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# Regulatory Update

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*American Public Gas Association*



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# American Public Gas Association

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- ~1000 community-owned gas systems
- Over 700 are APGA members (52 in Iowa)
  - 37 states
  - Serving ~5 Million Customers
  - ~21,000 Employees
  - Operating ~120,000 Miles of Main
- Systems size: 19 to ~500,000 meters
- Largest: Philadelphia with ~ 500,000 meters
- Smallest: Wagner County, OK with 19 meters

# Presentation Topics

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- **Pipeline Safety Act Reauthorization**
- **Proposed PHMSA Rules Update**
  - Pipeline Safety Management Systems
  - Construction Inspection Rule
  - Plastic Pipe Proposed Rules
  - Incident Notification
  - Operator Qualification Proposed Rule
  - Drug and Alcohol Proposed Rule
  - Excess Flow Valve Proposed Rule
- **APGA SIF Update**
  - Existing and Proposed SIF Services

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# Pipeline Safety Reauthorization



# Pipeline Safety Reauthorization

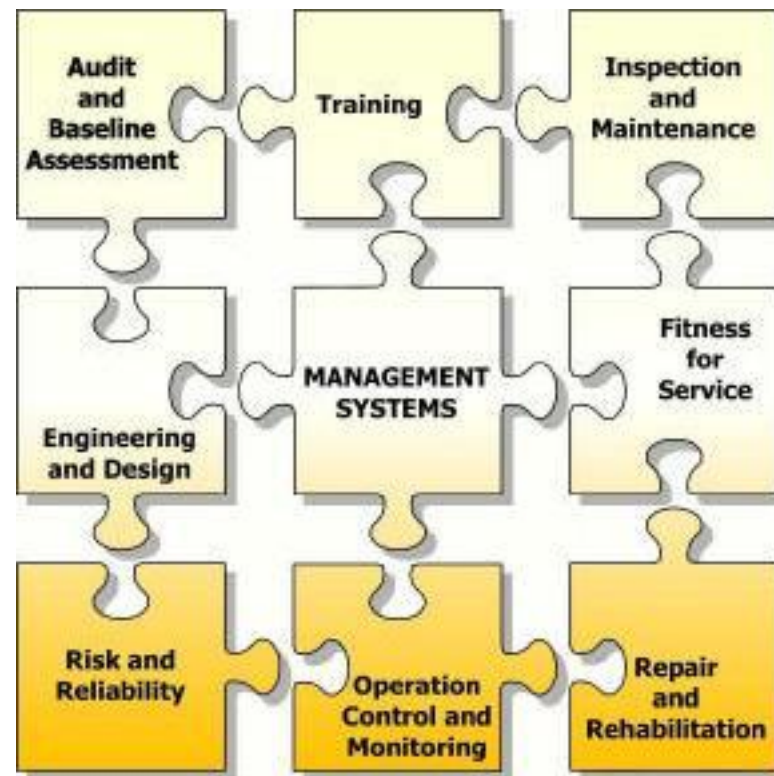
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- Congress must reauthorize the Pipeline Safety Act
- Expected topics:
  - Issues left over from last reauthorization (mainly regarding transmission)
  - Leak management and cast iron/bare steel
  - Study of TIMP effectiveness and expanding beyond HCA's
    - APGA has asked that the study consider if lines below 20% SMYS require TIMP plan
- Passed Senate in December
- House Version is Under Consideration



# Pipeline Safety Management Systems



# Pipeline Safety Management Systems

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- API Recommended Practice 1173 issued summer of 2015
- Safety management systems focus on creating a culture of safety in pipelines
- RP 1173 is written for very large interstate operators
- Will be voluntary unless PHMSA or individual states incorporate it into rules
- PHMSA is encouraging operators to voluntarily comply

