

Gas Property Damage Reporting Threshold – Part 191 Appendix A February 15, 2023

Pursuant to the procedures in Appendix A to 49 CFR Part 191, PHMSA is updating the property damage threshold used in the definition of a gas pipeline incident in § 191.3 to \$139,700. This new threshold is effective on July 1, 2023.

Background

PHMSA published the final rule, “Pipeline Safety: Gas Pipeline Regulatory Reform,” on January 11, 2021 (86 FR 2210). This rule revised the threshold for reporting of gas incidents by amending the definition of an incident in §191.3 and establishing procedures for periodic inflation adjustment for the property damage threshold criterion. The final rule was effective March 3, 2021.

The final rule revised the property damage threshold from \$50,000 to \$122,000, including loss to the operators and others, or both, but excluding the cost of gas lost, consistent with Consumer Price Index - Urban (CPI-U) inflation between 1984 and 2019. The final rule also created Appendix A to Part 191 establishing procedures for regular inflation adjustments of the property damage threshold. The revised threshold is calculated using the following formula and posted to PHMSA’s website to be effective July 1 of each year:

$$T_r = T_p \times \frac{CPI_r}{CPI_p}$$

To calculate the 2023 property damage threshold, the equation is:

T_r is the revised 2023 damage threshold

T_p is the previous 2022 damage threshold = \$129,300

CPI_r is the average CPI-U published by the Bureau of Labor Statistics each month during calendar year 2022 = 292.7

CPI_p is the average CPI-U for calendar year 2021 used to establish the 2022 property damage threshold = 271.0

CPI-U values can be accessed from <https://www.bls.gov/cpi/>

The 2023 property damage threshold is rounded to the nearest hundred dollars.

Gas Pipeline Incident Property Damage Threshold History

Year	Effective Dates	Threshold
2023	July 1, 2023 through June 30, 2024	\$139,700
2022	July 1, 2022 through June 30, 2023	\$129,300
2021	March 3, 2021 through June 30, 2022	\$122,000