

Overview of U.S. Pipeline Safety Program

Presented to Ghana Delegation



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OPS Mission

To ensure the safe reliable and environmentally sound operation of the Nation's pipeline transportation system

- Hazardous Liquid Pipelines 186,000 miles
- Natural Gas Transmission 306,000 miles
- Gas Distribution Pipelines
 1.2 million miles
- Liquefied Natural Gas (LNG)
 101 Facilities



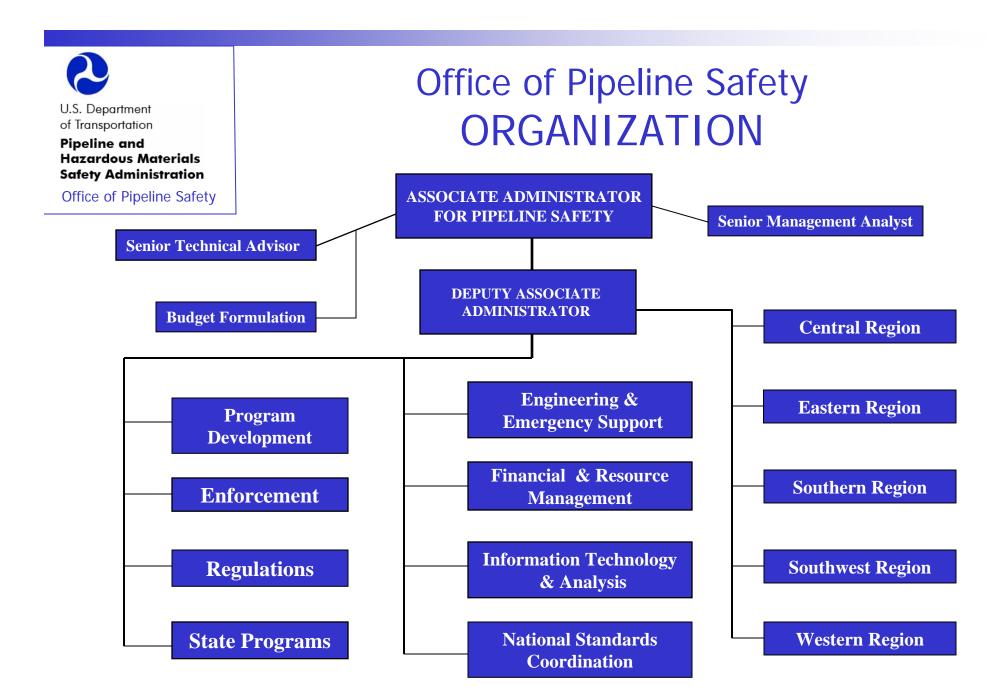
OPS Statutory Charge

- Natural Gas Pipeline Safety Act of 1968, as amended (49 U.S.C. App. §1671 et seq.)
- Hazardous Liquid Pipeline Safety Act of 1979, as amended (49 U.S.C. App. § 2001 et seq.)
- Oil Pollution Act of 1990, as amended, sharpened environmental focus (33 U.S.C. § 2701 et seq.),
- TEA-21: Damage Prevention/Control Act, placed significant focus on excavation damage prevention
- Pipeline Safety Improvement Act of 2002, strengthened the Department's pipeline safety program



Regulatory Initiatives

- Integrity Management
 - Hazardous Liquid Pipelines (2000)
 - Natural Gas Transmission Pipelines (2003)
- Operator Qualification
- Pipeline Repair Permit Streamlining
- Distribution Integrity Management
- Pipeline Operator Public Awareness Programs





PHMSA OPS Budget

\$ (000) in Thousands

	FY 2005 Enacted	FY 2006 Request
Personnel Compensation and Benefits (PC&B)	\$17,285	\$18,622
Administrative Expenses	6,663	8,979
Contract Programs	14,521	14,653
Implementing the Oil Pollution Act	2,296	2,317
Research & Development	8,986	9,067
Grants	19,169	19,527
TOTAL	\$68,920	\$73,165



OPS Strategic Focus

- Improve the safety of the Nation's pipelines
 - Reduce the number of incidents
 - Reduce the likelihood of major incidents
 - Mitigate the consequences of incidents
- Provide the basis for increased public confidence in pipeline safety



Three Major Pillars of the OPS Strategy

Risk and Integrity Management



- Shared Knowledge and Responsibility
- Improving our Stewardship in a Changing World - Energy, Environment and Security



Pillar 1 - Risk and Integrity Management

- Pipeline Safety Regulation Inspection and Enforcement
- Incident Trends
- Integrity Management Programs
- Operator Qualification
- National Pipeline Mapping System
- Oil Spill Response Planning



