

Pipeline and Hazardous Materials Safety Administration

1200 New Jersey Avenue, SE Washington, DC 20590

June 10, 2024

Ms. Julie Lang Director of Regulatory Compliance Leesburg, LP 3963 Maple Avenue, Suite 300 Dallas, TX 75219

Dear Ms. Lang:

In a letter to the Pipeline and Hazardous Materials Safety Administration (PHMSA), dated September 15, 2023, you requested an interpretation of the Federal pipeline safety regulations in 49 Code of Federal Regulations (CFR) Part 195 with respect to applying the control room management (CRM) requirements under § 195.446 to a natural gas liquid (NGL) facility in Crockett County, Texas.

You stated during a recent Texas Railroad Commission (RRC) audit, RRC cited you stating, "Leesburg LP remotely monitors and operates 1.8 miles, [4-inch diameter] regulated NGL pipeline and does not have a control room management plan. Leesburg personnel are capable of remotely operating pressure influencing equipment (pump) located upstream of the pipeline system and monitor pipeline pressures." You mentioned the PHMSA CRM FAQ A.20 and based on CRM FAQ A.20, Leesburg believes that for the CRM requirement to be applicable, Leesburg LP must have the ability to monitor and control the pipeline outside of the facility boundaries, but you do not believe that is the case with this pipeline system. You described your pipeline system as follows:

- 1. There are no pumps, sensors or remote-controlled valves "outside the fence" that affect or could affect the 4-inch diameter NGL pipeline (Pipeline).
- 2. The SCADA system is designed to monitor the liquids handling facility. The components associated with the Pipeline are dedicated to sales product delivery and all located within the facility fence line.
- 3. The pump referenced in the comment above must be manually started. Although the pump can be remotely shut down, that decision would be based on completion of the sales process not due to pipeline conditions.
- 4. The designed maximum pressure that the pump can operate is lower than the Pipeline maximum operating pressure. Therefore, the pump has no ability to overpressure the pipeline.
- 5. In the event that abnormal operating conditions were detected on the pipeline (low or high pressure) the pump would shut down automatically.

6. Leesburg personnel have no ability to control any portion of the Pipeline outside of the fence line.

You asked PHMSA if this pipeline system is required to meet the CRM requirements under § 195.446.

To respond to your request, the applicable CRM requirement is reprinted below.

§ 195.446 Control room management.

(a) *General*. This section applies to each operator of a pipeline facility with a controller working in a control room who monitors and controls all or part of a pipeline facility through a SCADA system. ...

A controller is defined as "a qualified individual who remotely monitors and controls the safetyrelated operations of a pipeline facility via a SCADA system from a control room, and who has operational authority and accountability for the remote operational functions of the pipeline." 49 CFR § 195.2.

PHMSA CRM FAQ A.20 further clarifies that the control room management requirements may not apply if an operator has a local control room and station personnel that monitor and control a local operation that is completely within the fenced boundary of the local facility.

From your request, it is not clear to PHMSA if your system is monitored and controlled within a fenced boundary because you stated, "Leesburg personnel have no ability to control any portion of the pipeline outside of the fence line." However, you have stated, "The pump referenced in the comment above must be manually started. Although the pump can be remotely shut down, that decision would be based on completion of the sales process not due to pipeline conditions." This remote shut down action would directly impact the pipeline system including that portion of the pipeline beyond the fence line. Further, the manual action described to start the pump does not eliminate the fact that this action can be directed by a controller.

In a separate communication, RRC asserts that your personnel are capable of remotely operating pressure-influencing equipment (pump) located upstream of the pipeline system and monitoring pipeline pressures.

