



U.S. Department
of Transportation
**Pipeline and
Hazardous Materials
Safety Administration**

Hazardous Liquid Pipeline Integrity Management Public Meeting

*May 17 -18, 2005
Houston, Texas*

Office of Pipeline Safety

Welcome

- Agenda Overview
- Meeting Administration
- IM Oversight Program Progress
- IM-Influenced Transformation within OPS



Meeting Agenda - May 17

- *8:30 am*

Opening Remarks

(Jeff Wiese, OPS)

- *9:00 am*

Overview of Industry Perspective

(Marty Matheson, API)

- *9:50 am*

OPS Inspection Process Description

(Don Moore, OPS)



Meeting Agenda - May 17

- *10:20 am*
Lessons Learned from IM Inspections
(Byron Coy & Derick Turner, OPS)
- *11:20 am*
Question and Answer Session
- *12:00 - 1:30 pm*
Lunch Break
- *1:30 pm -* **Industry Perspective on Lessons Learned**
(Operator Panel)



Meeting Agenda - May 17

- *2:30 pm*

Inspection Program Improvements
(Pete Katchmar, OPS)

- *2:50 pm*

NAPSR/OPS Work Group on Small Operator Inspections
(Bruce Hansen, OPS)



Meeting Agenda - May 17

- *3:30 pm*
Unusually Sensitive Areas Pilot Study
(Steve Fischer, OPS)
- *3:50 pm*
**Status of Hazardous Liquid IM
Rulemaking Activities**
(Jeff Wiese, OPS)
- *4:10 pm*
Question and Answer Session



Meeting Agenda - May 18

- *8:30 am*

Industry Perspective on Challenges Ahead
(Operator Panel)

- *10:00 am*

Future Inspection Process
(Rod Seeley & Chris McLaren, OPS)



Meeting Agenda - May 18

- *11:00 am*

Streamlining Federal Repair Permitting: A Progress Report

(Ben Cooper, AOPL & Jeff Wiese, OPS)

- *11:30 am*

Question and Answer Session

- *12:00 noon*

Adjourn



Meeting Administration

- **Safety and Comfort Announcements**
 - Fire Exits, Restrooms, Cell Phones
- **Show of Hands Please**
 - Government, Industry, Vendors
- **Copies of presentations will be available at:**
<http://primis.phmsa.dot.gov/iim>
- **Attendance list is not available**
- **Question and answer format**
 - Please state name and affiliation - keep it simple
 - Written questions are encouraged - cards are available



A Quick Look Back

- Risk Management in the 90's
- Drivers Created by High Profile Accidents
- Both Regulator and Industry Were Questioned, Criticized, and Audited
- Testing Alone Insufficient -Lessons of RMDP and SII
- Workshops in 1999; Rule in 2000; Development in 2001 and 2002
- Different Challenge Created by September 11th



Integrity Management Rule Objectives

- Accelerate Assessments of Lines in High Consequence Areas (HCAs)
- Promote, Rigorous, Systematic Management of Pipeline Integrity
- Improve Government's Role in Oversight of Pipeline Integrity Plans and Programs
- Increase Public Assurance in Pipeline Safety



Integrity Management Oversight Program Objectives

- Transparent IM inspection program development
- Clarity of regulatory expectations
- Nationally consistent oversight program
- Quality of results
- Recognition of the challenges the rule created



