

Conference Call Notes: Casing Quality Action Team Meeting

The Casing Quality Action Team held a conference call on April 15 to discuss the approval process for finalized documents and review the status of documents that are currently being developed.

Max Kieba welcomed all of the task group members to the call and asked if any revisions need to be made to the March meeting summary distributed by Dave Berger. None of the task group members had comments.

Max discussed the disclaimer language that was previously developed by the task group. Alan Mayberry is talking to Zach Barrett to ensure the disclaimer language is used in a manner that is consistent with similar joint industry efforts. PHMSA is discussing the language internally, but have confirmed that the requirements agreed upon for the task group's documents will not be applied in a retroactive manner. As long as operators performed due diligence when completing assessments of cased pipe segments, work completed prior to the publishing of the task group's documents will be accepted. The language clarifying the application of the task group's work will be published on the task group's website or on the individual documents. Alan M. will provide a final answer regarding how the language will be used and how it will be disseminated to industry in the near future.

Various members in the task group requested that PHMSA clarify how disagreements on task group documents will be resolved. The task group would like PHMSA to clarify how disagreements will be noted for public record and how final decisions will be made. Max noted that PHMSA would like to obtain a consensus on all task group documents, but, when disagreements arise and task group members are unable to agree on a resolution, PHMSA will make the final decision. After the documents are finalized and released to the public, a public meeting will be held. During the public meeting, industry will have the opportunity to question the task group and provide feedback regarding the findings of the group. At this time, members of the task group will be able to indicate their opposition to portions of the documents. After the public meeting, Max would like the task group to meet to discuss issues that arise at the workshop and identify potential solutions. If the task group is not able to agree on how to address these concerns, PHMSA will make the final decision.

Max noted that PHMSA would like all stakeholders to continue to communicate openly and obtain compromises, when it is possible. PHMSA would like to hear from industry on serious concerns and PHMSA will continue to be open about concerns regarding compliance. Max noted that PHMSA weighs

heavily on what Steve says due to his technical knowledge and experience. Bill Lowry has been brought to the task group to bridge gaps between PHMSA and NACE. Max would like the task group members to review the guidance documents during the Houston meeting and determine whether or not the June 1st deadline is feasible. Max asked the group if they would like to release the documents in several stages or release all of the documents together. Andrew, Garry and Dane requested that all of the documents be released together, as there can be gaps on how the documents relate to each other. The task group agreed that, at the moment, the June 1st deadline can be met. If the package of documents is released on the website on June 1st, comments can be submitted over a couple of months. The group will have the opportunity to review the comments submitted and address them at the workshop. Max informed the task group that the documents can be placed on the docket to gather comments. Mary reminded the group that IMP semiannual reports are due at the end of August. In order to give industry time to submit comments, and incorporate discussion from the workshop in assessments completed this year, the workshop is tentatively scheduled to take place in the beginning of September.

The group reviewed “*Guidance for Monitoring Filled Metallicly Clear Casings-Draft*” provided by Virgil. Virgil informed the task group that this document is intended to be high-level and does not currently encompass all of the ways operators fill the casing annulus or ensure that it remains filled. This document solely applies to casings in HCA areas and Virgil will change the title to clarify this intent. Andrew thanked Virgil for his work, but said that it may be difficult to apply this document to legacy filled casings. The group discussed whether an additional document is needed to address legacy filled casings and whether or not this document should be combined with the wax fill document developed by Mary.

Alan Eastman said that, if an operator knows that the operating temperature is exceeding the melting point of the wax, more frequent monitoring is appropriate. If an operator knows that the operating temperature isn't higher than the liquefying point of the material, the operator should simply check the operating temperature and a physical inspection should not be required on a quarterly basis. Operators with these operating conditions, and who performed a baseline assessment, should be able to physically monitor on a less frequent basis. Alan Eastman noted that the condition of the pipe must be confirmed when considering the monitoring frequency that is needed. He noted that there are concerns with operators that have filled the casing annulus a number of years prior and cannot confirm the current condition of the carrier pipe.

The group began discussing shorted casings that cannot be cleared, and Mary noted that this document does not address monitoring shorted casings. The group agreed that monitoring shorted casings should be discussed to determine what options are available to operators. Mary stated that, prior to the integrity management regulation, PHMSA approved wax filling and/or wax filling with a corrosion inhibitor was an acceptable method to address corrosion in shorted casings. The group will need to discuss how to assess previous work that has been completed by operators to mitigate corrosion on shorted casings. Max stated that PHMSA does not want to automatically give these operators a pass for life. Dane agreed with Alan E. that a baseline assessment is needed to determine the next steps forward. Alan E. informed the group that Consumers has collected a large volume of information on their own system comparing ILI data of cased crossings before and after the casing annulus was wax filled. The group agreed that this information would be useful to review when developing guidance documents. Max would like to make time during the public workshop to discuss shorted casings.

