San Bruno – Lessons Learned

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PHMSA Mission

To ensure the safe, reliable, and environmentally sound operation of the Nation’s pipeline transportation system.
Goals and Pathways

- **Common Goals**
  - Safe, Clean, and Reliable Energy Pipelines

- **Different Responsibilities**
  - Industry
  - Regulators
  - Congress
  - Public

- We all need to re-examine our assumptions, our strategies, and improve (not just defend) our performance
Recent Events Illustrate Weaknesses in Managing Risk

- Effective risk analysis might have prevented or mitigated recent high consequence accidents

- Weaknesses include inadequate:
  - Knowledge of pipeline risk characteristics including recordkeeping
  - Processes to analyze interactive threats
  - Evaluation of ways to reduce or mitigate consequences
  - Process to select P&M measures

- Lack of objective, systematic approach
Inspections Identify Weaknesses in Risk Analysis

• Current challenge is for industry to develop
  – More rigorous quantitative risk analyses
  – More investigative approach
  – Engineering critical assessment
  – Robust approach for P&M measures
• Technically sound risk-based criteria
• Including pipe replacement
Review of PHMSA’s Oversight Program

- National Transportation Safety Board
- Government Accountability Office
- Inspector General
- Congress
Cabinet Level Engagement

- Secretary LaHood’s Call to Action
- Pipeline Safety Forum
- Pipeline Safety Action Plan
- Report to America
DOT Pipeline Safety Action Plan

- **Near Term (3 months)**
  - Getting Reauthorization Done (maybe, just maybe)
  - National Infrastructure Bank Proposal for Distribution Pipes
  - Report to America Workshop – June 15 (D.C.)
  - State Survey of Innovative Rate Recovery Legislation
  - Outreach to ALL Critical Players – Including NARUC/FERC
  - International Regulators Conference – July 18-19
  - Pipe Seam Workshop – July 20 (report later)
  - Risk Assessment/Records Workshop – July 21 (webcast)
  - Research and Development: Meeting of Principals
DOT Pipeline Safety Action Plan

- **Mid Term (6 months)**
  - Publication of *Pipeline Safety: Report To The Nation*
  - Expanded State Enforcement Training
    - Promoting greater State use of ALL authorities, as well as making State authorities “substantially the same” as OPS’ enforcement authority
  - Begin Oversight of DIMP and CRM with States - NOW
  - Public Safety/First Responder Forum – 12/9/2011
  - 3rd Party Excavation Damage Enforcement NPRM – 12/11
DOT Pipeline Safety Action Plan

- **Long Term (12 months)**
  - Technical Workshop regarding Leak Detection & Valves
    - 1st Q CY 2012
  - Develop more aggressive/independent and better funded Pipeline Safety R&D Plan
    - R&D Forum – 1st / 2nd Q CY 2012
      - Evaluate “Near Miss” reporting system options
      - Roll out Vehicular Damage Public Awareness Campaign
      - Revise and execute MOU’s with FERC, USCG, and EPA
PHMSA Actions

- Inspection and Enforcement Program
- Notices to Industry and the Public
  - Emergency Response
  - Risk and Record Keeping
- Regulations
- Data and Statistics
NTSB Recommendations on San Bruno

- 4 to US DOT
- 13 to PHMSA
- Initial response to recommendations in the next week
- Follow up actions in progress
Why do regulations take so long to change?

- **Gas Pipeline Safety Regulations**
  - ANPRM - Part 192 (comments due Jan 20, 2012)
  - IMP, P&M Measures, Repair Criteria, Risk Analysis, Gathering lines
  - PHMSA-2011-0023

- **Liquid Pipeline Safety Regulations**
  - NPRM - Part 195 (under development)
  - IMP, Repair Criteria, SCC, EFRDs, Leak Detection
  - PHMSA-2010-0229

http://www.regulations.gov
Questions
PHMSA Actions

- Inspection and Enforcement Program
  - Integrity Management Protocols
  - Pipeline Risk Ranking Methodology
  - Inspection migration from prescriptive to risk based (integrated approach)
  - Public Awareness Effectiveness Inspections
  - Control Room Management Inspections
  - Anticipate new Congressional Mandates