Inspection Status

- Liquid IM in 2005

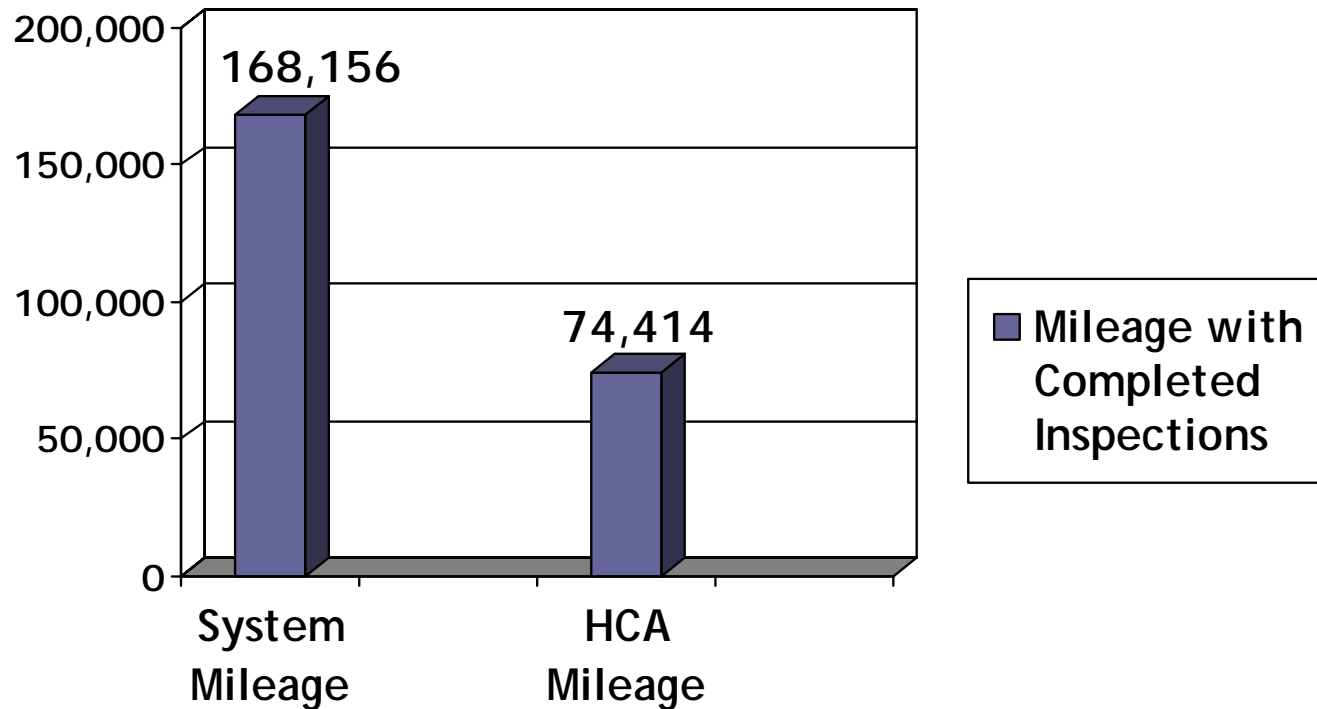
- ☐ Complete the first round of OPS inspections
- ☐ Begin re-inspections of selected larger operators

