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BRIEFING PAPER

Prepared by

AMERICAN PETROLEUM INSTITUTE

and

GPA MIDSTREAM ASSOCIATION

on

SAFETY STANDARDS AND REPORTING REQUIREMENTS FOR ONSHORE GAS GATHERING LINES

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TOPIC #1 Gas Gathering Definitions  
(Proposed Amendments to 49 C.F.R. §§ 192.3, 192.7, 192.8)

Industry urges PHMSA to retain the existing definitions for onshore gas gathering lines. The current definitions, which largely follow the functional approach established in API Recommended Practice 80, “Guidelines for the Definition of Onshore Gas Gathering Lines,” 1st edition, April 2000, (RP 80), allow operators to accommodate the wide variety of production and gathering operations that occur throughout the United States. API is in the process of developing a new edition of RP 80, and PHMSA should wait until that effort is complete before considering any changes to the gathering definitions.

Vote Recommendation: RETAIN CURRENT GATHERING DEFINITIONS

Current Rules: Operators use RP 80 to determine the extent of production and gathering operations, subject to certain additional regulatory limitations.¹

- **Production operation.** PHMSA does not have the authority to regulate production facilities or operations.² RP 80 generally defines a production operation as “piping and equipment used for production and preparation for transportation or delivery of hydrocarbon gas and/or liquids.”³ Part 192 incorporates that definition by reference, subject to a limitation on the treatment of dual-use equipment (e.g., separators or dehydrators) that can be used for production or transportation operations.⁴ PHMSA has said that the restriction for dual-use equipment “is intended to establish the end of production operations and the beginning of gathering operations at the point where gas transitions to single phase flow regardless of whether or not the gas meets the gas quality requirements of the transmission line.”⁵

- **Onshore gas gathering line.** PHMSA uses the functional approach established in RP 80 to determine if a pipeline is an onshore gas gathering line. RP 80 defines an onshore gas gathering line as “any pipeline or part of a connected series of pipelines” that “transport[s] gas from the furthestmost downstream point in a production operation to the furthestmost downstream” point in a gas gathering operation. RP 80 recognizes five potential endpoints of gas gathering operations. Part 192 incorporates these five endpoints by reference, subject to certain additional limitations to prevent operator misuse of the furthestmost downstream concept.
  - **Endpoint #1 Gas Processing Plant.** Under RP 80, the first potential endpoint of gas gathering operations is “the inlet of the furthestmost downstream natural gas processing plant, other than a natural gas processing plant located on a transmission line.”⁶ Part 192 imposes an additional limitation on this endpoint, stating that gas

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¹ 49 C.F.R. § 192.8(a).
³ API RP 80 § 2.3.
⁴ 49 C.F.R. § 192.8(a)(1).
⁶ API RP 80 § 2.2(a)(1)(A).
gathering operations cannot extend beyond “the first downstream natural gas processing plant, unless the operator can demonstrate, using sound engineering principles, that gathering extends to a further downstream plant.”

- **Endpoint #2 Gas Treatment Facility.** Under RP 80, the second potential endpoint of gas gathering operations is “the outlet of the furthermost downstream gathering line gas treatment facility.” Part 192 does not impose an additional limitation on this endpoint.

- **Endpoint #3 Commingling.** Under RP 80, the third potential endpoint of gas gathering operations is “the furthermost downstream point where gas produced in the same production field or separate production fields is commingled.” Part 192 imposes an additional limitation on this endpoint, stating that “[i]f the endpoint of gathering . . . is determined by the commingling of gas from separate production fields, the fields may not be more than 50 miles from each other, unless the Administrator finds a longer separation distance is justified in a particular case.”

- **Endpoint #4 Compressor Station.** Under RP 80, the fourth potential endpoint of gas gathering operations is “the outlet of the furthermost downstream compressor station used to lower gathering line operating pressure to facilitate deliveries into the pipeline from production operations or to increase gathering line pressure for delivery to another pipeline.” Part 192 imposes an additional limitation on this endpoint, stating that “gathering . . . may not extend beyond the furthermost downstream compressor used to increase gathering line pressure for delivery to another pipeline.”

- **Endpoint #5 Incidental Gathering.** Under RP 80, the fifth potential endpoint of gas gathering operations is “the connection to another pipeline downstream of” the furthermost downstream gas gathering processing plant, treatment facility, or point of commingling, or the furthermost production operation. Part 192 does not impose an additional limitation on this endpoint. However, “PHMSA considers ‘incidental gathering’ to include only lines that directly connect a transmission line to one of the [other] endpoints . . . [in section 2.2(a)(1) of RP 80], as limited by [49 C.F.R. § 192.8]. Lines that connect a transmission line to one of these endpoints by way of another facility are not considered ‘incidental gathering.’”

