National Transportation Safety Board

Washington, D.C. 20594

Office of the Chairman

MAR 18 2008

The Honorable Carl T. Johnson
Administrator
Pipeline and Hazardous Materials
Safety Administration
1200 New Jersey Avenue, S.E.
East Building, 2nd Floor, PH
Washington, D.C. 20590

Dear Mr. Johnson:

Thank you for the July 31, 2007, letter from Ms. Stacey L. Girard, Assistant Administrator/Chief Safety Officer, providing an update on all safety recommendations issued to the Pipeline and Hazardous Safety Administration (PHMSA) by the National Transportation Safety Board that are currently classified in an open status. Safety Recommendations P-98-2, P-99-12, P-03-1, and the 16 open hazardous materials recommendations[1] will be addressed in separate correspondence.

Safety Recommendation P-90-29, stated below, was issued to PHMSA on October 1, 1990, as a result of the Safety Board's investigation of the October 3, 1989, grounding of the U.S. fishing vessel *Northumberland*, resulting in a rupture of a natural gas pipeline and subsequent fire in the Gulf of Mexico, near Sabine Pass, Texas.

P-90-29

> Develop and implement, with the assistance of the Minerals Management Service, the U.S. Coast Guard, and the U.S. Army Corps of Engineers, effective methods and requirements to bury, protect, inspect the burial depth of, and maintain all submerged pipelines in areas subject to damage by surface vessels and their operations.

The Safety Board is aware that in 2004, PHMSA published a final rule requiring periodic underwater inspection and notes that PHMSA recently completed a study on the risks of exposed pipelines and possible hazards to navigation in offshore waters other than the Gulf of Mexico and its inlets. The Board further notes that the study identified 58 reported instances of a vessel or its equipment striking a pipeline offshore since 1990 and that all these reported incidents occurred in the Gulf of Mexico, where regulation requires the periodic underwater inspections program. In addition, on April 30, 2007, PHMSA issued a 30-day notice seeking public comment on the adequacy of the study but received no comments in response to the notice. Although this

[1] These recommendations include A-99-80, A-99-82, H-92-1, H-98-27, H-02-23 and -24, H-04-23, I-02-1 and -2, R-89-48, R-89-53, R-92-22 and -23, R-01-2 and -3, and R-04-10.

recommendation is 17 years old, PHMSA has been actively addressing the issues identified in the recommendation and has indicated that it intends to provide a report on actions already taken and those planned to further address this issue. Accordingly, Safety Recommendation P-90-29 is classified "Open—Acceptable Response," pending timely receipt of this information and our review of PHMSA's planned actions.

Safety Recommendation P-01-2, stated below, was issued to PHMSA on June 22, 2001, as a result of the Safety Board's investigation of the July 7, 1998, natural gas explosion and fire in South Riding, Virginia.

P-01-2

> Require that excess flow valves [EFVs] be installed in all new and renewed gas service lines, regardless of a customer's classification, when the operating conditions are compatible with readily available valves.

The Safety Board notes that Section 9 of the *Pipeline Inspection, Protection, Enforcement, and Safety Act* (the PIPES Act) of 2006 requires PHMSA to prescribe minimum distribution integrity management standards by December 31, 2007. The PIPES Act also includes a requirement for gas distribution operators to install EFVs on lines serving single-family residences that will be installed or entirely replaced beginning June 1, 2008. Implementation of the provisions of the PIPES Act to require installation of EFVs on lines serving only single-family residences will not fully address the recommendation. The Board is aware that PHMSA is working on this issue; we would appreciate receiving an update on the rulemaking effort. The Board urges PHMSA to require EFVs for *all* new and renewed service lines, regardless of customer classification, when the operating conditions are compatible with readily available valves, as recommended. Safety Recommendation P-01-2 is classified "Open—Acceptable Response," pending publication of the final rule.

Safety Recommendations P-04-1 through -3, stated below, were issued to PHMSA on July 1, 2004, as a result of the Safety Board's investigation of the Enbridge pipeline rupture and crude oil release near Cohasset, Minnesota, on July 4, 2002.