Pipeline Safety Regulation Inspection and Enforcement

- Five OPS Regional Offices
- 67 Inspectors and Engineers
- Interstate Natural Gas Transmission Pipelines
- Interstate Hazardous Liquid Pipelines
- LNG Facilities tied to Interstate Pipelines





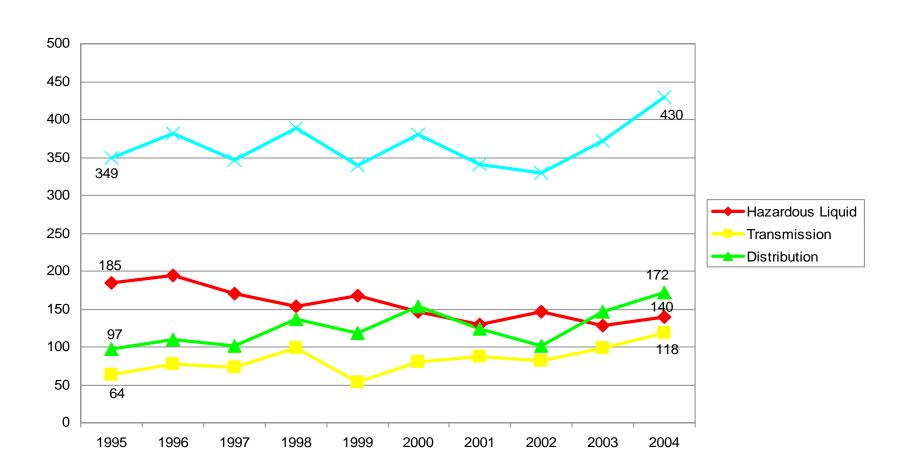
Pipeline Safety Regulation Inspection and Enforcement

- State Partners assume Safety jurisdiction for Intrastate Pipelines and LNG Facilities
- National Association of Pipeline Safety Representatives (NAPSR) facilitates communication among States and with OPS
- OPS distributes Grants to partially fund State Programs
- State jurisdiction varies based on State Law





Pipeline Incident Frequency



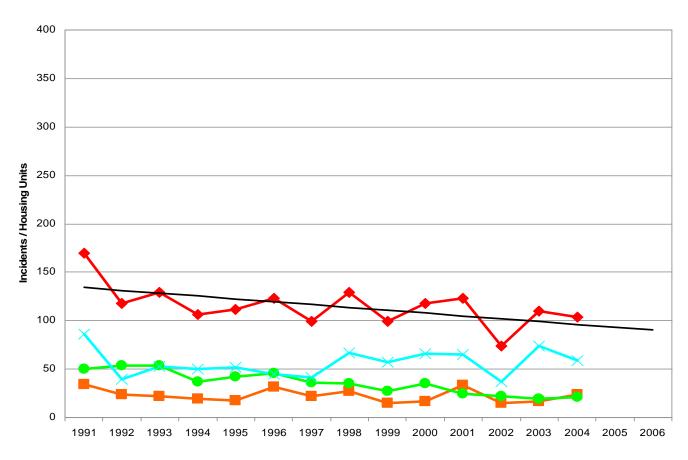


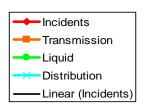
Pipeline and Hazardous Materials Safety Administration

Office of Pipeline Safety

Risk and Integrity Management

Incidents Caused by Excavation







Integrity Management Programs

- Assessment of pipeline integrity in high consequence areas
- Integration of risk and knowledge
- Allocate resources to focus on the highest risks
- Operators developing their own performance measures and performance monitoring programs
- Written integrity programs are living document to drive continuous improvement



Pipeline Integrity Management Programs

- Hazardous Liquid Pipelines (2000)
 - Baseline Assessments complete by 2008
- Natural Gas Transmission Pipelines (2003)
 - Baseline Assessments complete by 2012
- Gas Distribution Pipelines
 - Under Development





Impetus for a Distribution Integrity Management Program

- Concern about Trends in Distribution Incidents
- Visibility of Major Incidents
- Pressures for Solutions, e.g. EFVs
- Guidance from the DOT Inspector General
- Stakeholder Confidence in Integrity Management







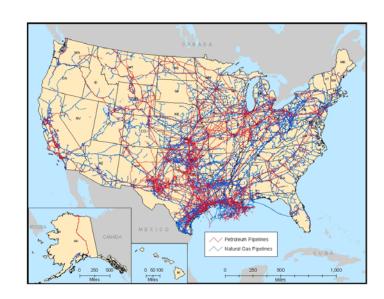
Operator Qualification

- Pipeline Employees and Contractors must be Qualified to perform Covered Tasks
- Personnel must be Trained and Evaluated to ensure:
 - Safe and Proper Performance of Covered Task
 - Recognize and React to Abnormal Operating Conditions
- Consensus Standard under development ASME Standard B31Q