- Gas IM in 2005

- ☐ Begin initial IM inspections



Hazardous Liquid IM Inspection Progress



98 interstate and > 56 Intrastate operators
inspected through April 2005

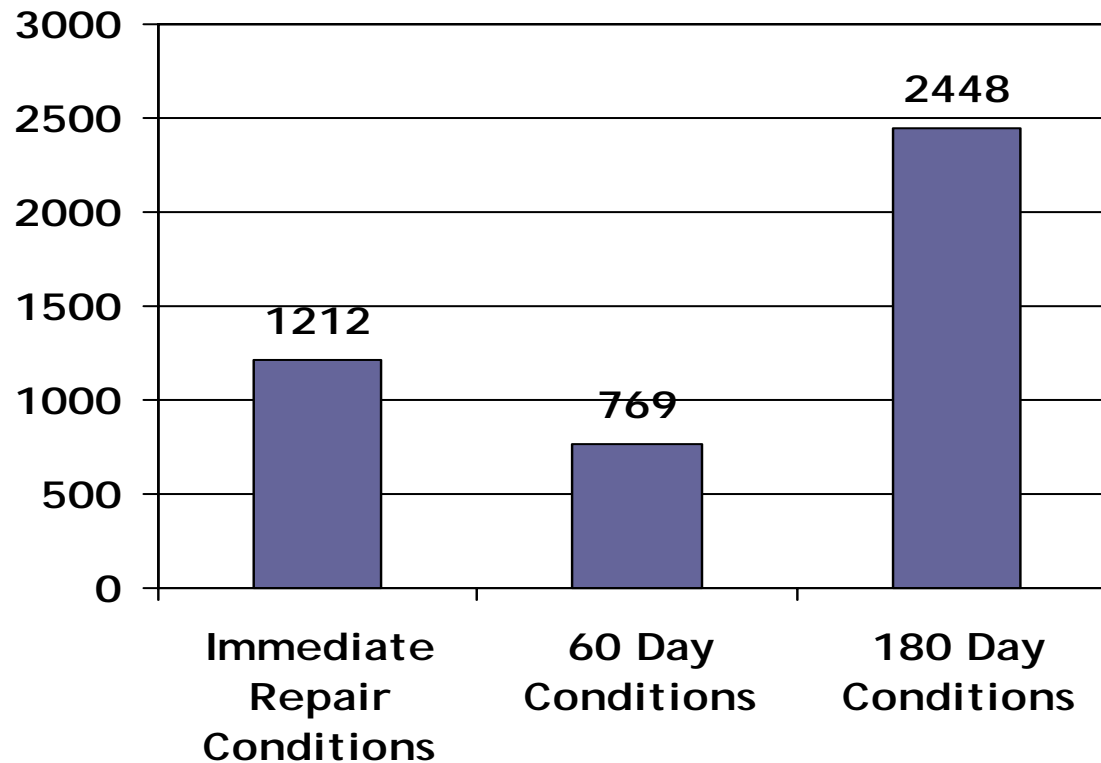


Pipeline Mileage Assessed

- ~82% of all hazardous liquid pipeline will be smart pigged or pressure tested
 - Twice the amount required by the rule
- Operators strongly favor use of high resolution smart pigs
- Pressure testing is predominant method used to address seam issues
 - ~3% of mileage will be assessed with crack detection tools



