

Although Parts 192 and 195 do not address toughness of pipeline steels, it is noted that the Battelle report found no adverse effect on toughness due to heating in the range of 800°-900° F.

Since the ASME petition was received new pipeline steels have been introduced and referenced and specifications have been adopted in Part 192 (Amdt. 192-22, 41 FR 13591, March 31, 1976) that permit the use of steels with an SMYS of 70,000 psi. Data on tempering of steels with this higher SMYS has not been available to MTB. Since no problems are anticipated, MTB has included the X-70 steels in this rulemaking. However, it is requested that commenters provide any data available on the tempering of X-70 pipeline steels to assist MTB in further evaluating whether X-70 steels should be included with the other X-grade steels in this rulemaking or specifically excluded from the proposed relaxation of the present temperature limitation in §§ 192.105(b) and 195.106(a).

The existing §§ 192.105(b) and 195.106(a) cite welding as an exception to the heating limitation, but omit mention of possible stress relieving as a part of welding. Because § 192.239(g) specifies minimum stress-relieving temperatures of 1,100° F and 1,200° F for various steels, this notice proposes to include stress relieving as an exception to the existing temperature limitation.

With the time and temperature limitation proposed §§ 192.105(b) and 195.106(c), MTB believes that a specified procedure is necessary for removal of hard spots from steel pipe to assure that the proposed constraints are met. For this reason, MTB is proposing to add a new paragraph (c) to §§ 192.713 and 195.422 requiring that if hard spots are removed by thermal methods, they must be removed in accordance with established written procedures consistent with the temperature limitations of § 192.105(b) or § 195.106(a), as appropriate.

The MTB is studying the problems of hard spots in steel pipe to determine the need for a possible requirement for detection and removal of such hard spots under operating conditions that are hazardous or likely to become hazardous. Currently, we have insufficient information to make such a determination.

The MTB has determined that this document does not require a full draft evaluation, since the proposal has a minimal impact upon the industry. The proposal is a relaxation of present temperature limitations to permit hard spots to be removed from cold expanded steel pipe by heat tempering when the operator wishes to do so.

In consideration of the foregoing, MTB proposes that Title 49, Code of Federal Regulations, Parts 192 and 195 be amended as follows:

1. By revising § 192.105(b) to read as follows:

§ 192.105 Design formula for steel pipe.

* * * * *

(b) If steel pipe that has been subjected to cold expansion to meet the SMYS is subsequently heated, other than by welding or stress relieving as a part of welding, the design pressure is limited to 75 percent of the pressure determined under paragraph (a) of this section if:

(1) The temperature of the pipe exceeds 482° C (900° F) at any time; or
(2) The temperature of the pipe is held above 316° C (600° F) for more than 1 hour.

2. By amending the description of the term "F" in § 195.106(a) as follows:

§ 195.106 Internal design pressure.

(a) * * *

F=A design factor of 0.72, except that a design factor of 0.60 is used for pipe, including risers, on a platform located offshore or on a platform in inland navigable waters, and 0.54 is used for pipe that has been subjected to cold expansion to meet the specified minimum yield strength and has been subsequently heated, other than by welding or stress relieving as a part of welding, to a temperature higher than 482° C (900° F) for any period of time or over 316° C (600° F) for more than 1 hour.

* * * * *

3. By adding a new paragraph (c) to § 192.713 to read as follows:

§ 192.713 Transmission Lines; permanent field repair of imperfections and damages.

* * * * *

(c) If hard spots are removed by thermal methods, they must be removed in accordance with written procedures which ensure that the temperature and time limitations of § 192.105(b) are met.

4. By adding a new paragraph (c) to § 195.422 to read as follows:

§ 195.422 Pipeline repairs.

* * * * *

(c) If hard spots are removed by thermal methods, they must be removed in accordance with written procedures which ensure that the time and temperature limitations of § 195.106(a) are met.

