

RCP

"What Will Happen Next?" Pipeline Safety Reauthorization and PHMSA Priorities

Chris McLaren

Executive Consultant, RCP Inc.

PROFESSIONAL ENGINEERS | REGULATORY EXPERTS | TRUSTED PARTNERS

PIPELINE SAFETY

Agenda

- □ Changes at PHMSA
- **D** PHMSA Advisory Bulletins
- □ Rulemakings and Priorities
- □ NTSB Investigations and Reports
- Pipeline Safety Reauthorization 2025







PROFESSIONAL ENGINEERS | REGULATORY EXPERTS | TRUSTED PARTNERS

A New Administration with New Priorities PIPER



Trump 47: Focus on Deregulatory Activities

- "Ensuring Lawful Governance and Implementation of the President's
 'DOGE' Deregulatory Agenda" (Executive Order 14219, February 19, 2025).
- "Unleashing Prosperity through Deregulation" (Executive Order 14192, January 31, 2025) – "10-to-1".
- DOT RFI: "Ensuring Lawful Regulation; Reducing Regulation and Controlling Regulatory Costs" – published April 3, 2025.
- Proposed Name Change: Gulf of Mexico to Gulf of America published May 20, 2025.



Personnel Changes at PHMSA



- □ Secretary of Transportation Sean Duffy, Confirmed
- PHMSA Administrator Paul Roberti, Nominated
- □ PHMSA Deputy Administrator **Ben Kochman**, Confirmed
- Dependence PHMSA Chief Counsel Keith Coyle, Confirmed
- PHMSA Director of Governmental, International, and Public Affairs Emily Wong, Confirmed





U.S. Department of Transportation **Pipeline and Hazardous Materials Safety Administration**

PHMSA Actions



- □ Launched new website for interpretation comments.
 - More stakeholder input & transparency.
- □ Streamlining the special permit process.
- □ Shifting enforcement focus away from minor/non-safety issues.
- □ Accelerating the GPAC process.
- □ Issuing more early-stage rulemaking notices (ANPRMs).
 - To better define risk & scope.
- □ Goal: Act faster, reduce waste, and complete agency priorities.



Administration is Focused on Deregulation



- Unconstitutional
- Unlawful Delegation
- Poor Reading of Underlying Statute
- Unauthorized Social / Political / Economic Impact
- Significant Costs
- Impedes Technology
- Impedes Private Enterprise
- Cost Reduction



- Siting / Permitting Barriers
- Unnecessary Info Collection
- □ Simplify

□ Ineffective

Outdated

- Outdated Technology
- Poor Methodology in Rulemaking





Rulemakings and Priorities





July 1st - Federal Register Notices



To further the Administration's deregulatory policies, PHMSA has published in the Federal Register twenty-eight (28) separate rulemaking actions affecting the pipeline safety regulations (PSR; Parts 190-199).

You may access the documents from the following link: <u>https://www.federalregister.gov/documents/current#pipeline-and-hazardous-materials-safety-administration</u>.



July 1st - Federal Register Notices



Notice of Proposed Rulemaking

- □ Rationalize Special Permit Conditions
- □ Exception for In-Plant Piping Systems
- Codify Enforcement Discretion on Incidental GG Lines
- Eliminating Duplicative Deadlines for Gas
 Pipeline Coating Damage Assessments and
 Remedial Actions
- Atmospheric Corrosion Reassessment for Pipeline Replacements
- Harmonize Class Change Pressure Test
 Requirements with Subpart J Pressure Test
 Requirements

Direct Final Rules

- Rationalize Calculation of Regulatory Filing and Compliance Deadlines
- □ Adjust Annual Report Filing Timelines
- Property Damage Definition for Incident Reporting
- Clarifying Recordkeeping Requirements for Testing in MAOP Reconfirmation Regulation
- Integration of Innovative Remote Sensing Technologies for Right-of-Way Patrols on Gas and Hazardous Liquid Pipelines
- Periodic Updates of Regulatory References to Technical Standards; Additional Technical Amendments; Response to Petition for Reconsideration
- Update of Standards Incorporated by Reference (16)

PHMSA Regulatory Agenda



Advanced Notice of Proposed Rule Making - ANPRM

Repair Criteria for Hazardous Liquid and Gas Transmission Pipelines	<u>2137-AF44</u>
Amendments to Liquefied Natural Gas Facilities	<u>2137-AF45</u>
Mandatory Regulatory Reviews to Unleash American Energy and Improve Government Efficiency	<u>2137-AF73</u>