Your response is not clear who has responsibility for the pipeline outside of the fence line including that of detecting and responding to both abnormal operating and emergency conditions. You stated, "The designed maximum pressure that the pump can operate is lower than the pipeline operating pressure. Therefore, the pump has no ability to overpressure the pipeline." But this does not address abnormal operating and emergency conditions associated with a leak. Additionally, you stated, "In the event that abnormal operating conditions were detected on the pipeline (low or high pressure) the pump would shut down automatically." However, this statement is irrelevant to the determination of whether a control room exists. PHMSA interpretations reflect PHMSA's current application of the regulations to the specific facts presented by the person requesting the clarification. Interpretations are not generally applicable, do not create legally-enforceable rights or obligations, and are provided to help the specific requestor understand how to comply with the regulations.

Based on the information reviewed, including the fact that you utilize a SCADA system used by individuals who monitor and control the pipeline, it seems that your facility is required to comply with applicable CRM requirements under 49 CFR § 195.446. PHMSA recommends, however, that the necessary facts to enable a more definitive conclusion should be determined through an inspection by RRC.

If we can be of further assistance, please contact Tewabe Asebe at 202-366-5523.

Sincerely,

John A. Gale Director, Office of Standards and Rulemaking



September 15, 2023

Mr. John Gale, Director Standards and Rulemaking Office of Pipeline Safety Pipeline and Hazardous Materials Safety Administration U.S. Department of Transportation 1200 New Jersey Avenue S.E. Washington, DC 20590-0001

Re: Request for Written Interpretation Applicability of Control Room Management

Dear Mr. Gale,

Leesburg, LP owns and operates a Liquids Handling Facility with a regulated 4 inch NGL pipeline located in Crockett County, Texas. During a recent Texas Railroad Commission audit, Leesburg was cited for an alleged violation for failure to have or follow written control room management procedures that implement the requirements of 49 CFR 195.446 with the following comment, "Leesburg LP remotely monitors and operates 1.8 miles of an NGL regulated pipeline and does not have a Control Room Management Plan. Leesburg personnel are capable of remotely operating pressure influencing equipment (pump) located upstream of the pipeline system and monitor pipeline pressures." Leesburg respectfully disagrees with the interpretation that the 4 inch pipeline is subject to this requirement. Leesburg hereby requests a written interpretation regarding the applicability of 49 CFR § 195.446.

Control Room Management FAQ A.20

A.20 Does the CRM rule apply to a local control room and station personnel that monitor and control a local operation that is completely within the fenced boundary of the local facility?

Field personnel who exclusively operate station equipment within the defined station boundaries (fence lines or property/map boundaries) and who are not responsible for connected pipelines beyond the boundaries are not considered to be remotely monitoring and controlling a pipeline. Therefore, such personnel are not considered to be controllers. However, field personnel who operate station equipment within the station boundaries and also have either full-time or part-time control room operational responsibility for connected regulated pipelines beyond the station boundaries are considered controllers.

Based on the response to this FAQ, Leesburg contends that for the CRM requirement to be applicable the Operator must have the ability to monitor AND control the pipeline outside of the facility boundaries. This is not the case in this scenario.



With respect to the aforementioned 4 inch NGL pipeline

- 1. There are no pumps, sensors or remote controlled valves "outside the fence" that affect or could affect the 4 inch line.
- 2. The SCADA system is designed to monitor the Liquids Handling Facility. The components associated with the pipeline are dedicated to sales product delivery and all located within the facility fence line.
- 3. The pump referenced in the comment above must be manually started. Although the pump can be remotely shut down, that decision would be based on completion of the sales process not due to pipeline conditions.
- 4. The designed maximum pressure that the pump can operate is lower than the pipeline operating pressure. Therefore the pump has no ability to overpressure the pipeline.
- 5. In the event that abnormal operating conditions were detected on the pipeline (low or high pressure) the pump would shut down automatically.
- 6. Leesburg personnel have no ability to control any portion of the pipeline outside of the fence line.

Based on these circumstances, please confirm that the CRM requirements under 195.446 would NOT apple.

Please let me know if any additional information is needed. My contact information is below. Your prompt attention to this matter would be greatly appreciated.

Sincerely, Julie Lang

Director, Regulatory Compliance Representing Leesburg, LP jlang@leesburglp.com 817-312-5517