(49 U.S.C. 1672; 49 U.S.C. 1804; 18 U.S.C. 831-835; 49 CFR 1.53, Appendix A of Part 1, and Appendix A of Part 106.)

Issued in Washington, D.C., on September 7, 1979.

Cesar De Leon,

Associate Director for Pipeline Safety Regulation, Materials Transportation Bureau.

[FR Doc. 79-23482 Filed 9-12-79; 8:45 am]

BILLING CODE 4910-82-M

[49 CFR Part 195]

[Docket PS-53, Notice 3]

Transportation of Liquids by Pipelines; Valve Spacing on Pipelines Carrying Highly Volatile Liquids

AGENCY: Materials Transportation Bureau, DOT.

ACTION: Amended Notice of Proposed Rulemaking.

SUMMARY: This notice is intended to resolve conflicting information received as the result of Notice 1, Docket No. PS-53, that proposed to require the installation of remotely controlled valves at 7.5 mile intervals on pipelines transporting highly volatile liquids (HVL). This notice proposes alternative courses of regulatory action that would require remotely controlled valves on HVL pipelines at pump stations and terminals or at intervals spaced in accordance with a class location concept similar to that in 49 CFR, Part 192 for gas transmission pipelines.

DATES: Comments must be filed by October 30, 1979. Late filed comments will be considered as far as practicable. As discussed hereafter, a public hearing will be held October 11, 1979 at 9 a.m.

ADDRESS: Comments must be sent in triplicate to the Docket Branch, Materials Transportation Bureau, U.S. Department of Transportation, Washington, D.C. 20590.

The public hearing will be held in Room 2230 at Nassif Building, 400 7th Street, SW., Wash., D.C.

FOR FURTHER INFORMATION CONTACT: Frank Robinson, 202-426-2392.

SUPPLEMENTARY INFORMATION: Need for This Amended Notice

To ensure that carriers can rapidly isolate a failed section of pipeline carrying a highly volatile liquid (HVL) and thereby reduce the amount of commodity spilled and the ensuing accident effects, the MTB published a notice (43 FR 39402, September 5, 1979) proposing the installation of automatic or remotely controlled valves at 7.5 mile intervals or less on new pipelines transporting HVL in inhabited areas. The notice also provided for equipping existing valves located more than 3.75 miles from another valve on existing

HVL pipelines in inhabited areas with remote control. An inhabited area was defined in the notice as " * * * an onshore area that extends 1 mile on either side of any continuous 2-mile length of the pipeline that has more than 10 buildings intended for human occupancy. * * * " A definition of a highly volatile liquid was adopted in Amendment 195-15 under Part 195 in Notice 3 of Docket PS-51 (44 FR 41197, 16 July 1979), and is repeated here: "Highly Volatile Liquid or 'HVL' is a commodity which will form a vapor cloud when released to the atmosphere and which has a vapor pressure exceeding 276 kpa (40 psia) at 37.8° C (100° F)."

Sixteen commenters responded to the notice. There was a great disparity of conflicting views in the responses to the notice. Some totally rejected the idea of installing valves. Others recommended installing valves only at pump stations and terminals. Still others recommended adopting the valve spacing requirements of Part 192 for gas transmission pipelines or some variation thereof. Few of the recommendations were well supported with information demonstrating how the recommendation would be effective. In view of the disparity of views, and the general lack of supporting information, the MTB believes a search for further information is appropriate before selecting a final course of regulatory action.

The notice stated that HVL pipeline spills pose a greater hazard than spills of other liquids and quoted Departmental pipeline accident statistics which showed that HVL accidents caused 66 percent of the deaths, 50 percent of the injuries, and 30 percent of the property damage, although HVL accidents comprised only 10 percent of the total liquid pipeline accidents. Four commenters from industry noted that these statistics represent an average of four deaths per year, seven injuries per year and \$500,000 of property damage annually. One of these commenters argued that a single accident of another transportation mode carrying HVL's could generate accident figures that would far exceed the total for all HVL pipelines for a year. Another commenter from industry maintained that the relatively small effects from HVL pipeline accidents indicated that a problem does not exist. The National Transportation Safety Board (NTSB) viewing the same figures, stated in its comments that there is an urgent need for rulemaking to require pipeline carriers of highly volatile liquids to take those actions necessary for the rapid shutdown of a failed

section of HVL pipeline in order to reduce the accident effects.

