential, and small commercial customers (meter capacity not exceeding 1,000 Standard Cubic Foot per Hour) Installed During Year _____</u>
<u>Number of branch, multi-family residential, and small commercial customers (meter capacity not exceeding 1,000 Standard Cubic Foot per Hour) EFVs in System at End of Year _____</u>
<u>Number of curb valves for customers with meter capacity exceeding 1,000 Standard Cubic Foot per Hour installed during year _____</u>
<u>Number of curb valves for customers with meter capacity exceeding 1,000 Standard Cubic Foot per Hour in system at end of year _____</u>

However, there is a third category of service line valves introduced through this Final Rule that PHMSA has not addressed. Based on sound engineering analysis and availability, operators may determine it is operationally and technically feasible to install EFVs on certain service lines that have a peak load exceeding 1,000 Standard Cubic Foot per Hour<sup>2</sup>. This was noted in the final rule.

In addition, it is unclear why separate numbers must be reported for EFVs installed on single family homes and other EFV installations. With the addition of the third category noted above, an unnecessary burden is added. This burden is unjustified as it is unclear why the breakdown might be needed for PHMSA to achieve its goals. In addition, many operators have already started installing EFVs beyond single-family residences and have historically installed manual service line shut-off valves in their gas distribution systems, which is a similar situation as the one that existed when the initial EFV requirements were codified. These operators that are voluntarily installing EFVs and manual service line shut-off valves have not merged their records for installation locations and meter capacities and will not have accurate records of the number of manual service line shut-off valves that have been installed historically.

<sup>2</sup> See §192.385(b): *Installation requirement*. The operator must either install a manual service line shut-off valve, or if possible, based on sound engineering analysis and availability, an EFV for any new or replaced service line, with installed meter capacity exceeding 1,000 SCFH.

In order to minimize the burden on operators and ensure consistency between the Annual Report and the regulations, AGA encourages PHMSA to modify the two existing questions and streamline the new questions to reconcile the gap in PHMSA's proposed change. AGA suggests the following questions for Part E:

- (1) Total Number of EFVs on Services Installed During Year \_\_\_\_.
- (2) Estimated Number of Services with EFVs in the System at End of Year \_\_\_\_.
- (3) Total Number of Manual Service Line Shut-off Valves on Services Installed During Year \_\_\_\_.
- (4) Estimated Number of Services with Manual Service Line Shut-off Valves Installed in the System at End of Year \_\_\_\_.

By utilizing AGA's recommendation and only requesting the number of EFVs and Manual Service Line Shut-off Valves installed on all services, the recordkeeping processes for these valves are streamlined for operators. As noted above, operators are already installing EFVs beyond single-family residences. While operators may be recording where EFVs have been installed in their system, the internal systems that understand the customer type (single-family, multi-family, or small commercial) may be separate. As the questions within Part E are currently proposed, operators will be forced to cross reference these systems, or do additional research, which will create an unnecessary burden for operators. PHMSA has provided no justification or explanation supporting its need to understand the breakdown of service lines which have had an EFV or Manual Service Line Shut-off Valve installed.

AGA also encourages PHMSA to remain consistent with the terminology in the Final Rule and refer to curb valves as "Manual Service Line Shut-off Valves" in the Annual Report.

*PHMSA should not remove the ability for operators to provide an "Estimate" of the total number of EFVs and Manual Service Line Shut-off Valves in the system.*

Additionally, PHMSA has proposed to eliminate the word "Estimated" for the total number of EFVs in the system at year end. The allowance for an estimate was critical when these questions were originally added to the Annual Report because operators were installing EFVs long before there was a regulatory requirement to do so. The new requirement to expand the use of EFVs does not change the preexisting challenge that operators may not have complete records on the number of EFVs installed prior to the original rule. AGA strongly encourages PHMSA to continue to allow an operator to provide an estimate. This recommendation also holds for the installation of manual service line shut-off valves.

*These Annual Report Changes should go into effect for the March 2018 submission of the Distribution Annual Report.*

The Office of Management and Budget (OMB) is currently reviewing PHMSA's information collection revision pertaining to the Final Rule on the Expanded Use of EFVs Beyond Single-Family Residences. AGA understands that once OMB approves PHMSA's proposal, the next subsequent submission of the Gas Distribution Annual Report would include these approved changes. Natural gas distribution operators

submit the Gas Distribution Annual Report on March 15 of each year. Therefore, there are two primary concerns with the timing of these changes.

- (1) If OMB approves these changes prior to March 15, 2017, operators would be required to submit this new information prior to the effective date of the rule: April 14, 2017.
- (2) Operators begin compiling their Annual Report information in January of each year. Operating companies have already invested significant resources to ensure that they have efficient mechanisms in place to extract the numerous data points requested by PHMSA for the Gas Distribution Annual Report. Operators need more than a few short months to modify these reporting mechanisms.

Therefore, AGA requests that the associated changes to the Annual Report do not go into effect until the March 15, 2018 submission of 2017 data.

AGA has always encouraged PHMSA to limit revisions to any information collection request. AGA's recommended revisions, while seemingly minor, do have significant impact on the operators as there are many back office systems that need to be modified and updated with each change to the reports. AGA appreciates the opportunity to comment to PHMSA and the OMB on this change to an Information Collection Request.

Respectfully submitted,

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