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7 49 C.F.R. § 192.8(a)(2).
8 API RP 80 § 2.2(a)(1)(B).
9 Id. at § 2.2(a)(1)(C).
10 49 C.F.R. § 192.8(a)(3).
11 API RP 80 § 2.2(a)(1)(D).
12 49 C.F.R. § 192.8(a)(4).
13 API RP 80 § 2.2(a)(1)(E).
14 Letter to Mr. Greg Schrab, CDX Gas, PHMSA PI-09-0002 at 2 (Jul. 14, 2009) (stating that “incidental gathering [line] designations are currently permissible due to [a] drafting error”) (CDX Gas Interpretation); Letter to Mr. Leo M. Haynos, Kansas Corp. Comm’n, PHMSA PI-09-0008 at 4 (Jul. 30, 2009) (stating that “incidental gathering designations are currently permissible due to [a] drafting error”) (KCC Interpretation). Contrary to the statements made in these letters of interpretation, industry does not agree that PHMSA’s decision to recognize the incidental gathering designation is the product of a drafting error. The rulemaking history clearly shows that PHMSA intended to allow operators to use the incidental gathering provisions in API RP 80. Gas Gathering Line Definition; Alternative Definition for Onshore Lines and New Safety Standards, 71 Fed. Reg. 13,289, 13,292 (Mar. 15, 2006).
Fuel Gas Return Lines. Gas gathering operations also include pipelines that provide fuel gas, gas lift, or gas injection to production operations or gathering facility sites.\(^\text{16}\)

**NPRM Proposal:** In the NPRM, PHMSA proposed to repeal RP 80 and establish a series of new definitions for onshore gas gathering lines.\(^\text{17}\) Operators would have six months to establish the beginning and endpoints of existing gathering lines using these new definitions.

- **Primary Definitions.** PHMSA proposed to add two new definitions that would primarily determine if a pipeline qualifies as an onshore gas gathering line.
  - **Onshore production facility or onshore production operation.** Production would generally include “wellbores, equipment, piping, and associated appurtenances confined to the physical acts of extraction or recovery of gas from the earth and the initial preparation for transportation.” However, production would terminate at one of two points, whichever is furthest downstream: (1) the point where “[m]easurement for the purposes of calculating minerals severance occurs” or (2) the point where “there is commingling of the flow stream from two or more wells.”\(^\text{18}\)
  - **Gathering line (Onshore).** Gathering would generally include “a pipeline, or a connected series of pipelines, and equipment used to collect gas from the endpoint of a production facility/operation and transport it to” one of four possible endpoints, whichever is furthest downstream.\(^\text{19}\) Incidental gathering would be allowed to continue beyond these four endpoints, but only in very limited circumstances.
    - **Endpoint #1 Gas Processing Plant.** “The inlet of 1st gas processing plant, unless the operator submits a request for approval to the Associate Administrator of Pipeline Safety that demonstrates, using sound engineering principles, that gathering extends to a further downstream plant other than a plant located on a transmission line and the Associate Administrator of Pipeline Safety approves such request.”\(^\text{20}\)
    - **Endpoint #2 Gas Treatment Facility.** “The outlet of gas treatment facility that is not associated with a processing plant or compressor station.”\(^\text{21}\)
    - **Endpoint #3 Compressor.** “Outlet of the furthermost downstream compressor used to facilitate delivery into a pipeline, other than another gathering line.”\(^\text{22}\)
    - **Endpoint #4 Commingling.** “The point where separate production fields are commingled, provided the distance between the interconnection of the fields does not exceed 50 miles, unless the Associate Administrator of

\(^{16}\) API RP 80 § 2.2(a)(2).


\(^{18}\) Id. at 20,826.

\(^{19}\) Id. at 20,825.

\(^{20}\) Id.

\(^{21}\) Id.

\(^{22}\) Id.
Pipeline Safety finds a longer separation distance is justified in a particular case."

- **Incidental Gathering.** Incidental gathering could continue beyond these four endpoints, so long as the pipeline “…delivers gas into another gathering line” and does not (1) “…leave the operator's facility surface property (owned or leased, not necessarily the fence line),” (2) “…leave an adjacent property owned or leased by another pipeline operator's property—where custody transfer takes place,” or (3) “…exceed a length of one mile, and … cross a state or federal highway or an active railroad.” Incidental gathering would also include pipelines that transport “…gas to production or gathering facilities for use as fuel, gas lift, or gas injection gas.”

- **Farm Taps.** The definition notes that “[p]ipelines that serve residential, commercial, or industrial customers that originate at a tap on gathering lines are not gathering lines; they are service lines and are commonly referred to as farm taps.”

- **Supplemental Definitions.** PHMSA proposed two additional definitions that would also play a role in determining the endpoint of gathering operations.
  
  - “Gas processing plant means a natural gas processing operation, other than production processing, operated for the purpose of extracting entrained natural gas liquids and other associated non-entrained liquids from the gas stream and does not include a natural gas processing plant located on a transmission line, commonly referred to as a straddle plant.”
  
  - “Gas treatment facility means one or a series of gas treatment operations, operated for the purpose of removing impurities (e.g., water, solids, basic sediment and water, sulfur compounds, carbon dioxide, etc.) that is not associated with a processing plant or compressor station and is not on a transmission line.”

**GPAC Proposal:** In December 2018, PHMSA released a modified proposal indicating that Agency intends to withdraw the new gas gathering definitions in the NPRM. PHMSA noted that API was working to develop a new edition of RP 80, and that PHMSA would monitor the results of that effort before considering any potential changes to the gathering definitions.

**Industry Position:** PHMSA should retain the current definitions. The changes proposed in the NPRM are not consistent with RP 80 or the current regulations and would require many facilities to be reclassified from production to gathering, or from gathering to transmission or distribution. PHMSA did not provide adequate legal or technical support for these new definitions in the NPRM and failed to analyze the significant costs that asset reclassification would impose on producers and gatherers in the Preliminary Regulatory Impact Analysis (PRIA). API is working to develop a new edition of RP 80 that addresses some of the concerns that PHMSA identified in the NPRM.

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23 Id.
24 Id.
25 Id.
26 Id.
27 Id.
28 Id.
29 Id.
PHMSA should allow the API process to reach a final resolution before considering any changes to the gathering definitions.