The MTB believes that the accident records clearly show HVL to be more hazardous than other commodities. The MTB further believes that a review of past accident statistics is not sufficient by itself to assess the potential hazard of an HVL spill in a populated area. The MTB believes that a significant spill of HVL in a populated region resulting in a vapor cloud covering a large area could cause a major disaster that would dwarf any previous HVL pipeline accident. It is this inordinate potential for damage together with the record of past accidents illustrating the hazardous nature of a HVL that leads the MTB to conclude that accidental spills of HVL are indeed a serious safety problem.

Information cited in Notice 1 further shows that rapid shutdown, limiting the amount of commodity released from a failed pipeline section, can reduce the accident effects. Most commenters agreed directly or by inference that remotely operated valves located upstream and downstream from the leak site can serve to reduce the amount of commodity spilled by rapidly isolating a failed section from pressurized sections of the pipeline. However, there was disagreement among the commenters concerning the appropriate number and location of such valves. More important, there was also disagreement over whether a reduction in the amount of commodity spilled by operation of closely spaced valves would reduce the potential for damage from a spill.

Five commenters argued with regard to flammable HVL that placing remotely controlled or automatic valves along a pipeline at 7.5 mile intervals as proposed in the NPRM would not reduce the potential for damage from a spill any more than spacing valves at much greater intervals. These commenters argued that the damage from a flammable HVL accident is caused by the initial ignition and burning of the vapor cloud and that the subsequent continuing spillage does not increase the size of the fire and therefore does not increase the damage. Consequently, the amount spilled before ignition occurs (i.e., the size of the vapor cloud) would have to be reduced in order to reduce the potential for damage. These commenters argued that the critical factors in reducing the amount spilled before ignition is (1) the time required to (a) detect the leak, (b) shut down pump stations to stop normal flow to the failed pipeline section, and (c) close valves on each side of the leak site to help reduce pressure in the failed section and (2) the necessity of performing these operations

in the order given. These commenters argued that because HVL is relatively incompressible, loss of a small amount of HVL will reduce the pressure in long lengths of pipeline. Hence, valves on each side of the leak site located at large distances such as at pump stations and terminals will reduce pressure in the failed section as effectively as valves spaced at closer intervals. These commenters argued that any further segmenting of the pipeline by closing intermediate valves would not reduce the damage from an initial spill because ignition would occur before such valves could be closed. These commenters recommended that remotely operated valves be required only at pump stations and terminals. One of these commenters, the American Petroleum Institute (API) estimated the cost to bring existing pipelines into compliance with the proposed valve spacing requirements as \$160 million and would not produce a comparable benefit. Other commenters argued against the proposal on the basis of an unfavorable cost/benefit ratio.

The MTB questions the validity of the argument that closely spaced valves would not be more effective than valves spaced at greater distances in view of the inconsistency between this argument and industry's recommended practice in American National Standards Institute (ANSI) B31.4 Code "Liquid Petroleum Transportation Piping Systems". Paragraphs 434.15.2(c) and (f) of ANSI B31.4, 1974 edition require remotely operated valves at 7.5 mile intervals maximum on piping systems transporting LPG in residential, commercial and industrial areas. Furthermore, Paragraph 434.15.1 states "Block and isolating valves shall be installed for limiting hazard and damage from accidental discharge and for facilitating maintenance of the piping system." Three industry commenters supported the valve spacing provision of the B31.4 Code. If the closely spaced valves will not reduce the accident effects as some commenters argue, why does the B31.4 Code recommend such valves for installation in populated areas? If the distance between valves has no significant effect on accident damage, why does the B31.4 Code recommend spacing at 7.5 mile intervals maximum? Why does B31.4 require these valves to be remotely controlled? The MTB requests comments and analyses concerning the effect of closely spaced and remotely controlled valves on the potential for damage of an accidental spill of flammable HVL.