Integrity Threats Remediated

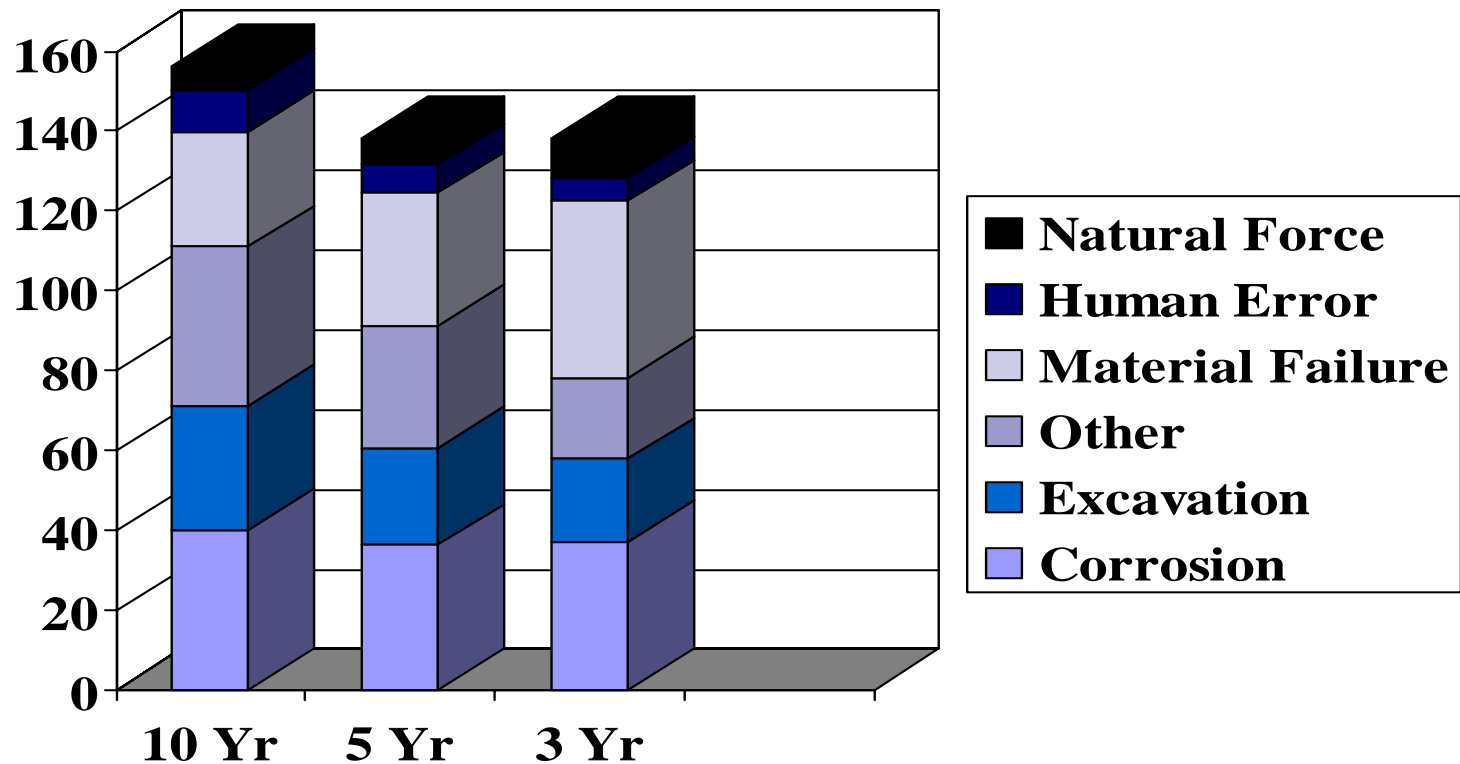


Operators have remediated > 16,000 other conditions in addition to those required by the rule