National Pipeline Mapping System (NPMS)

- Layered Geographic Information System (GIS)
- Includes hazardous liquid & gas transmission pipelines, breakout tanks, and LNG facilities
- Password-protected access to federal, state, and local government agencies
- Public access to identify pipeline operators by County or Postal Code





Oil Spill Response Planning

 Operators submit Oil Spill Response Plans to OPS for review



 Operators conduct drills and revise Plans based on Lessons Learned





Pillar 2 - Shared Knowledge and Responsibility

- Pipeline Safety Partnerships
- Stakeholder Communications
- Pipeline Permit Repair Streamlining
- Public Awareness Programs
- Data Integration



Pipeline Safety Partnerships

- National Association of State Fire Marshals (NASFM)
 - Fire Fighter Training
 - LNG Education
 - Excess Flow Valves
 - Public Awareness
- Common Ground Alliance (CGA)
 - Stakeholder approval of Best Practices for Underground Facility Damage Prevention
 - Stakeholder Education and Advertising
 - Damage Information Collection



Common Ground Alliance



Stakeholder Communications

- Public Meetings & Workshops during development of new initiatives
- Technical Advisory Committees, required by law, composed of various Stakeholder Groups
- Stakeholder Communications Web Site
 - User selects Stakeholder type from main menu
 - Portal for data collected from operators
 - http://primis.phmsa.dot.gov/comm/



Pipeline Repair Permit Streamlining

- Integrity Assessments may find Defects in Environmentally Sensitive Areas
- 2004 MOU among Federal Permitting Agencies to Streamline Repair Permit Process
- Concurrent Permit Application Review
- Web-based System Under Development
- State and Local Permitting Agencies Next Step



Public Awareness Programs

- In June 2005, Regulations revised to require all operators to comply with API Recommended Practice 1162
- Communications Plans tailored to Stakeholder Audience
 - Residents along ROW, General Public, Local Public Officials, Emergency Responders
- Must Evaluate Effectiveness to drive Continuous Improvement



Data Analysis & Trending

- Recent revisions to operator reporting formats creates more relevant information
- Increased availability of information through OPS web site
- Information driving the direction of Distribution Integrity Management
- Long-term project to improve integration of data sources to further enhance information quality



Pillar 3 - Stewardship In a Changing World

- Transmission Pipelines and Land Use
- Research & Development Program
- LNG Siting and Safety
- Community Assistance & Technical Services
- Alaska Gas Pipeline
- DHS Transportation Security Administration



Transmission Pipelines and Land Use

- Residential and Commercial Development occurring in once-rural areas with Transmission Pipelines
- Transportation Research Board Special Report 281 made recommendations for OPS action
 - Risk-informed land use planning guidance
 - Industry best practices for rights-of-way
- Task Team forming in fall 2005 federal agencies, associations of local governments, planning & development associations, pipeline industry associations



Research & Development

- Identify technology that improves pipeline safety for timely transfer to industry
- Maximize return on investment and foster cooperation by requiring co-funding
- Research contributes to OPS initiatives, especially Excavation Damage Prevention and Integrity Management
- R&D Management Information System allows paperless administration of contracts





LNG Safety and Siting

 OPS working with the National Fire Protection Association (NFPA) to revise LNG consensus standard

- Increased LNG Import capability needed for gas supply adequacy
- OPS participates in FERC and MARAD siting processes





Community Assistance & Technical Services

- New OPS Program to improve Communications with variety of Pipeline Safety Stakeholders
- Serve on CGA Committees to improve Damage Prevention Practices, Education, & Data Collection
- Work with State Partners to assess and strengthen State Damage Prevention programs
- Provide Pipeline Safety information during FERC Hearings for new gas pipelines and LNG facilities
- Leading Pipeline Repair Permit Streamlining efforts



Stewardship In a Changing World Alaska Gas Pipeline

- Alaska Natural Gas transportation to the "Lower 48" needed for gas supply adequacy
- OPS working to identify design issues not currently within the scope of regulations:
 - Increased Valve Spacing
 - High Strength, Thin Walled Pipe susceptibility to Buckling and Cracking
 - Effects of Direct Burial in Permafrost
 - In-Line Inspection equipment for large diameter pipe





Raising the Bar on Safety

- Long-Term Focus on Integrity Management
- Performance Measurement
- Inspection Integration
- Special Inspections / Task Forces on Poor Performing Pipeline Operators
- Focus on Prevention and Mitigation of High Consequence Accidents
- Cooperative Efforts with Stakeholders



Pipeline and Hazardous Materials Safety Administration

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