Although the commenters did not raise the issue, the MTB also requests

similar comments and analyses regarding spills of nonflammable HVL such as anhydrous ammonia. Presumably the argument against installing closely spaced valves on pipelines transporting flammable HVL will not hold true for nonflammable HVL because a vapor cloud of nonflammable HVL and the attendant hazard will continue to increase in size as the spill continues. The MTB specifically requests replies to the questions just raised.

Three industry commenters and one individual recommended that class locations and valve spacing requirements of 49 CFR, Part 192 (§ 192.179) for gas transmission lines or some variation thereof be adopted for HVL pipelines. The apparent basis for this recommendation is that a safety standard suitable for HVL pipelines should not be any less stringent than the standard for gas pipelines.

Considering the differences in the nature of the hazard created when each commodity is released to the atmosphere, will adoption of valve spacing requirements of 49 CFR, Part 192, § 192.179 reduce accident effects on HVL pipelines? Must such valves be remotely controlled for rapid closure in order to be effective? Comment on these issues is specifically requested.

Three commenters argued that the proposed valves spaced at 7.5 mile intervals would create hazards. These commenters argued that such valves would be subject to unauthorized operation, vandalism, or sabotage and would increase the complexity of the pipeline which would result in accidents caused by mechanical failure. Here again, the MTB notes the inconsistency between the argument of these commenters and the requirements of ANSI B31.4. Comment on this issue is specifically requested.

Amended Notice of Proposed Rulemaking

From the foregoing, it is apparent that the information on hand is conflicting and inconclusive. As a result, by this notice the MTB is amending the original proposal in Notice 1 to propose adoption of two alternative valve spacing requirements and to request further comments regarding valve spacing as a means of reducing the effects of HVL pipeline accidents.

One alternative proposal would adopt the concept of class locations and valve spacing requirements similar to the requirements of §§ 192.5 and 192.179 of 49 CFR, Part 192 for new HVL pipelines and for existing HVL pipelines which are relocated, replaced or otherwise changed. However, as in Notice 1, the

proposed valves would be remotely controlled from attended locations and the class location unit would be an area that extends 1 mile on either side of any continuous 2 mile length of pipeline in order to cover the area subjected to hazard by an accidental release of HVL. This size of class location unit was chosen because HVL can migrate as far as 1 mile before being ignited or dispersed (see National Transportation Safety Board report NTSB-PSS-71-1, "Effects of Delay in Shutting Down Failed Pipeline Systems and Methods of Providing Rapid Shutdown).

Because the proposed class location unit is 16 times as great in area as the class location unit in Part 192, the number of buildings describing the proposed various onshore class locations would be increased by a factor of 16. Thus, a proposed class 1 location would have 160 or less buildings intended for human occupancy; a proposed class 2 location would have more than 160 but less than 736 buildings; a proposed Class 3 location would have 736 or more buildings, or an area of public assembly or building normally occupied by 20 persons or more within 1 mile of the pipeline; and a class 4 location would be an area where buildings with 4 or more stories above ground are prevalent. The spacing of valves for each class location would be the same as that in § 192.179 specifically: at 20 mile spacing in Class 1 locations; at 15 mile spacing in Class 2 locations; at 8 mile spacing in Class 3 locations, and at 5 mile spacing in Class 4 locations. As in Notice 1, valves would not be required offshore.

Under this proposal, existing valves on existing pipelines would have to be equipped for remote control from attended locations unless they are located within one half of the required spacing from a remotely controlled valve.

