

2137-0522 Proposed Revisions to Various Gas Forms

I. Summary of Topic Comments/Responses

During the 60-day comment period, PHMSA received comments from the following stakeholders:

- Norton McMurray Manufacturing Company (NORMAC)
- Interstate Natural Gas Association of America (INGAA)
- Pipeline Safety Trust (PST)

The comments from these stakeholders are available at <http://www.regulations.gov>, under docket number “PHMSA-2013-0084.” The docket also contains the forms and instructions as amended in response to the comments. The responses to these comments are detailed below.

II. NORMAC’s Comments/PHMSA’s Responses

NORMAC submitted comments on both the PHMSA F 7100.1 Incident Report—Gas Distribution System (Incident Report) and PHMSA F 7100.1-2 Mechanical Fitting Failure (MFF) Report Form for Calendar Year 20xx for Distribution Operators (MFF Report).

1. NORMAC proposes that PHMSA consistently apply to both the Incident Report and the MFF Report the exemption in the MFF Report instructions against categorizing leaks in gasketed joints found on main or service pipe as “Equipment Failure.”

Response: PHMSA has proposed changes to the MFF Report and Incident Report instructions to improve clarity. Significant differences exist in the scope of data collected on each form; therefore, PHMSA is not accepting NORMAC's proposal. The Incident Report collects data for all gas distribution pipeline facility failures, regardless of the location of the failure within the facility. The MFF Report only collects data on mechanical fitting failures. The Incident Report does not exempt incidents on mains and services from being categorized as "Equipment Failures." The instructions direct these leaks to either "Equipment Failure" or "Pipe, Weld, or Joint Failures." The proposed causes on the Incident Report allow PHMSA to identify failures caused by incorrect installation separately from manufacturing flaws. On the MFF Report, every failure reported is a joint failure and PHMSA provides a different set of cause categories for these failures. The proposed causes on the MFF Report allow PHMSA to identify failures caused by incorrect installation separately from manufacturing flaws.

2. NORMAC asserts that because PHMSA's reports ask the wrong questions, the data collected and stored in PHMSA's database is flawed. NORMAC suggests that PHMSA should delete, redact or similarly account for this flawed data. Further, PHMSA should issue corrections to prior reports and publications that have included remarks based on such flawed data.

Response: PHMSA believes that data being collected is critical to its safety mission and there is no need to delete, redact, or correct its database. PHMSA does not believe it needs to revisit its prior reports and publications on this topic.

3. NORMAC proposes that PHMSA create a bright line separation between equipment failure and improper joining procedures, joint installation, or joint design in the MFF Report and all related PHMSA forms and programs, specifying the precise regulation that applies.

Response: PHMSA has proposed changes to the MFF Report, Incident Report, and the Gas Distribution Annual Report (see docket PHMSA-2013-0004) to improve clarity in the instructions and consistency in the data collected. PHMSA issued an Advisory Bulletin (ADB-2012-07) titled: “Pipeline Safety: Mechanical Fitting Failure Reports” communicating, among other things, that hazardous mechanical fitting failures resulting from an installation defect be reported under “Incorrect Operation”. Through these information collections, PHMSA seeks to implement the separation proposed by NORMAC.

4. NORMAC proposes that PHMSA use the same definition of “Cause” in both the Incident Report and the MFF Report.

Response: As mentioned earlier, the scope of data collection under the Incident Report and the MFF Report are very different. The Incident Report collects data for all gas distribution pipeline facility failures regardless of the location of the failure within the facility. The MFF Report only collects data on mechanical fitting failures. These differing scopes preclude applying the same definitions and exemptions to both the Incident Report and MFF Report.

5. NORMAC proposed that PHMSA eliminate the titles and intent of 49 CFR §§ 191.12 and 192.1009 for Mechanical Fitting Failure Reporting.

Response: NORMAC's proposal would require rulemaking, which is beyond the scope of this information collection renewal.

6. NORMAC asserts that the forms do not tie the likely causes of failure to whether such actions, inactions or decisions are compliant with Subpart F, the manufacturer's instructions, or ASME B31.8, as applicable. NORMAC proposes that PHMSA reform the MFF Report to relate each apparent cause of leaks to specific actions or inactions in compliance with PHMSA's applicable regulations.

Response: The MFF Report form and instructions provide numerous apparent leak cause categories and there is no bias toward selecting "Equipment Failure."

7. NORMAC proposes that PHMSA remove the note in Part G1 of the Incident Report instructions because the note assumes that the failure of a piece of equipment is always due to a flaw in the equipment and never due to a failure to properly install the equipment.

Response: PHMSA has revised the note in Part G1 of the instructions of the Incident Report to clarify that non-corrosion bonnet, packing, or other gasket failures could be reported under "Incorrect Operations" or under "Equipment Failure".

8. NORMAC proposes that PHMSA clarify language in both the Incident Report and MFF report instructions for Incorrect Operations.

Response: PHMSA has modified the instructions for Incorrect Operations and Equipment Failure in both the Incident Report and MFF Report in response to NORMAC's proposal.

III. INGAA's Comments/PHMSA's Responses

INGAA submitted comments on PHMSA F 7100.2 Incident Report—Natural and Other Gas Transmission and Gathering Pipeline Systems.

1. INGAA contends that PHMSA did not explain the reason for amending the instructions for item 19, time sequence, and that these changes should not be adopted without discussion with the pipeline safety community.