- **RP 80 is a Valid Industry Standard.** PHMSA is generally required “to use voluntary consensus standards and design specifications developed by voluntary consensus standard bodies instead of government-developed voluntary technical standards when applicable.”30 A broad coalition of interested parties developed RP 80 using the same American National Standards Institute procedures that apply in developing all other API standards. API reaffirmed RP 80 in 2013 and is developing a new edition of the standard. RP 80 is a valid industry standard that PHMSA should retain in its regulations.

- **Industry Strongly Supports RP 80.** Contrary to PHMSA’s statements in the NPRM, operators have not experienced any difficulty in applying RP 80. RP 80 accommodates the wide variety of oil and gas operations that occur throughout the United States, and the emphasis on function and use of the furthermost downstream concept provides operators with the flexibility necessary to distinguish between production and gathering operations in complex configurations. Numerous industry commenters expressed their continued support for RP 80 in this proceeding, and many of those stakeholders are participating in API’s ongoing effort to develop a new edition of that standard.

- **Incidental Gathering Lines are Necessary.** RP 80 appropriately recognizes that incidental gathering lines are a continuation of the gathering process, and PHMSA has previously acknowledged that the current regulations permit the use of that designation.31 Any concerns about the regulatory status of incidental gathering lines can be addressed by applying appropriate safety standards to large-diameter, high-pressure gathering pipelines in Class 1 locations. API is also considering whether to modify the provisions for incidental gathering lines in the new edition of RP 80.

- **Compliance with Rulemaking Requirements.** PHMSA’s proposed definitions do not satisfy the rulemaking requirements in the Pipeline Safety Act.32 In prescribing a new definition for the term “gathering line,” the statute requires PHMSA to “consider functional and operational characteristics of the lines to be included in the definition.”33 PHMSA must also consider certain generally-applicable factors in establishing any new pipeline safety standard, including the available relevant gas pipeline safety information, the reasonableness, appropriateness, and reasonably identifiable or estimated costs and benefits of a proposed standard, and the comments and information received from the public.34 There is no indication in the NPRM or PRIA that PHMSA considered these statutory requirements in developing the proposed gathering definitions. Even if PHMSA had an adequate legal basis for adopting the new definitions, the proposed six-month deadline for reclassifying all existing gas gathering lines is unachievable.

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32 49 U.S.C. §§ 60101(b), 60102(b)(2).
33 Id. § 60101(b)(1)(B)(i).
34 Id. § 60102(b)(2).
• **Significant Cost-Benefit Problems.** PHMSA’s proposed definitions do not meet the Pipeline Safety Act’s cost-benefit provision. PHMSA assumed in the PRIA that the NPRM’s gathering definitions are consistent with the current rules and would impose no additional cost on industry. That assumption is fundamentally flawed. PHMSA’s proposed definitions would end the production function at a point much closer to the wellhead than RP 80, requiring operators to reclassify production lines as gathering lines. PHMSA’s proposed restrictions on the use of the incidental gathering line designation would have a similar effect, requiring operators to reclassify many gathering lines as transmission or distribution lines. PHMSA did not consider the significant economic impact that these changes would have on producers and gatherers in the PRIA.

35 PRIA at 100.
TOPIC #2 Class 1 Gas Gathering Lines  
(Proposed Amendments to 49 C.F.R. §§ 192.8-192.9)  

Industry generally supports adopting new safety standards for Class 1 gas gathering lines that (1) are greater than 12 inches in diameter and (2) have a maximum allowable operating pressure (MAOP) that produces a hoop stress of 20 percent or more of specified minimum yield strength (SMYS) for metallic lines or is more than 125 PSIG for non-metallic lines. Pipelines with these operating characteristics represent the new generation of large-diameter, high-pressure gas gathering lines that create additional risk to public safety. Industry also generally supports limiting the applicability of the new safety standards to Class 1 gas gathering lines that do not have any dwellings within the potential impact radius (PIR). The PIR concept is well-established in PHMSA’s integrity management regulations, and Class 1 gathering lines that do not have any dwellings within the PIR present a minimal risk to public safety. Finally, industry generally supports applying the requirements for Type B gathering lines and emergency plans to regulated Class 1 gas gathering lines, so long as operators are allowed to deviate from those requirements if a variance is approved by a responsible company official and supported with appropriate documentation.

**Vote Recommendation:** SUPPORT WITH MODIFICATIONS

**Current Rules:** If a pipeline meets the definition of an onshore gas gathering line, an operator must determine if it qualifies as a regulated onshore gathering line. Part 192 currently recognizes two categories of regulated onshore gathering lines:

- **Type A Gathering Lines.** Type A gathering lines are defined by regulation to include metallic lines with an MAOP of 20 percent or more of SMYS, as well as nonmetallic lines with an MAOP of more than 125 PSIG, in a Class 2, 3, or 4 location. Operators of Type A lines must comply with all of the requirements for transmission lines, except for the provisions that require accommodation of smart pigs in new and replaced lines and the gas IM requirements; they are also permitted to use an alternative process for complying with the operator qualification requirements.

- **Type B Gathering Lines.** Type B gathering lines are defined by regulation to include metallic lines with an MAOP of less than 20 percent of SMYS, as well as nonmetallic lines with an MAOP of 125 PSIG or less, in a Class 2 location (as determined under one of three formulas) or in a Class 3 or Class 4 location. Operators of any new or substantially changed Type B line must comply with the design, installation, construction, and initial testing and inspection requirements for transmission lines and, if the line is of metallic construction, the corrosion control requirements for transmission lines. Operators must

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36 49 C.F.R. § 192.8(b) (table).  
37 Id.  
38 Id. § 192.9(c).  
39 Id. § 192.8(b) (table).  
40 Id. § 192.9(d)(1) and (2).
include Type B lines in their damage prevention and public education programs; establish the MAOP of these lines under § 192.619; comply with the line marker requirements for transmission lines; and conduct leak surveys and promptly repair hazardous leaks.41

- **Class 1 Gathering Lines.** Gas gathering lines in Class 1 locations are not regulated.