# Pipeline Safety Management Systems

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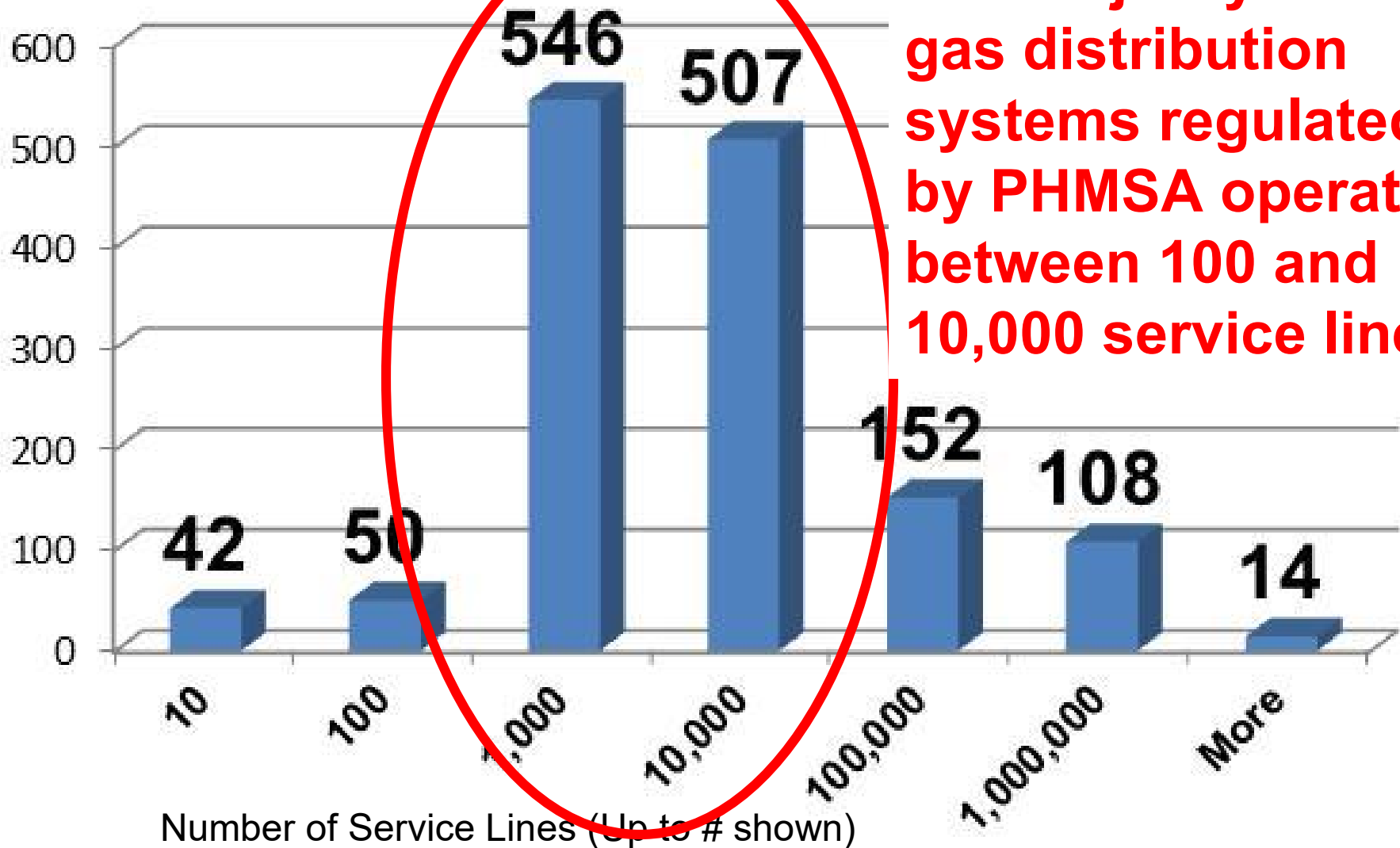


- APGA is developing guidelines for safety management in public gas systems
- Will address all 10 basic elements of RP 1173, but in terms and levels of complexity appropriate for public gas utilities
- Will be available in 2016



# Size of US Gas Distribution Systems

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**The majority of US gas distribution systems regulated by PHMSA operate between 100 and 10,000 service lines**

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# Construction Inspection



# Construction Inspection

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- Final rule published March 11, takes effect October 1\*
- Existing 192.305: “Each transmission line or main must be inspected to ensure that it is constructed in accordance with this part.”
- Added: Operator personnel may not perform a required inspection if the operator personnel performed the construction task requiring inspection.