PHMSA Regulatory Agenda



Proposed Rules - NPRM

Oil Spill Response Plans, Accident Notifications, Inspections and Investigations and other Miscellaneous Pipeline Safety Changes (issued April 16, 2020)	d <u>2137-AF37</u>
Pipeline Operational Status (not yet issued – on hold)	<u>2137-AF52</u>
Safety of Gas Distribution Pipelines and Other Pipeline Safety Initiatives (not yet is – on hold)	ssued <u>2137-AF53</u>
Safety of Carbon Dioxide and Hazardous Liquid Pipelines (not yet issued – on hold)	<u>2137-AF60</u>
Cost Recovery for Siting Reviews for LNG Facilities (not yet issued – on hold)	<u>2137-AF61</u>
Administrative Rulemaking Regulatory Procedures (not yet issued – on hold)	<u>2137-AF63</u>



PHMSA Regulatory Agenda



Final Rule Stage – Next Step is issuance of Final Rule

Class Location Requirements	<u>2137-AF29</u>
Coastal Ecological Unusually Sensitive Areas	<u>2137-AF31</u>
Periodic Standards Update II	<u>2137-AF48</u>
Gas Pipeline Leak Detection and Repair	<u>2137-AF51</u>



Regulatory Watch: Key Dates & Deadlines



Торіс	Deadline Type	Date
Onshore Gas Transmission: Develop and follow a Management of Change process from ASME/ANSI B31.8S, Section 11 for "significant changes that pose a threat to safety or the environment"	Implementation Deadline	February 26, 2024
Breakout tank reporting to NPMS	Implementation Deadline	June 15, 2024
Gas Transmission: Assessments Outside HCAs § 192.710	Implementation Deadline	July-1,-2034
All Liquid HCA segments are capable of ILI § 195.452(n)	Implementation Deadline	July 2, 2040





PHMSA Advisory Bulletins



Recission of ADB-2021-01 (Section 114)



PHMSA rescinded the ADB on methane emissions from Section 114 of the Pipeline Safety Improvement Act of 2020.

The agency determined that the bulletin overstepped the statutory language of Section 114, particularly by:

- Applying to facilities not transporting natural gas.
- Introducing new, undefined terms not found in law or regulation (ie. Fugitive and vented emissions)



Recent PHMSA Safety Advisory Bulletins



ADB 2025-01 – Pipeline Safety: Pipeline Safety Management System, Published March 25, 2025.

- Fulfills a Congressional mandate from Section 205 of the PIPES Act of 2020.
- Addresses a Safety Recommendation from the NTSB.



ADB 2025-01 – PSMS



PHMSA encourages regulated pipeline owners and operators to:

- □ Implement a PSMS program and ensure that the program covers all essential elements of an effective PSMS, such as those in API RP 1173.
- □ Ensure the PSMS program continually evolves and improves.
- Maintain a positive safety culture that continually promotes diligence throughout the operator's organization and addresses issues that can erode the safety culture.
- □ Encourages of adoption of PSMS as a voluntary exercise.



ADB 2025-01 – PSMS



Continued.

- □ Reflected findings in PHMSA's August 2024 Report to Congress:
 - 289 operators whose leadership have committed to implementing a PSMS operate 86% of all gas distribution pipeline mileage.
 - Most larger operators reported their PSMS efforts to be "on track" for completion.
- Per PHMSA's August 2024 Report to Congress, the weakest PSMS elements for process maturity were:
 - Safety Assurance (Element 6)
 - Management Review & Continuous Improvement (Element 7)



Recent PHMSA Safety Advisory Bulletins



ADB 2024-01 *Pipeline Safety: Identification and Evaluation of Potential Hard Spots* — In-line Inspection (ILI) Tools and Analysis Published October 18, 2024

- □ Hard spots could affect multiple pipelines manufactured prior to 1970.
- PHMSA recommends the use of magnetic flux leakage (MFL) ILI tools and following best practices for ILI data analysis.
- Unaddressed hard spots may contribute to Coating degradation, Soil chemistry interaction and Hydrogen-induced cracking.
- Pipeline owners and operators should expand hard spot threat evaluations to all pre-1970 pipelines, regardless of manufacturer.