**NPRM Proposal:** In the NPRM, PHMSA proposed to regulate Class 1 gas gathering lines that meet a certain diameter and MAOP threshold. Operators of these lines, which PHMSA proposed to designate as Type A, Area 2 gathering lines, would need to comply with the regulations for Type B gathering lines and implement an emergency response plan under 49 C.F.R. § 192.615. Operators of existing Type A, Area 2 gathering lines would be given two years to achieve compliance.

<table>
<thead>
<tr>
<th>Location</th>
<th>Diameter</th>
<th>MAOP (Metallic)</th>
<th>MAOP (Non-Metallic)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Class 1</td>
<td>8 inches or greater</td>
<td>MAOP produces a hoop stress of 20% or more of SMYS. If the stress level is unknown, determine the stress level according to the applicable provisions in subpart C of Part 192</td>
<td>MAOP is more than 125 PSIG</td>
</tr>
</tbody>
</table>

- **Criteria for Regulated Class 1 Gathering Lines.** PHMSA proposed to regulate Class 1 gas gathering lines that (1) are 8 inches or greater in diameter and (2) have an MAOP of 20 percent or more of SMYS for metallic lines or more than 125 PSIG for non-metallic pipe.42 Pipelines that meet these requirements would be regulated as Type A, Area 2 gathering lines. In justifying the proposed nominal outside diameter and MAOP thresholds, PHMSA pointed to recent developments in the field of natural gas exploration and production.43 PHMSA said in the NPRM that operators are constructing shale gas gathering lines that far exceed historical operating parameters, particularly from a pressure and diameter perspective.44 PHMSA said that the agency did not foresee or consider the risks associated with these kinds of gathering line systems in developing the current rules, and that recent GAO recommendations provide further support for the proposed regulations.45 PHMSA also noted in the PRIA that the proposed outside diameter and MAOP criteria for Type A, Area 2 gathering lines are consistent with a 2010 resolution passed by the National Association of Pipeline Safety Representatives (NAPSR).46

- **Type A, Area 2 Gathering Line Regulations.** Operators of Type A, Area 2 gathering lines would need to comply with the requirements that currently apply to Type B regulated gathering lines (damage prevention program, corrosion control (for metallic piping), public awareness and education program, MAOP, line markers, and leak surveys) and implement an emergency response plan under 49 C.F.R. § 192.615.47 Operators would have six

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41 Id. § 192.9(d)(3)-(7).
42 NPRM at 20,827.
43 Id. at 20,801-808.
44 Id.
45 Id.
46 PRIA at 101. PHMSA specifically acknowledged that the information provided in its congressionally-mandated gathering line report, which the Agency completed in September 2013 and delivered to Congress in the March 2015, was not considered in developing the rules proposed in the NPRM. NPRM at 20,802.
47 NPRM at 20,827-20,828.
months to determine if existing gathering lines meet the new Type A, Area 2 criteria.\textsuperscript{48} Operators of existing Type A, Area 2 lines would need to achieve compliance within 2 years (unless an operator is able to justify otherwise and obtain PHMSA approval).\textsuperscript{49} Operators of newly installed Type A, Area 2 lines, or existing lines that are replaced, relocated, or otherwise changed, would also need to comply with the design, construction, and testing requirements for gas transmission lines.\textsuperscript{50}

- **Cost-Benefit Analysis.** In the PRIA, PHMSA estimated that the average annual costs of these proposed changes ($12.8M to $15.3M) would exceed the average annual benefits ($11.3 to $14.2M) over the initial 15-year compliance period.\textsuperscript{51} Rather than using actual data on the current safety record of Class 1 gas gathering lines, which PHMSA has not collected, the PRIA made a series of assumptions about the potential impact of the proposed rules in arriving at these estimates.\textsuperscript{52} For example, the PRIA used data provided in the 2006 rulemaking and the current proceeding to estimate the mileage affected and compliance costs of the proposed rules. The PRIA also relied on data for transmission lines in Class 1 and 2 locations to estimate the benefits.\textsuperscript{53}

**GPAC Proposal:** In December 2018, PHMSA released a modified proposal to the GPAC for regulating Class 1 gas gathering lines. The modified proposal contains two different diameter thresholds for determining regulatory status. The MAOP thresholds proposed in the NPRM remain the same, but the modified proposal allows operators to use a default value if the stress level of metallic pipe is unknown. The modified proposal also requires that pipelines in the first diameter threshold have at least 1 dwelling intended for human occupancy within the PIR to be regulated. Class 1 gathering lines that meet the applicable criteria would still be designated as Type A, Area 2 gathering lines, and operators would need to comply with the regulations for Type B gathering lines and implement an emergency response plan under 49 C.F.R. § 192.615. Operators of existing Type A, Area 2 gathering lines would be given two years to achieve compliance. The modified proposal includes a “letter of no objection” process that allows operators to use composite pipe in Type A, Area 2 gathering lines.