If commenters believe that the class location concept would be an effective option, but the number of class locations or density of buildings or valve spacing should vary from the requirements of Part 192, the MTB solicits views and supporting information regarding such variations. The MTB also solicits information regarding the costs of adopting valve spacing similar to the requirements of Part 192 or variations of those requirements.

The second proposed alternative would require installation of remotely controlled valves from attended locations on both new and existing onshore HVL pipelines to permit isolation of pipeline segments from pump station to pump station and from pump station to terminal. As in the first

alternative, the MTB solicits information regarding the effectiveness and cost of this proposal.

It should be noted that neither of these alternative proposals provides for the installation of automatic valves in lieu of remotely controlled valves as did the proposal in Notice 1. Some of the responses to Notice 1 indicated that automatic valves are not reliable especially in pipelines transporting several commodities of different physical characteristics such as might frequently be found in HVL pipelines. For this reason, the option to use automatic valves has been deleted in these proposals.

The eventual selection of a final rule may be one of these two proposals or some modification thereof and will depend largely on which alternative most effectively reduces the accident effects.

Public Hearing

In addition to written comments submitted to the Docket Room, the MTB will conduct a public hearing concerning this notice to give all interested persons ample opportunity to furnish further supporting information. The public hearing will be conducted at 9:00 a.m., October 11, 1979 in Room 2320, Nassif Bldg., 400 Seventh Street, S.W., Washington, D.C. The hearing will be an informal one, not a judicial or evidentiary type of hearing. There will be no cross examination of persons presenting statements. A staff member of the MTB will make an opening statement outlining the matter set for hearing. Interested persons will then have an opportunity to present their initial oral statements.

After all initial oral statements have been completed, those persons who wish to make rebuttal statements will be given an opportunity to do so in the same order in which they made their initial statements. Additional procedures for the conduct of the hearing will be announced at the hearing.

Interested persons are invited to attend the hearing and present oral or written statements on the matters set for hearing. These statements will be made a part of the record of the hearing, the transcript of which will be a matter of public record. Persons who wish to make oral statements at the hearing should notify the Office of Pipeline Safety Regulation or call Toni Reed at (202) 426-2392 by September 27, 1979, stating the amount of time required for his initial statement. All communications concerning the hearing should be addressed to the Associate Director for Pipeline Safety Regulation,

Materials Transportation Bureau,
Department of Transportation, 400
Seventh Street, S.W., Washington, DC
20590.

The MTB has determined that the alternative proposals would not result in a major economic impact under the terms of Executive Order 12044 and DOT implementing procedures (44 FR 11034). A draft regulatory evaluation is available in the docket.

(18 U.S.C. 831-835, 49 U.S.C. 1655, 49 CFR, Part 1.53(b), Appendix A of Part 1, and Appendix A of Part 106.)

Issued in Washington, D.C., on September 7, 1979.

Cesar De Leon,
Associate Director for Pipeline Safety
Regulation, Materials Transportation Bureau.

[FR Doc. 79-28483 Filed 9-12-79; 8:45 am]

BILLING CODE 4910-62-M

INTERSTATE COMMERCE COMMISSION

[49 CFR Part 1104A]

[Ex Parte MC129]

1977-1978 Platform Study of Class I and Class II Motor Common Carriers of General Freight Subject to Accounting Instruction 27

AGENCY: Interstate Commerce
Commission.

ACTION: Notice of proposed rulemaking.

SUMMARY: This rulemaking is to determine whether, and to what extent, the study results and proposals in the newly-released 1977-1978 study of motor common carrier platform handling costs should be adopted by the Commission.

To the extent any of these results or proposals are adopted, the Commission would permit their use by motor common carriers of general freight in proceedings where the allocation of platform handling costs is required. This permission would be made explicit by the creation of a new Part 1104A of Title 49, Chapter X, of the Code of Federal Regulations.

