Pipeline Safety Trust Annual Conference
New Orleans, Louisiana

PHMSA Updates

November 2, 2017

Alan K. Mayberry, P.E.
Associate Administrator
Leadership Team

Elaine L. Chao – Secretary of Transportation

Howard (Skip) Elliott - Administrator
Drue Pearce – Deputy Administrator
Mark Sanborn – Director, Govt., Int’l & Govt. Affairs
Howard (Mac) McMillan – Executive Director
Vasiliki Tsaganos - Acting Chief Counsel
Alan Mayberry - Associate Administrator
2016-2017 Published Rules

• Inflation Adjustment of Maximum Civil Penalties IFR (6/30/2016)
• Emergency Order Procedures IFR (10/14/2016)
• Excess Flow Valves (10/14/2016)
• Safety of Underground Natural Gas Storage Facilities IFR (12/19/2016)
• Operator Qualification, Cost Recovery, Accident and Incident Notification, and Other Pipeline Safety Changes (1/23/2017)
Rulemaking (pending)

• Safety of On-Shore Hazardous Liquid Pipelines (Final)
• Safety of Gas Transmission and Gathering Pipelines (Final)
• Plastic Pipe (Final)
• Rupture Detection and Valve (NPRM stage)
• Class Location (ANPRM)
2017 Initiatives

• Regulatory Reform

• Inspection Program
  – Inter-region coordination
  – Construction focus

• Studies
  – Performance Based Regulations (NAS)
  – Natural Gas Leak Reporting (PHMSA)
  – State Policies, Natural Gas Leaks (PHMSA)
  – Odorization (GAO)
  – Improving Damage Prevention Technology (PHMSA/CGA)
  – Propane (NAS)
  – Nationwide Integrated Pipeline Safety Database (PHMSA)
2017 Initiatives (continued)

- Voluntary Information Sharing Working Group
- Safety Management Systems (SMS)
Advisory Bulletins

- Corrosion Protection Under Insulation (06/21/2016)
- Clarification of Terms Relating to Pipeline Operational Status (08/16/2016)
- Safeguarding and Securing Pipelines from Unauthorized Access (12/09/2016)
- High Consequence Area Identification Methods for Gas Transmission Pipelines (12/13/2016)
- Deactivation of Threats (3/16/2017)
- Guidance on Training and Qualifications for the Integrity Management Programs (4/10/2017)
Regulatory Reform

- EO 13777: “Enforcing the Regulatory Reform Agenda” (February 24, 2017)
EO 13771: Reducing Regulation and Controlling Regulatory Costs

• PHMSA must identify at least two deregulatory actions to offset each new regulation.
  o “2-for-1 Rule”
  o The cost reductions associated with the deregulatory actions must fully offset the costs of the regulatory action.
• The Secretary must establish a regulatory reform task force (RRTF) to evaluate existing regulations and make recommendations to:
  – Improve the implementation of regulatory reform initiatives and policies.
  – Identify regulations for repeal, replacement, or modification.
• Regulatory reform efforts are focused on regulations that:
  – Eliminate jobs, or inhibit job creation
  – Are outdated, unnecessary, or ineffective
  – Impose costs that exceed benefits
EO 13783: Promoting Energy Independence and Economic Growth

- PHMSA must examine existing regulations in an effort to:
  - Identify those that potentially burden the development or use of domestically produced energy resources; and
  - Suspend, revise, or rescind regulations that unduly burden the development of domestic energy resources.
Status: Pipeline Safety, Regulatory Certainty, and Job Creation Act of 2011

• 32 of 42 Mandates Complete

For 10 remaining Mandates:

  o 7 addressed by rulemaking actions:
    o Gas Rule
    o Hazardous Liquid Rule
    o Valve Rule
  o 3 addressed by mapping and reports
Status: Protecting Our Infrastructure of Pipelines and Enhancing Safety Act of 2016

• 12 of 19 Mandates Complete

For 7 remaining Mandates:

- 4 addressed by rulemaking:
  - Underground Storage
  - Emergency Order Authority
  - Unusually Sensitive Areas
  - Liquefied Natural Gas

- 3 addressed by studies and reports:
  - Nationwide Integrated Pipeline Regulatory Database
  - Propane Gas Pipeline Facilities
  - Voluntary Information Sharing
<table>
<thead>
<tr>
<th>Event</th>
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<tr>
<td>Unusually Sensitive Areas (USA) Workshop</td>
<td>11/17/17</td>
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<td>Voluntary Information Sharing Working Group</td>
<td>11/29-30/17</td>
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<td>Joint Gas/Liquid Pipeline Advisory Committee</td>
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<td>Gas Pipeline Advisory Committee</td>
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<td>Risk Modeling</td>
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