**TYPE A, AREA 2 GATHERING LINE CRITERIA (GPAC PROPOSAL)**

<table>
<thead>
<tr>
<th>Location</th>
<th>Diameter</th>
<th>MAOP (Metallic)</th>
<th>MAOP (Non-Metallic)</th>
<th>PIR</th>
</tr>
</thead>
<tbody>
<tr>
<td>Class 1</td>
<td>Greater than 12 and less than or equal to 16 inches</td>
<td>MAOP produces a hoop stress of 20% or more of SMYS. If stress level is unknown, MAOP is more than 125 PSIG</td>
<td>MAOP is more than 125 PSIG</td>
<td>At least 1 dwelling within the PIR</td>
</tr>
<tr>
<td>Class 1</td>
<td>Greater than 16 inches</td>
<td>MAOP produces a hoop stress of 20% or more of SMYS. If stress level is unknown, MAOP is more than 125 PSIG</td>
<td>MAOP is more than 125 PSIG</td>
<td>NA</td>
</tr>
</tbody>
</table>

\textsuperscript{48} *Id.* at 20,827.
\textsuperscript{49} *Id.* at 20,828.
\textsuperscript{50} *Id.*
\textsuperscript{51} PRIA at 151.
\textsuperscript{52} PRIA 99-117.
\textsuperscript{53} *Id.*
Industry Position: Industry generally supports PHMSA’s latest proposal for regulating Class 1 gas gathering lines. Increasing the minimum diameter threshold to greater than 12 inches excludes the smaller diameter, conventional gas gathering lines that do not present a risk to public safety. Adding the default MAOP criteria (more than 125 PSIG) for metallic pipe with unknown stress levels avoids unnecessary compliance costs and potential retroactivity. Industry generally supports adding the PIR criteria for pipelines that are 16 inches or less in diameter, and GPA Midstream supports applying the PIR criteria to pipelines that are up to 24 inches in diameter. Class 1 gas gathering lines that do not have any dwellings intended for human occupancy within the PIR present a minimal risk to public safety. Industry generally agrees that the Type B regulations and emergency response plan requirements should apply to regulated Class 1 gas gathering lines. Industry also agrees that PHMSA should allow operators to use composite pipe in regulated Class 1 gas gathering lines, but believes that the proposed “letter of no objection” process imposes unnecessary burdens and restrictions. Like underground natural gas storage facility operators, Class 1 gas gathering line operators should be allowed to deviate from any PHMSA regulation if a variance with written technical justification is approved by a responsible company official and supported with appropriate program documentation.

- **Criteria for Regulated Class 1 Gas Gathering Lines.** Industry generally supports PHMSA’s proposal to regulate Class 1 gas gathering lines, but only if the provisions are modified as follows.
  - **The Minimum Diameter Threshold Must Be Greater than 12 Inches.** The minimum diameter threshold for regulated Class 1 gas gathering lines should be greater than 12 inches. Other than citing to a 2010 NAPSR resolution and a 2014 GAO recommendation concerning pipeline emergency response planning, PHMSA offered no technical or legal support for the 8-inch diameter threshold proposed in the NPRM. Conventional gas gathering systems throughout the United States are constructed with pipe ranging from 8 to 12 inches in diameter, and there is no data currently available to suggest that these pipelines have a different risk profile than the rural gathering lines that have been exempt from regulation for nearly five decades. API also recently limited the scope of its new recommended practice for rural gas gathering lines, to pipelines that are greater than 12 inches in diameter, which provides further support for using the same threshold in the Class 1 gas gathering line regulations.
  - **Provide a Default MAOP Value of 125 PSIG for Steel Pipelines with Unknown Stress Levels.** Class 1 gas gathering line operators should be allowed to use the MAOP limitation for non-metallic pipe (more than 125 PSIG) if any variable necessary to determine the stress level of metallic pipe is unknown. Operators can use that MAOP threshold (more than 125 PSIG) if the stress level of steel pipe is unknown in determining whether a rural gathering line is regulated under 49 C.F.R. § 195.11. Allowing Class 1 gas gathering line operators to use the MAOP limitation for non-metallic pipe as an alternative to the design regulations for steel pipe is more efficient and avoids a conflict with the Pipeline Safety Act’s non-retroactivity provision.
  - **At a Minimum, Apply the PIR Criteria to Pipelines that are 16 Inches or Less in Diameter.** At a minimum, Class 1 gas gathering lines that are greater than 12 inches in diameter and less than or equal to 16 inches in diameter must have at least 1
dwelling intended for human occupancy within the PIR to be regulated. Applying a PIR criteria to lines that fall within these diameter thresholds is consistent with the Part 195 regulations for rural gathering and low-stress lines and excludes pipeline segments that do not present a risk to people or property, making the regulations for Class 1 gas gathering lines more efficient and cost effective. API also added a similar PIR limitation for pipelines that are 16 inches in diameter or less in its new recommended practice for Class 1 gas gathering lines, API Recommended Practice 1182, which provides further support for adopting the PIR criteria in PHMSA’s regulations.

- **GPA Supports Expanding the PIR Criteria to Pipelines that are 24 Inches or Less in Diameter.** While API did not achieve a consensus on this position, GPA Midstream supports expanding the PIR criteria to apply to Class 1 gas gathering lines that are up to 24 inches in diameter. The PIR of a 24-inch pipeline with an MAOP of 1440 psig does not exceed the width of a class location unit, and gathering line operators are already obtaining information about the presence of dwellings intended for human occupancy in conducting class location studies. There is no technical basis for limiting the PIR criteria to lines that are 16 inches or less in diameter, and operators would not experience any additional cost by applying the PIR criteria to lines are up to 24 inches in diameter. GPA Midstream agrees that the PIR criteria should not apply to lines that are greater than 24 inches in diameter. These large diameter lines can have a PIR that extends beyond the width of a class location unit and present sufficient risk to warrant regulation without the PIR criteria.