NTSB Investigations and Reports

RCP

PROFESSIONAL ENGINEERS | REGULATORY EXPERTS | TRUSTED PARTNERS

NTSB Investigations and Reports



- □ The National Transportation Safety Board is active
- Currently 9 open investigations
- □ NTSB Findings and Recommendations affect Pipeline Safety Regulations
- Investigations

https://www.ntsb.gov/investigations/Pages/Investigations.aspx

□ Reports

https://www.ntsb.gov/investigations/AccidentReports/Pages/Reports.aspx



NTSB Open Investigations



Algonguin Power and Utilities Corporation Natural Gas-Pipeline ONE Gas, Inc., Natural Gas-Fueled Building Explosion Pipeline **Fueled Home Explosion and Fires** Open Open 2/21/2025 - Hutchinson, KS 4/8/2025 - Lexington, MO Atmos Energy Natural Gas-Fueled Home Explosion Pipeline Enbridge Inc. Natural Gas-Fueled Home Explosion Pipeline Open Open 12/1/2024 - Avondale, LA 11/5/2024 - South Jordan, UT Baltimore Gas and Electric Natural Gas-Fueled Home Pipeline Enbridge Inc. Natural Gas-Fueled Building Explosion Pipeline Explosion Open Open 5/27/2024 - Youngstown, OH 8/10/2024 - Bel Air, MD Uncontrolled Release of Natural Gas from an Underground Atmos Energy Corporation Natural Gas-Fueled Home Pipeline Pipeline **Explosions and Fires** Storage Well Open Open 5/7/2024 - Bienville, LA 1/23/2024 - Jackson, MS





NTSB Investigation Final Reports (Recent)



UGI Corporation Natural Gas-Fueled Explosion and Fire			
West Reading, PA			
Accident Date:	3/23/2023		
Report Date:	3/17/2025		
Report Number:	PIR-25-01		

PDF

Marathon Pipe Line LLC Release	C Pipeline Rupture and Crude Oil	PDF
Edwardsville, IL		
Accident Date:	3/10/2022	
Report Date:	12/17/2023	
Report Number:	PIR-23-02	

Atmos Energy Corporation Natural Gas–Fueled Explosion During Routine Maintenance		PDF
Farmersville, TX		
Accident Date: Report Date:	6/27/2021 10/18/2022	
Report Number:	PIR-22-03	

Kinder Morgan, Inc. Natura	I Gas-Fueled Explosion and Fire	PD
Coolidge, AZ		
Accident Date: Report Date:	8/14/2021 4/26/2023	
Report Number:	PIR-23-01	

Enbridge Inc. Natural G	as Transmission Pipeline Rupture and	PDF
Danville, KY		
Accident Date:	7/31/2019	
Report Date:	8/14/2022	
Report Number:	PIR-22-02	

Enbridge Inc. Natural Gas Pipeline Rupture		PDF
Hillsboro, KY		
Accident Date: Report Date:	5/3/2022 5/30/2022	
Report Number:	PIR-22-01	



NTSB Investigation in Reading, Pennsylvania PIPELINE SAFETY INSTITUTE

Incident Date: March 24, 2023Location: R.M. Palmer Company, Building 2Event: Natural gas-fueled explosion and fireCity: West Reading, Pennsylvania

Key Safety Issues Identified

- Degradation of a retired service tee
- Inadequate threat evaluation to pipeline integrity
- Unmarked private pipelines crossing public rights-of-way (e.g., streets)
- Delayed evacuation despite detection of natural gas

- Ineffective safety messaging that may not reach all public members
- Lack of guidance on gas leak emergency procedures
- No natural gas detection alarms in commercial buildings
- Limited accessibility of gas distribution line valves



NTSB Recommendations to PHMSA



- 1) Advisory Bulletin on Plastic Assets (P-25-1), encourage operators to:
 - Conduct a one-time inventory of plastic assets exposed to or at risk of elevated temperatures.
 - □ Identify such assets during maintenance and new construction.
 - □ Evaluate and mitigate risks of degradation.
- 2) Advisory Bulletin on Aldyl A Service Tees (P-25-2), following the March 24, 2023, incident in West Reading, Pennsylvania:
 - Advise operators to address risks tied to Aldyl A service tees with Delrin inserts.

□ Recommend replacement or remediation actions.



NTSB Recommendations to PHMSA



3) Improve Public Awareness (P-25-3)

Identify effective ways for operators to communicate with the public in areas covered by the gas distribution system.

Develop and implement plans to increase awareness of natural gas safety.





NTSB Recommendations to AGA



- NTSB recommended that the American Gas Association share the details of this accident with its members, encouraging them to evaluate the effectiveness of their public awareness programs and to promote the installation of natural gas alarms.
- NTSB recommended that the Gas Piping Technology Committee develop guidance to ensure natural gas pipeline operators' DIMPs appropriately assess and address threats to plastic pipelines from nearby temperatureelevating assets (25-9).