P-04-1

> Remove the exemption in 49 *Code of Federal Regulations* [CFR] 192.65(b) that permits pipe to be placed in natural gas service after pressure testing when the pipe cannot be verified to have been transported in accordance with the American Petroleum Institute's [API's] recommended practice RP 5L1.

P-04-2

> Amend 49 *Code of Federal Regulations* to require that natural gas pipeline operators (Part 192) and hazardous liquid pipeline operators (Part 195) follow the

American Petroleum Institute's recommended practice RP 5LW for transportation of pipe on marine vessels.

P-04-3

Evaluate the need for a truck transportation standard to prevent damage to pipe, and, if needed, develop the standard and incorporate it in 49 *Code of Federal Regulations* Parts 192 and 195 for both natural gas and hazardous liquid line pipe.

The Safety Board notes that PHMSA intends to address incorporating the API's recommended practice RP 5LW in its pending miscellaneous amendments proposal. The Board also notes that the Pipeline Research Council International (PRCI) is conducting research on the impact of truck transportation of pipe. The Board notes that, because PRCI's work may not address rail transportation of gas pipelines, PHMSA is considering publishing a notice seeking information about the existing inventories of pre-1970 pipe being kept for repairs. Accordingly, pending receipt of further information from PHMSA regarding the status of these initiatives, Safety Recommendations P-04-1 through -3 are classified "Open—Acceptable Response."

Safety Recommendations P-05-1 through -5, stated below, were issued to PHMSA on December 23, 2005, as a result of the Safety Board's study on supervisory control and data acquisition (SCADA) systems in liquid pipelines.

P-05-1

Require operators of hazardous liquid pipelines to follow the American Petroleum Institute's recommended practice [RP]1165 for the use of graphics on the SCADA screens.

P-05-2

Require pipeline companies to have a policy for the review/audit of alarms.

P-05-3

Require controller training to include simulator or non-computerized simulations for controller recognition of abnormal operating conditions, in particular, leak events.

P-05-4

Change the liquid accident reporting form (PHMSA F 7000-1) and require operators to provide data related to controller fatigue.

P-05-5

> Require operators to install computer-based leak detection systems on all lines unless engineering analysis determines that such a system is not necessary.

The Safety Board appreciates PHMSA's comprehensive overview of action either underway or planned for implementation of these recommendations. The Board has reviewed the requirements of the PIPES Act, which, when implemented, will satisfy Safety Recommendations P-05-1 through -4. Section 19 of the PIPES Act requires implementation of Safety Recommendations P-05-1 through -3 by June 1, 2008, and implementation of Section 20 of the Act will satisfy Safety Recommendation P-05-4, as it requires PHMSA to amend the accident report form by December 31, 2007. Section 21 of the PIPES Act, as stated below, requires PHMSA to submit a report on leak detection systems with discussion about what can be done to foster development of more effective technologies. The Safety Board reminds PHMSA that to satisfy Safety Recommendation P-05-5, it needs to require operators to install computer-based leak detection systems.

> Not later than December 31, 2007, the Secretary of Transportation shall submit to Congress a report on leak detection systems utilized by operators of hazardous liquid pipelines. The report shall include a discussion of the inadequacies of current leak detection systems, including their ability to detect ruptures and small leaks that are ongoing or intermittent, and what can be done to foster development of better technologies as well as address existing technology inadequacies.

The Safety Board is aware that the public comment period for PHMSA's report was extended through January 18, 2008, and that PHMSA is currently compiling these comments before submitting the report to Congress. Because PHMSA is working to address the recommendations, Safety Recommendations P-05-1 through -5 are classified "Open—Acceptable Response," pending the completion of these efforts.

Thank you for your commitment to pipeline safety. The Safety Board looks forward to receiving periodic updates on the status of action to address Safety Recommendations P-90-29, P-98-2, P-01-2, P-04-1 through -3, and P-05-1 through -5.

Sincerely,

Mark V. Rosenker
Chairman

cc: Ms. Linda Lawson, Director
Office of Safety, Energy, and Environment
Office of Transportation Policy