### TYPE C GATHERING LINE CRITERIA (GPA MIDSTREAM PROPOSAL)

<table>
<thead>
<tr>
<th>Location</th>
<th>Diameter</th>
<th>MAOP (Metallic)</th>
<th>MAOP (Non-Metallic)</th>
<th>PIR</th>
</tr>
</thead>
<tbody>
<tr>
<td>Class 1</td>
<td>Greater than 12 and less than or equal to 24 inches</td>
<td>MAOP produces a hoop stress of 20% or more of SMYS. If stress level is unknown, MAOP is more than 125 PSIG</td>
<td>MAOP is more than 125 PSIG</td>
<td>At least 1 dwelling within the PIR</td>
</tr>
<tr>
<td>Class 1</td>
<td>Greater than 24 inches</td>
<td>MAOP produces a hoop stress of 20% or more of SMYS. If stress level is unknown, MAOP is more than 125 PSIG</td>
<td>MAOP is more than 125 PSIG</td>
<td>NA</td>
</tr>
</tbody>
</table>

Figure 1 below depicts the PIRs for three tiers of Class 1 gathering lines using conservative assumptions. Tier I represents the PIRs for lines that are 12 inches or less in diameter, which would be exempt from regulation under PHMSA’s proposal. Tier II represents lines that are greater than 12 inches and less than or equal to 24 inches in diameter, which GPA believes should be eligible for the PIR limitation. Tier III represents lines that are greater than 24 inches in diameter, which GPA agrees should not be eligible for the PIR limitation. The PIRs are calculated using an MAOP of 1440 psig and the wet gas factor of 0.73. The dashed purple line represents the standard width of a class location unit (660 feet). The dashed yellow line represents the distance that must be considered for buildings and small, well-defined outside areas in Class 3 locations (300 feet).
Designate Regulated Class 1 Gas Gathering Lines as Type C Lines. PHMSA proposed to designate newly-regulated Class 1 gas gathering lines as Type A, Area 2 lines. Industry believes the Type A, Area 2 reference introduces unnecessary complexity and confusion into the regulations. PHMSA should use the Type C designation for newly-regulated Class 1 gathering lines. That designation is consistent with the current risk framework and provides operators with greater clarity on the applicability of the new regulations.

Regulations for Type C Lines. Industry generally support PHMSA’s proposal to apply the requirements for Type B gathering lines and emergency plans to newly-regulated Type C gathering lines. Industry also agrees that PHMSA should allow operators to use composite pipe in regulated Class 1 gas gathering lines, but believes the proposed “letter of no objection” process imposes unnecessary burdens and restrictions. PHMSA allows operators to deviate from the new underground gas storage facility regulations if a variance with written technical justification is approved and supported by appropriate program documentation. The same variance provision should apply to all of the new Type C gathering line regulations, not just to composite pipe. The no objection process proposed by PHMSA would create an entirely new category of administrative actions. PHMSA has not provided any detail on the procedures and standards that would be followed in issuing letters of no objection, including the remedies that would be available for seeking further review if a request is denied.

54 49 C.F.R. § 192.12(f).
TOPIC #3 Exceptions and Clarifying Changes for Type A, B, and C Lines
(Proposed Amendments to 49 C.F.R. § 192.9)

Industry urges PHMSA to add exceptions and make other clarifying changes to the proposed regulations for Type A, B, and C gathering lines.

Vote Recommendation: SUPPORT WITH MODIFICATIONS

Current Rules: Operators of Type A lines must comply with all of the requirements for transmission lines, except for the provisions that require accommodation of smart pigs in new and replaced lines and the gas IM requirements; they are also permitted to use an alternative process for complying with the operator qualification requirements. Operators of any new or substantially changed Type B line must comply with the design, installation, construction, and initial testing and inspection requirements for transmission lines and, if the line is of metallic construction, the corrosion control requirements for transmission lines. Operators must include Type B lines in their damage prevention and public education programs; establish the MAOP of these lines under § 192.619; comply with the line marker requirements for transmission lines; and conduct leak surveys and promptly repair hazardous leaks. Operators of Class 1 gas gathering lines are not required to comply with PHMSA’s regulations.

NRPM Proposal: In the NPRM, PHMSA proposed to add new exceptions in the requirements for Type A gathering line operators. Those exceptions would apply to 49 C.F.R. §§ 192.319 (installation of pipe in a ditch), 192.461(f) (coating surveys and remediation), 192.465(f) (cathodic protection monitoring and remediation), 192.473(c) (interference current surveys and remediation), 192.478 (internal corrosion control monitoring and remediation), 192.710 (pipeline assessments outside of high consequence areas), and 192.713 (reps).

GPAC Proposal: In December 2018, PHMSA released a modified proposal to the GPAC for regulating Class 1 gas gathering lines. PHMSA indicated in the modified proposal that exceptions for gas gathering lines would be provided from the following new transmission line requirements in the MAOP and IM mandates rule: 49 C.F.R. §§ 192.150 (requiring lines designed and constructed to accommodate inline inspection tools to meet NACE), 192.227(c) (records for qualification of welders), 192.285(e) (records for qualification of plastic pipe joiners), 192.493 (In-Line Inspection (ILI) consensus standards), 192.506 (spike hydrotesting), 192.607 (materials documentation), 192.619(e) (MAOP confirmation), 192.624 (MAOP confirmation), 192.710 (non-HCA assessments), 192.712 (Analysis of Predicted Failure Pressure). PHMSA also indicated that exceptions for gas gathering lines would be provided from the following new transmission line requirements in the gas transmission line repair rule: 49 C.F.R. §§ 192.13(d) (management of change), 192.127 (pipe design records), 192.205 (records for pipeline components), 192.319 (coating surveys after backfill), 192.461(f) (coating surveys after backfill), 192.465(d)(2) & (f).