Larry Rankin reviewed "*Cased Pipe Examination Requirements Draft 04-13-09*". Larry noted that the first draft of the document was far too cumbersome. The first draft attempted to define how many casings need to be inspected, depending on the number of casings in a region. The document that was distributed for this conference call was revised to reflect the language and the intent of RP0502. After ECDA regions have been established, this document provides guidance regarding the minimum excavations and direct examinations required for of the ECDA regions. The document was setup to apply to all operating systems, regardless of the number of casings. This reflects the manner in which ECDA is applied to buried pipe in RP0502. Steve noted that, after the document has been reviewed further, PHMSA will ask that language be added to item 5 ("Other techniques that provide an Examination of the condition of the cased pipe") to make it consistent with Sub part O's section on notification requirements for use of other technology. Mary expressed concern and disagreement, noting that tools and techniques are already being utilized to fulfill Direct Examination requirements within the ECDA procedure of various operators in the Northeast. In her mind, notification to PHMSA would only be required if these tools and techniques are used as a stand-alone assessment method. She suggested this particular concept had previously been shared with Zach Barrett and that it had his support. Alan E. and Steve said that the official FAQ interpretation is that it would be viewed as an indirect inspection unless the technology is approved by PHMSA. Max noted that there will be time to review this document and address concerns at the Houston meeting.

Max reviewed the status of the documents that the group has worked on to date:

- *Applicability of ECDA Tools on Cased Pipe Segments:* Garry developed both a Word document and an Excel document. The intent of the group is to distribute both documents. The title will be changed to clarify the group's intent - "Indirect Inspection tool for Cased Pipelines". Mary had a couple suggestions to improve the table, and she will furnish them to Garry for his consideration. The task group can review any proposed changes at the next meeting.
- *Casing Regions Guidelines:* Andrew noted that every operator will have a different approach to defining ECDA regions. AGA members have commented that it's contradictory to require specific procedures in guidance materials. Therefore, AGA suggests that the document be amended so that the "Required" and "Considered" label be deleted for each property. AGA suggests listing the 18 casing and carrier pipe characteristics as items which operators consider when establishing their regions. These could be captured as an audit protocol checklist. Max would like this to be discussed in more detail in Houston, when all of the task group members are present. PHMSA's initial reaction is that the table as-is with "R" and "C" will be a useful and more transparent tool to help regulators to consistently review the audit procedures with operators, and help operators know going into an audit what the regulator feels is an "R" vs. "C" prior to further discussion during the audit. Harry Bryant noted that the document streamlines the audit process for the state regulators. David Chislea stated that he communicated these exact concerns of having an "R" and "C" to the task group when the document was first being developed. David feels that the discussions that have taken place within the group, during the development of this document, have been helpful and the industry can glean valuable information from this table. Alan E. noted that he helped to take the lead on the development of this document with industry. Many members of industry were concerned that PHMSA would require all of the items on the initial list. The columns were added to the limit the focus of the regulators. Alan E. encouraged the group to discuss this in more detail during the Houston meeting.
- *Criteria Constituting a Quality Casing Fill:* Mary is working on incorporating feedback provided by the group. She will have this work finished in time for the meeting in Houston. The group confirmed that this document should remain separate from the document that Virgil developed. The group should work to make sure that both documents are consistent.

Andrew informed the group that AGA spoke with its membership regarding the work that is being completed by the task group. Although the task group had previously discussed the potential of developing a prioritization document, AGA and its members do not feel that this should be developed by the task group. AGA members feel that it is not the role of the task group to develop a guidance document that specifies what represents an immediate, scheduled and monitored condition in their ECDA

procedures. Those on the call were supportive of this idea and agreed prioritization and urgency criteria are ideally left open to the operator and its regulator.

The task group discussed how the final documents will be reviewed by the public when they are published on the website. Members of the industry who were not on the task group, and did not take part in the group's discussions, may find it difficult to identify how the documents relate to each other, and how these documents can be used to provide assistance when baseline assessments are being performed. The group decided that a guidance material should be developed that provides an overview of how the documents relate and how they are intended to be used. Andrew volunteered to develop the first draft of this document.

Max reminded the group that the meeting will be starting at 2pm on Monday, April 27th, in Houston. The meeting will continue through Tuesday, April 28th. The group tentatively scheduled the next in-person meeting for Tuesday, May 26th, in Houston.

Present:

Harry Bryant, North Carolina PUC
David Chislea, Michigan PSC
Alan Eastman, Mears
Mary Holzmann, National Grid
Max Kieba, PHMSA
Bill Lowry, PHMSA
Andrew Lu, AGA
Garry Matocha, Spectra
Alan Mayberry, PHMSA (for part of the meeting)
Steve Nanney, PHMSA
Victoria Plotkin, AGA
Larry Rankin, Corpro
Dane Spillers, Ameren
Virgil Wallace, Williams

Absent:

Dave Berger, Cycla/PHMSA

Bob Fassett, Pacific Gas & Electric

Bob Smith, PHMSA

John West, PHMSA