# Construction Inspection

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- Also added: “Nothing in this section prohibits the operator from inspecting construction tasks with operator personnel who are involved in other construction tasks”
- PHMSA certified no impact on small entities
- Unclear if a two person crew can inspect each other’s work
- APGA petitioned PHMSA to clarify
- PHMSA formed a working group to advise it
- PHMSA has indefinitely stayed effective date

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# Plastic Pipe Proposed Rule



# Plastic pipe proposed rule

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- Prohibit the installation of PVC pipe
- Require plastic pipe and fittings be marked according to the new ASTM F2897 standard
- Require written procedures for the storage and handling of plastic pipe and/or associated
- Increase the design factor for PE pipe from 0.32 to 0.40
- Require plastic fittings to meet a listed specification
- Allow plastic pipe above ground in risers at meter/regulator stations
- Require heat-fusion joints to comply with ASTM 2620-12
- Prohibit socket fusion on pipe  $> 1 \frac{1}{4}$  inch in diameter

# Plastic pipe proposed rule

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- Require electrically isolated metal alloy fittings in plastic pipelines to be cathodically protected and monitored
- Prohibit the use of a leak repair clamp as a permanent repair method for plastic pipe
- Operators must maintain and calibrate fusion equipment, alignment equipment, facing and adaptor equipment, heater plates, gauging devices and other equipment according to manufacturer's specifications and maintain records for the life of the pipeline
- Allow installation of PA-11 and PA-12 pipe for pressures up to 250 psi and diameters up to 6 inches

# Plastic pipe proposed rule

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- APGA's comments
  - Support most of the changes
  - Question why prohibit socket fusion on pipe > 1 ¼ inch – should allow up to 4”
  - Question need for monitoring CP on isolated metal fittings
  - Tracking and traceability should follow ASTM F2897
  - A few other modifications suggested



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# Incident Notification



# Incident Notification

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- Congress required PHMSA to require notifying the NRC within 1 hour of an incident
- Plus confirmation within 48 hours, including estimate of quantity of gas released
- PHMSA proposed to require gas release estimate in the 1 hour notification
- APGA urged PHMSA to follow Congress' language – no release estimate in the initial call

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# Operator Qualification



# Operator Qualification

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- Redefines “covered task”
- No more 4 part test
- 2 part test: *Covered task* means an activity identified by the operator that
- 1) affects the safety or integrity of the pipeline facility, and
- 2) is an operations, maintenance, **construction or emergency response** task.

# Operator Qualification

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- *Qualified* means that an individual has been evaluated and can:
  - Perform assigned covered tasks;
  - Recognize and react to AOCs
  - **Demonstrate technical knowledge required to perform the covered task, such as: equipment selection, maintenance of equipment, calibration and proper operation of equipment, including variations that may be encountered in the covered task performance due to equipment and environmental differences;**

# Operator Qualification

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- Notify regulators of changes to the OQ program :
  - Wholesale changes to the program;
  - Change in evaluation methods (i.e. performance and written to written only);
  - Increases in evaluation intervals (i.e. from 1 to 5 years); or
  - Removal of covered tasks (not including combining covered tasks).
- Existing rule says “significant”
- Is “wholesale” different from “significant”?



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# Drug and Alcohol Plan



# Drug and alcohol testing

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- Annual drug testing results must be filed electronically
- APGA OK with electronic filing
- On post incident tests, urge PHMSA to clarify that it isn't all utility employees that must be discounted – just those on the scene or recently on the scene



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# Excess Flow Valves



# Excess Flow Valves

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- Current rules require EFVs on new and replaced service lines to single residences (with a few exceptions)
- Congress required PHMSA to consider extending the requirement to new and replaced multi-family, commercial, industrial services
- PHMSA convened a group of industry, manufacturers, regulators and public to advise it

# Excess Flow Valves

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- Rule proposed July 21, 2015
- EFVs will be required on new and replaced services to:
  - Single family residences (SFR)(current rule)
  - Branched services to 2 SFRs
  - Multi-family residences with loads not exceeding 1,000 SCFH per service
  - Commercial customers served by a single service line with a known load not exceeding 1,000 SCFH
- Kept existing exceptions

# Customer Notification

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- Operators must notify customers within 90 days of the customer “first receiving gas at a particular location” of their right to request an EFV
- Unclear if this applies when a new customer takes over an existing account
- Unclear if it only applies to customers with load of 1,000 scfh or less
- Notification can be on gas bill or bill insert

# Customer Notification

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- Existing service line customers, who desire an EFV on service lines not exceeding 1,000 SFCH may request an EFV be installed on their service line
- If requested, operator must install the EFV at a mutually agreeable date
- “The appropriate **State regulatory agency** determines whom and/or how the costs of the requested EFVs are distributed.”