55 Id. § 192.9(c).
56 Id. § 192.9(d)(1) and (2).
57 Id. § 192.9(d)(3)-(7).
(external corrosion remediation), 192.473(c) (interference surveys), 192.478 (internal corrosion), 192.613(c) (extreme weather inspection), and 192.714 (non-HCA repair criteria).

**Industry Position.** PHMSA must clarify the requirements that apply to regulated gas gathering lines (Type A, Type B, and Type C) by adding exceptions that address certain discrepancies and inconsistencies in the NPRM. Note that for simplicity the list below refers to Type A, Area 1 lines as Type A lines, and Type A, Area 2 lines as Type C lines.

- **Clarify Exceptions for Corrosion Control Requirements.** The NPRM included certain exceptions from the corrosion control requirements for Type A lines but did not provide the same exceptions for Type B lines or Type C lines.\(^{58}\) As a result, the corrosion control requirements for higher-risk Type A lines are less stringent than the requirements for lower-risk Type B lines and Type C lines. PHMSA needs to address that disparity by aligning the list of exceptions to the corrosion control requirements for all regulated gathering lines in the final rule.

- **Add Exceptions for MAOP and Materials Verification.** Under the NPRM, operators of Type A, Type B, and Type C lines must establish MAOP in accordance with 49 C.F.R. § 192.619.\(^{59}\) PHMSA is proposing to amend § 192.619 in another part of the NPRM by adding a new subsection (e) to the regulation.\(^{60}\) As currently proposed, § 192.619(e) requires operators of certain gas transmission lines to comply with an elaborate set of MAOP verification requirements in 49 C.F.R. § 192.624.\(^{61}\) PHMSA is also proposing to adopt a new requirement in 49 C.F.R. § 192.607 for verifying pipeline materials where reliable, traceable, verifiable, and complete records are lacking. The assumptions laid out in the NPRM and PRIA and congressional mandate that prompted PHMSA to issue §§ 192.607, 192.619(e), and 192.624 confirm that the proposed MAOP verification requirements are only applicable to gas transmission lines, not gas gathering lines. PHMSA affirmed that position in discussing the gas transmission line proposals before the GPAC. To avoid any uncertainty, PHMSA needs to clearly state in the final rule that operators of Type A, Type B, and Type C lines only need to comply with 49 C.F.R. §192.619(a)-(d) in establishing MAOP. PHMSA also needs to clearly state that the proposed pipeline materials verification requirement in 49 C.F.R. § 192.607 does not apply to regulated gathering lines (Type A, Type B, or Type C).

- **Add Other Exceptions.** While not proposed in the NPRM, industry believes that exceptions from the following requirements should be added for regulated gathering lines as appropriate: the proposed lifetime recordkeeping requirement for class location determinations, § 192.5(d); the proposed management of change and general recordkeeping requirement for gas transmission lines, § 192.13(d)-(e); the proposed lifetime recordkeeping requirements for materials, § 192.13(d), pipe design, § 192.127, pipeline components, § 192.205, welders, § 192.227(e), and joiners, § 192.285(e); the proposed inline inspection requirements, § 192.493; the proposed spike testing requirement, §192.505; the proposed inspection requirement for extreme weather events

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\(^{58}\) NPRM at 20,828.  
\(^{59}\) Id.  
\(^{60}\) Id. at 20,833.  
\(^{61}\) Id.
and natural disasters, §192.613(c); and the repair requirements for gas transmission lines, §§ 192.711, 192.713.

- **Modify Compliance Deadlines.** PHMSA is proposing a 2-year deadline from the effective date of the final rule for operators of Type C lines to achieve compliance, unless the PHMSA Administrator finds that a later deadline is justified in a particular case. The current rules originally provided staggered deadlines over a 3-year period for achieving compliance with the requirements for regulated gathering lines, *i.e.*, October 15, 2007, for damage prevention and MAOP establishment; April 15, 2008, for line markers and public awareness; and April 15, 2009, for corrosion control. The rules proposed in the NPRM affect more pipeline operators and mileage, and PHMSA does not offer any justification in the NPRM or PRIA for providing a shorter compliance deadline in this proceeding. Operators of existing Type C lines need additional time to achieve compliance with the proposed rules. A 2-year initial compliance deadline should be provided for the damage prevention, public awareness, line marker, and emergency response requirements and establishing MAOP. A determination as to whether a pipeline qualifies as a Type C line will necessarily need to be made as part of those efforts. A 3-year initial compliance deadline should be provided for the leak detection and repair requirements. A 5-year compliance deadline should be provided for the corrosion control requirements.

- **Clarify Class Location Requirements.** PHMSA should clarify the regulations that apply to gathering lines that become regulated due to changes in class location or an increase in dwelling density. The Pipeline Safety Act prohibits PHMSA from retroactively applying design, construction, initial inspection, or initial testing requirements to pipelines in existence at the time when those requirements were adopted. The non-retroactivity provision applies to existing gathering lines that become regulated due to changes in class location or an increase in dwelling density. Accordingly, the proposed regulation in section 192.9(f) should be amended to clearly state that none of the design, installation, construction, initial inspection, and initial testing requirements in Part 192 apply to those lines.