Response: In a report titled, "PIPELINE SAFETY Better Data and Guidance Needed to Improve Pipeline Operator Incident Response" (GAO-13-168) the Government Accountability Office recommends that PHMSA improve the reliability of incident response data. PHMSA concurs with the GAO recommendation and has proposed this change to collect more meaningful data from which to calculate operator response time. PHMSA will calculate response time as "arrival on-site" minus "failure awareness".

2. INGAA believes there is significant potential value in collecting C3(a) through C3(h) data for welds other than girth welds.

Response: The current data structure of the form allows the collection of one set of C3(a) through C3(h) data for each report. These data elements are required for pipe girth weld failures with the assumption that each data element is the same on each side of the girth weld. The other weld configurations would almost certainly have different C3(a) through C3(h) values on each side of the weld. PHMSA lacks the resources to change the data structure to accommodate multiple C3(a) through C3(h) data per report and there is no compelling reason to do so.

3. INGAA urges PHMSA to ensure that the database is able to accept onshore reports without a valid value for County/Parish.

Response: PHMSA has modified the instructions accordingly and will ensure the database is appropriately configured.

IV. Annual Report Gas Transmission and Gathering Pipeline Systems Comments/PHMSA

Responses

PHMSA received comments regarding the proposed changes to the Annual Report for Gas Transmission and Gas Gathering Systems – PHMSA F.7100.2-1 from INGAA and the PST. The following is a summary of the comments PHMSA received regarding the proposed changes to PHMSA F. 7100.2-1. A complete record of the comments received is available at <http://www.regulations.gov>, at docket number “PHMSA-2013-0084.”

1. Remove Part C - Volume Transported by Transmission Lines

Comment: The PST commented that it was unable to access this data on the Federal Energy Regulatory Commission (FERC) website and does not support removing Part C from the PHMSA report.

Response: PHMSA proposed removing Part C under the assumption that volume transported data would be available from the FERC. PHMSA concurs that the data is not readily available from FERC. However, simply keeping the current instructions for Part C is not an attractive alternative. Under the current instructions, Part C data is not required for “Transmission Lines of Gas Distribution Systems.” If PHMSA collects volume transported from any gas transmission operator, the data should be collected from all gas transmission operators. To make fair comparisons of operator performance, PHMSA needs to know not just miles of pipe, but also the volume delivered by the pipelines included in each annual report. PHMSA has modified the instructions so that all gas transmission operators are required to submit volume

transported data. We expect that operators with both gas transmission and gas distribution assets have the volume transported data readily available, so the reporting burden increase is minimal.

2. Instructions for Parts Q and R

Comment: INGAA has no comments regarding the proposed changes to Parts Q and R of the annual report form, but urges PHMSA to change the instructions for Parts Q and Part R to:

(1) recognize the distinction between MAOP determination and MAOP verification. According to INGAA, MAOP determination, based on the reporting operator's internal procedures and the best information available, determines the Part Q "Total" column where specific mileage will be placed. MAOP verification, which occurs after MAOP determination, determines how much of the reported "Total" mileage should be reported in the corresponding "Incomplete Records" column.

(2) recognize that an "Incomplete Records" entry refers exclusively to the status of the records for the corresponding determination method but does not indicate anything regarding the quality or existence of the operator's records for any of the other MAOP determination methods.

(3) eliminate the phrase "traceable, verifiable, and complete" to describe the MAOP records because it appears to impose a standard for records though instructions for completing an annual report.

(4) expand the instructions for Part Q to specify how and where entries should be made when two of the methods specified in subsection 192.619(a) result in the same MAOP.

(5) specify that consistency is required between the "Total" columns in Part Q and mileage entered in other parts of the Annual Report. No consistency is expected between the "Incomplete Records" columns and other parts of the Annual Report.

(6) provide that if an elevation analysis shows some of a tested segment did not achieve a specified test pressure, (e.g., a 1.25 x MAOP) because of elevation differences, the operator should report the miles that did not achieve the specified test pressure in the pressure test range actually achieved.

Response: PHMSA has revised the instructions to implement the changes listed above except for suggested revision (3). PHMSA is using the data submitted in Parts Q and R as one of many inputs into potential regulation changes. These instruction clarifications should provide more accurate data to inform the rulemaking process. PHMSA has chosen not to change the existing instructions for records. PHMSA's use of the phrase "traceable, verifiable, and complete" provides guidance for operators to meet the requirements of 49 USC 60139.

3. Effective Date

Comment: INGAA suggested improvements in the "General Instructions" section of the instructions to clarify the effective date for the form.

Response: PHMSA has implemented the suggestion.

4. Filing Supplemental Reports to Amend Part Q

Comment: INGAA expressed concern that the "General Instructions" require operators to supplement an annual report if any length of pipe, regardless of how short, changes record status from incomplete to complete.

Response: PHMSA has modified the "General Instructions" to clarify that supplemental reports to change the record status are optional.

5. Consistency Among Parts

Comment: INGAA asked for the details behind the consistency requirements among various parts of the form.

Response: Some of the details already exist in the Parts H through R introductory instructions. PHMSA has expanded these details in accordance with INGAA's request.

6. Categories for Leaks and Failures

After the publication of the 60-day notice, PHMSA found an error in the instructions for leak and failure categories in Part M of the instructions. Under the heading titled "Third Party Damage/Mechanical Damage", operators are instructed to report first, second, and third party excavation damage. Only third party excavation damage should be reported under this heading. First and second party excavation damage leaks and failures represent an error by either the operator (first party) or a contractor working for the operator (second party) and should be reported in the "Incorrect Operations" category. PHMSA has revised the instructions accordingly.