DATES: Statements of intent to participate (an original and one copy) should be filed no later than September 20, 1979. Parties actively participating will be required (1) to file an original and 15 copies with the Commission and (2) to serve on all parties appearing on the service list a copy of all written representations. A service list will be sent to all parties in sufficient time to enable them to comply with the filing deadline. Opening written

representations should be filed with the Commission on or before November 13, 1979. Replies should be filed on or before December 3, 1979.

ADDRESSES: All written submissions, including requests for copies of the report (entitled 1977-1978 Motor Carrier Platform Study, Statement 2S1-79), shall be sent to: Office of Proceedings, Room 5356, Interstate Commerce Commission, Washington, D.C. 20423.

FOR FURTHER INFORMATION CONTACT:
Harvey Gobetz (202) 275-7656.

SUPPLEMENTARY INFORMATION: The Interstate Commerce Commission has recently released the report containing the results of its 1977-1978 study of motor carrier platform handling costs. Copies of the report are available upon request to the Commission. This proceeding specifically undertakes to elicit public comments and opinion concerning this study.

If these study results or proposals are adopted, carriers would be allowed to incorporate them into formulas such as Highway Form A, *Formula for the Determination of the Costs of Motor Carriers of Property*, which would determine the manner of allocating those expenses assigned to performing platform operations for the various kinds of shipments. This particular cost formula is used for determining average costs by motor common carriers of general freight.

The report contains two major proposals based on analysis of study results.

First, it is proposed that platform expenses be allocated on the basis of both pieces and weight. The current Highway Form A procedure provides that platform expenses be distributed on the basis of weight (cwt.) and density (pounds per cubic foot). However, because the study results show platform handling time to be a function of pieces and weight, platform expense allocation would proceed along these lines.

The lack of sufficient data prevents the immediate implementation of a costing procedure which best reflects both the weight and piece factors. The "short" procedure relies heavily on the construction of the number of shipments platformed and on use of the "weight alone" formula which does not show the difference in handling time for shipments with different numbers of pieces. The "long" method more accurately distributes platform costs than the "weight alone" method. However, since the "short" procedure can provide immediately useful results, it is proposed that this procedure be used where

appropriate data necessary for use of the preferred method is unavailable.

Second, it is proposed that a national equation be used in lieu of regional combinations. Data from the standard 13 regions were combined into four regional groupings on the basis of statistical tests. It was found that these regional groupings had little in common in terms of geography or operations, and those groupings found statistically homogeneous for the "weight and piece" equation differed from those found homogeneous for the "weight alone" equation.

The text of the proposed rule appears in the appendix to this notice.

The written representations may include views as to the reliability of the study results both in an absolute sense and in terms of relative usefulness when compared to the current manner of allocating platform expenses.

If we approve the procedures recommended in the study for the allocation of platform handling costs, we propose not to entertain challenges to the validity of those procedures in subsequent individual rate proceedings. However, we would still consider challenges concerning such matters as whether the carriers have properly applied the procedures or whether the carriers' underlying data are valid.

Participants should indicate in the statement of intent whether they intend to participate actively, in which case they will be placed on the service list, or whether they merely wish to receive copies of decisions of the Commission. Participants actively participating in this proceeding by submitting written representations must serve copies of their representations on all parties appearing on the service list. All replies to written representations must similarly be served.

Participants seeking oral hearing should include in their written request a brief outline of likely questions to be asked.

This proposed rule does not appear to affect significantly the quality of the human environment or conservation of energy resources.

This rulemaking is instituted pursuant to 49 U.S.C. 10321 and 5 U.S.C. 553, 559,

Decided: August 31, 1979.

By the Commission, Chairman O'Neal, Vice Chairman Stafford, Commissioners Gresham, Clapp, Trantum, and Gaskins. Commissioner Gresham not participating. Commissioner Gaskins not participating.

Agatha L. Mergenovich,
Secretary.

Appendix

It is proposed in this rulemaking that Chapter X of Subtitle B of Title 49 of the

¹Formerly docketed as No. 36388.