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62 *Id.* at 20,828.
63 49 C.F.R. § 192.9(e).
64 NPRM at 20,828.
TOPIC #4 Reporting Requirements for Gas Gathering Lines  
(Proposed Amendments to 49 C.F.R. Part 191)

Industry generally supports PHMSA’s proposal to apply the federal reporting requirements to Class 1 gas gathering lines, but only to a limited extent. Regulated Class 1 gas gathering line operators should only be required to obtain an Operator Identification Number (OPID), file abbreviated annual reports, and submit incident reports. Operators of unregulated Class 1 gas gathering lines should be required to obtain an OPID, file abbreviated annual reports, and submit incident reports for fatalities or injuries involving in-patient hospitalization.

**Vote Recommendation:** SUPPORT WITH MODIFICATIONS

**Current Rules:** Operators of Type A and Type B gathering lines must comply with PHMSA’s reporting requirements, including the provisions for providing immediate notification of certain incidents, submitting annual reports, reporting safety-related conditions, and obtaining an OPID. By statute, Type A and Type B gathering line operators are not required to submit geospatial data to the National Pipeline Mapping System (NPMS). Class 1 gas gathering lines are not currently subject to any of PHMSA’s reporting requirements.

**NPRM Proposal:** The NPRM proposed to apply PHMSA’s reporting requirements to all Class 1 gas gathering line operators (whether regulated or not), except for the obligation to submit data to the NPMS. Specifically, the NPRM would require Class 1 gas gathering operators to submit incident reports, safety-related condition reports, reports for MAOP exceedances, and annual reports. The NPRM also proposed to require all Class 1 gas gathering line operators to submit information to the National Operator Registry.

**GPAC Proposal:** In December 2018, PHMSA released a modified proposal to the GPAC for regulating Class 1 gas gathering lines. The modified proposal would only require unregulated Class 1 gas gathering line operators to submit incident and annual reports. Operators of regulated Class 1 gas gathering lines, *i.e.*, Type C lines, would need to comply with all of PHMSA’s reporting requirements.

**Industry Position:** Industry supports PHMSA’s proposal to apply the federal reporting requirements to unregulated Class 1 gas gathering lines, but only to a limited extent.

- *Indiscriminate Data Collection is Unreasonable.* Although the Pipeline Safety Act provides PHMSA with the authority to collect “information pertinent to [PHMSA’s] ability to make a determination as to whether and to what extent to regulate gathering lines,” the proposal to indiscriminately extend all of the reporting requirements to Class 1 gas gathering line operators fails to meet that standard. The NPRM and PRIA do not explain

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65 49 C.F.R. Part 191.  
66 49 U.S.C. § 60132(a) (providing an exception for gathering and distribution lines); 49 C.F.R. § 191.29.  
why operators must provide all of the data sought in PHMSA’s reports for the agency to make a reasoned determination on the need for future regulation. PHMSA can obtain sufficient safety data for Class 1 gas gathering lines through the submission of incident and annual reports.

- **Limited Incident Reports.** PHMSA proposed in the NPRM to apply the incident reporting requirements to operators of all Class 1 gas gathering lines, whether regulated or not. Industry agrees that operators of Type C lines should be subject to the same incident reporting requirements as regulated Type A and Type B lines. However, industry does not agree that operators of unregulated Class 1 gas gathering lines should be required to report all incidents. Operators of unregulated gathering lines should only be required to report incidents resulting in a death or injury necessitating in-patient hospitalization, which clearly have a direct impact on public safety. The other events that trigger the incident reporting requirements (estimated property damage of $50,000 or more, unintentional estimated gas loss of three million cubic feet or more, or an event that is significant in the judgment of the operator) do not always have that same direct impact.

- **Abbreviated Annual Reports.** The NPRM proposed to apply the annual reporting requirement to all Class 1 gathering lines. Industry agrees that operators of Type C lines should be subject to the same annual reporting requirements as regulated Type A and Type B lines. Industry also agrees that unregulated Class 1 gas gathering line operators should be required to submit annual reports. However, Class 1 gas gathering line operators should not be required to provide the same information in annual reports as operators of transmission and distribution lines. PHMSA should develop an abbreviated annual report form for gas gathering lines, and that form should only ask operators to submit information that is readily available directly relevant to gas gathering operations. Information that would be appropriate for the abbreviated annual reporting form includes gathering line mileage by state, outside diameter, class location, Type (A, B, C, Unregulated), material, and decade of installation. An unknown response should be allowed if information is not available.

- **No Safety-Related Conditions Reports.** The NPRM proposed to apply the requirement for reporting of safety-related conditions, including MAOP exceedances, to unregulated gathering lines. PHMSA clarified in a series of webinars held immediately prior to the end of the comment period and during the GPAC’s review of the NPRM’s gas transmission line proposals that the agency did not intend to apply these reporting requirements to operators of unregulated gathering lines. Industry supports that clarification.

- **OPID Requirements.** The NPRM proposed to apply all of the requirements in the National Registry of Pipeline and LNG operators to Class 1 gas gathering lines, including the provisions for OPID requests and reporting certain changes to PHMSA within 60-day windows. Industry agrees that operators of Type C lines should be subject to the same requirements as regulated Type A and Type B lines. However, operators of unregulated Class 1 gas gathering lines should only be required to obtain an OPID, which is necessary.

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69 NPRM at 20,824-20,825.
70 Id.
71 Id.
72 Id.
for administrative purposes in filing incident and annual reports. They should not be required to report the other changes that trigger the 60-day notifications to PHMSA.