Pipeline Safety Reauthorization 2025



PROFESSIONAL ENGINEERS | REGULATORY EXPERTS | TRUSTED PARTNERS

Reauthorization for PHMSA in 2025?



Primary Congressional Sub-Committees

US House of Representatives

House Transportation & Infrastructure - Railroads, Pipelines and HazMat

• Chair – Nehls (R-TX), Ranking – Wilson (D-FL)

House Energy & Commerce – Energy, Climate and Grid Security

○ Chair – Duncan (R-SC), Ranking – Degette (D-CO)

US Senate

Commerce, Science, & Transportation – Surface Trans., Maritime, Freight and Ports

• Chair – Klobuchar (D-MN), Thune (R-SD)



Pipeline Safety Reauthorization 2025



- On February 25th, the House Transportation and Infrastructure Subcommittee on Railroads, Pipelines, and Hazardous Materials held a <u>hearing</u> titled: *"Promoting and Improving Safety and Efficient Pipeline Infrastructure"*.
 - The hearing focused on legislative priorities for reauthorizing the Pipeline and Hazardous Materials Safety Administration (PHMSA)
 - Last Congress, the committee passed H.R. 6494: Promoting Innovation in Pipeline Efficiency and Safety (PIPES) Act of 2023.
- The House Energy and Commerce Subcommittee on Energy must agree with the House Transportation and Infrastructure Subcommittee on one common House Bill.



Pipeline Safety Reauthorization 2025



On May 15th, Senate Commerce, Science and Transportation Subcommittee on Surface Transportation, Freight, Pipelines and Safety held a <u>hearing</u> titled:

"Pipeline Safety Reauthorization: Ensuring the Safe and Efficient Movement of American Energy".

Key Hearing Topics

- Regulatory reform
- Emerging technologies
- Safety enforcement
- Threats to pipeline infrastructure

Witnesses included representatives from:

- American Petroleum Institute (API)
- Liquid Energy Pipeline Association
- American Gas Association (AGA)
- Pipeline Safety Trust



Reauthorization Process



Separate Reauthorization for two (2) Offices

Four-year Intervals (MOL)

Continue to Exist and Operate

Opportunity to Insert Mandates requiring Agency or Industry Action

Funding

Highlights from Previous Acts



- Pipeline Safety Improvement Act of 2002
- □ Pipeline Inspection, Protection, Enforcement and Safety Act of 2006
- Pipeline Safety, Regulatory Certainty, and Job Creation Act of 2011
- Protecting our Infrastructure of Pipelines and Enhancing Safety Act of 2016
- Protecting our Infrastructure of Pipelines and Enhancing Safety Act of 2020



PIPES Act 2020

Major mandates or authority changes:

- □ Leak Detection and Repair (LDAR) rule.
- Innovative technology and operational practices evaluations.
- □ Mandate to define "*Idle*".
- □ Enhance distribution integrity (Merrimack).
- Study the implementation of PSMS and report on recommendations.







Pipeline Safety, Modernization, and Expansion Act of 2024*

Key items in the draft document:

- \Box CO₂ regulation enhancement and extension into gaseous transportation.
- □ Establish "Worker Safety Zones".
- □ Clarity to the previous Act regarding the applicability of LDAR to "*Natural Gas*".
- Prevent imposition of terms in a Special Permit approval that do not address a known safety risk for the regulation under consideration for waiver.
- □ Revisit the MAOP reconfirmation as related to previously tested pipelines.
- □ Separate the *"Testing Technology"* program from SP requirements in part.
- **u** Establish and implement a process for Voluntary Information Sharing (VIS).





Pipeline Safety, Modernization, and Expansion Act of 2024*

Key items in the draft document (Continued...):

- □ LNG Center for Excellence and working group (FERC,DOE, OSHA, Coast Guard)
- □ Hydrogen GAO to study a variety of hydrogen blending issues.
- □ Finalize the Class Location change rule.
- □ Numerous changes to damage prevention (e.g. tickets, exemptions, white line, etc.)
- Add "impairment of operation" and "attempting" to damage a pipeline as criminal acts prosecutable by DOJ.
- Prohibit states/municipalities from banning products transported in regulated pipelines.
- □ Allow risk-based inspections of breakout tank bottoms.



*Drafted as of March 13, 2024 – HR 7655

Recent News on Pipeline Reauthorization



- What has happened in the last month since this presentation was submitted?
 - Maybe quite a few things.







Chris McLaren

Executive Consultant, RCP Inc.

cmclaren@rcp.com