# Curb Valves

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- The operator must install a manual service line shut-off valve for any new or replaced service line, with installed meter capacity exceeding 1,000 SCFH.
- *Manual service line shut-off* valve is located near the service main or a common source of supply that is accessible to first responders and operator personnel to manually shut off gas flow to the service line in the event of an emergency.

# APGA's Comments

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- Support EFV installation on branched services and services up to 1,000 cfh
- Allow notification of all customers annually
- Support notification by bill insert
- Limit installation on request to services up to 1,000 cfh
- Remove reference to state agency
- Do not require curb valves to be operated by first responders
- Curb valve are not subject to 192.747

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# Update on APGA Security and Integrity Foundation (SIF) Programs



# Security & Integrity Foundation (SIF)

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- Independent of APGA
- Assist small operators to operate safe gas distribution systems
- “Small operators” include —
  - Natural gas utilities
  - Master meter, and
  - Propane piping systems
- For 10 years funded through a cooperative agreement with PHMSA
- Is now self-sufficient

# SIF Programs

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- **Operator Qualification Evaluations**
- **Operation and maintenance procedures**
- **SHRIMP**
- **Drug and Alcohol Plan**
- **Production Under Development**
  - **O&M Manual creation tool**
  - **OQ plan creation tool**
  - **Public Awareness plan creation tool**

# Operator Qualification Evaluations

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- Follows the ASME B31Q Covered Task List
- For each covered task, a team of industry and government experts identified:
  - Knowledge,
  - Skills,
  - Abilities, and
  - Abnormal operating conditions (both task specific and general)

# Operator Qualification Evaluators

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- Strive to find local evaluators to hold down travel costs
- SIF carefully vets all evaluators
- Evaluators are required to pass “train the evaluator” course
- Periodically audit evaluator performance

# Operator Qualification Evaluations

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- Conducts 1 or 2 day evaluation sessions at locations close to the operators
- Class limited to ~10/evaluator to allow observation of each individual
- Tasks/day depends on complexity of tasks
- Evaluations include written test and observation and address all KSA's and AOC's

# O&M Procedures

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- Many small operators have poor or no O&M procedures
- Industry/government team wrote procedures for over 100 B31Q distribution covered tasks
- Each procedure includes list of equipment, worker safety issues, step-by-step procedure and task-specific AOCs
- Procedures can be downloaded free at [www.apgasif.org](http://www.apgasif.org)

# SHRIMP

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- **S**imple, **H**andy **R**isk-based **I**ntegrity **M**anagement **P**lan
- On-line software product similar to tax preparation software (TurboTax)
- SHRIMP asks the user a series of questions about the system and its inspection and maintenance history
- Output is a written DIM Plan addressing all inspection items
- Over 1,600 users overall, including utilities, master meter and LP-piping system operators and farm taps
- \_\_\_ SHRIMP users in Illinois

# Changes To SHRIMP

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- We continually modify SHRIMP based on feedback from regulators and users
- There have been 47 updates
- Current SHRIMP version is 2.1.16
- A DIMP plan will only include updates if it has been re-generated with the latest version
- Changes are described in Announcements



# Cross Reference to Inspection Form

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- PHMSA Forms 22 and 23 are for inspecting written DIMP plans
- Form 22 is for utilities and large LP systems
- Form 23 is for master meter and small LP pipeline operators
- The forms and a cross reference document are available under the Resources tab in SHRIMP
- Lists each Form 22 item and where in a SHRIMP written plan it is addressed
- New Form 24

# Anti-Drug and Alcohol Plan

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- Create a compliant Drug & Alcohol plan
- Deliverable
  - Web Based Development Tool
  - Similar to SHRIMP
  - Downloadable Written Plan
- Targeted Users
  - LDC
  - Contractors



# D & A Tool Methodology

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- **Not a Model Plan – It is a Development Tool**
- Unique for your system
- Question/Answer Inquiries
- Meets all requirement of Part 40 and 199
- Complies to PHMSA Inspection Protocol
- Access/Links to Forms
- Appendix of Supporting Documentation
- User Manual Provided

# SIF Products Under Development

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- O&M plan tool
- Public Awareness plan tool
- OQ plan tool



# Questions?

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