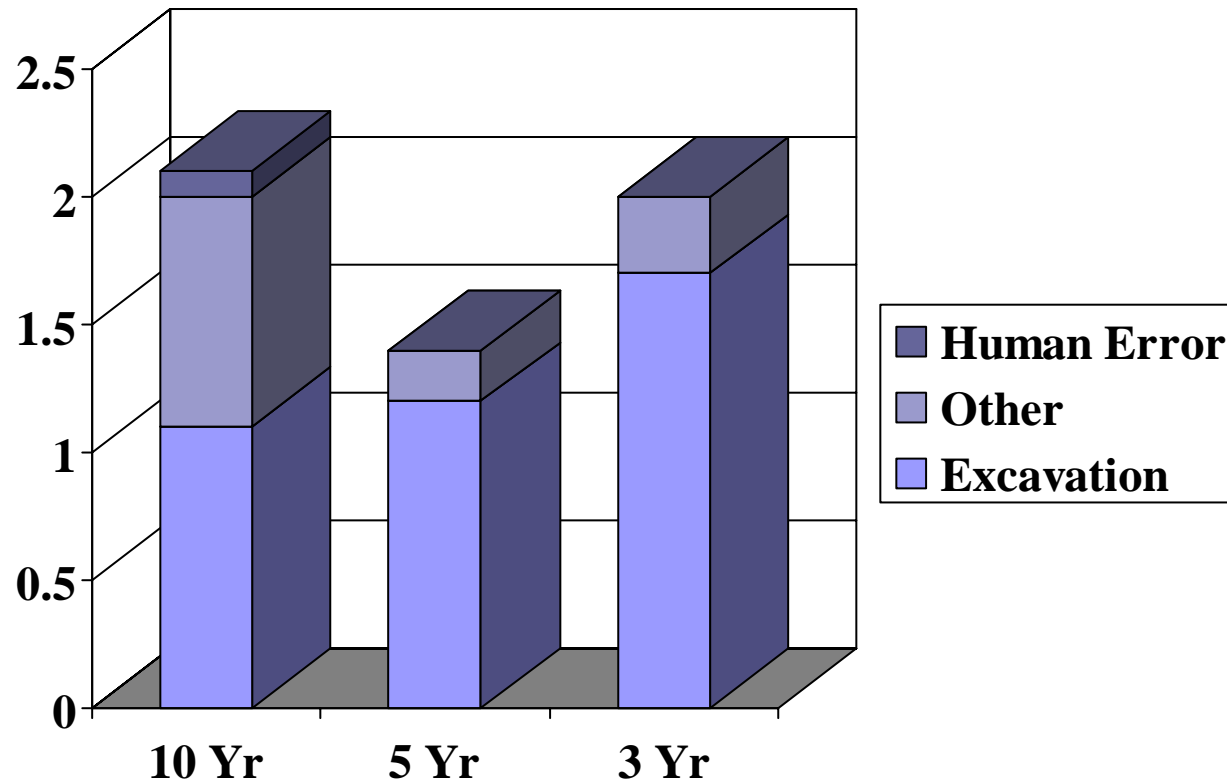
Where Are The Challenges

■ Annual Average Number of HL Incidents



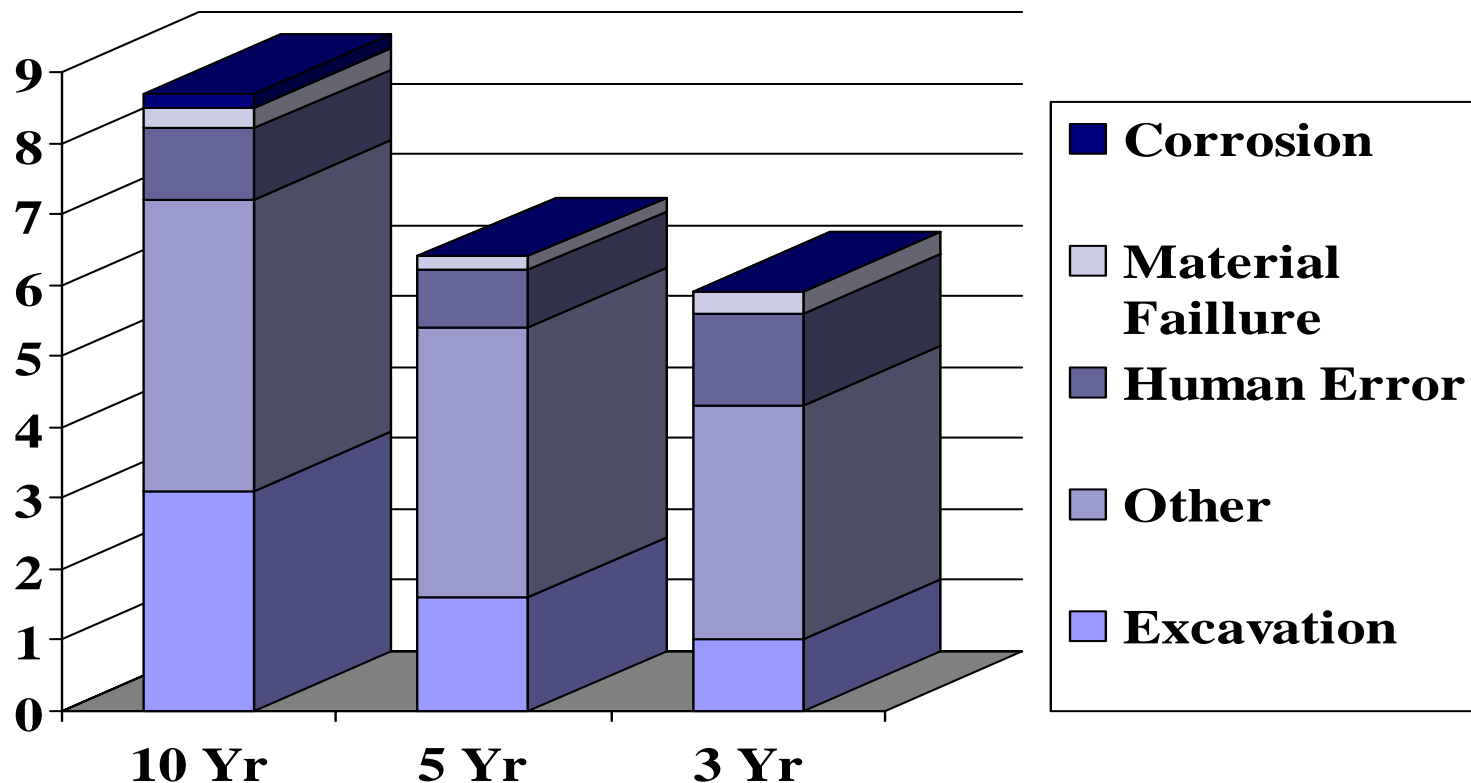
Where Are The Challenges

- Average Annual Number of HL Fatalities



Where Are The Challenges

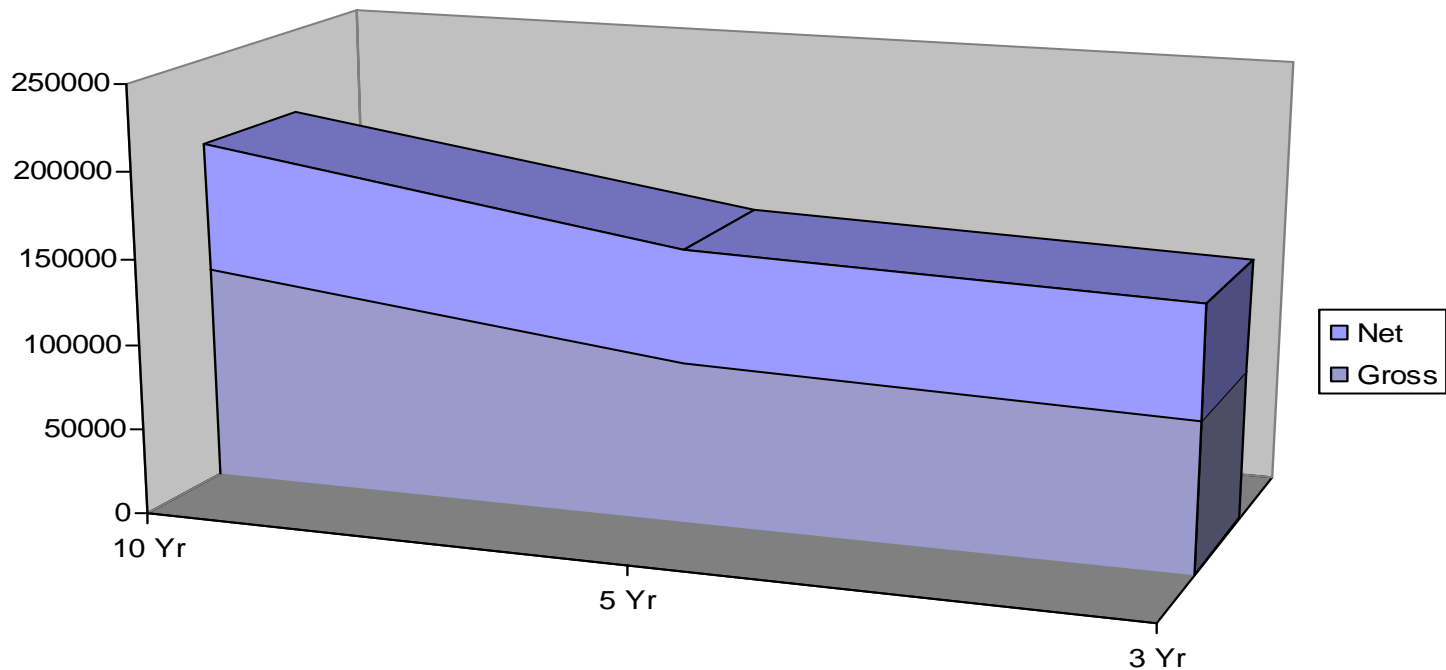
■ Average Annual Number of HL Injuries



Where Are The Challenges

- Average Annual Liquid Spill Volumes

Spill Volumes (barrels)



Observations from Initial Inspections

- Operators generally understand and are implementing the assessment provisions of the rule
- Operators are generally able to meet repair deadlines
- Progress is needed in development of some IM Program Elements
- Strong correlation between IM Program strength and senior management support and awareness



OPS Perspective on Inspection Process

- Operator interactions have been generally cooperative with open communication
- OPS successfully implemented a programmatic inspection approach (vs. “yes/no” checklist)
- Inspection approach continues to evolve and improve
- Enforcement approach strives to promote operator program development and ongoing improvement



IM is Leading a Transformation to a More Risk-Based, Data-Driven OPS

- Increasing agency focus on performance-based planning and management
 - More metrics
 - More accountability for results
- Revamping our strategic planning approach
 - Cascading goals within OPS departments
 - More clearly defined objectives & strategies



Pillars of the OPS Strategic Plan



Using Risk Information to Focus Agency Resources

- Improving the consolidation, analysis, and communication of risk information:
 - IM and other inspections
 - Release statistics
 - Accident analyses
 - Safety-related condition reports
- Developing a compendium of technical information on integrity threats



Using Risk Information to Focus Agency Resources

- Budgeting
- Inspection planning
 - Operator prioritization
 - Inspection focus areas
- Enforcement actions
- Guidance to state programs



Using Risk Information to Focus Agency Resources

- Areas for enhanced training
- Evaluating adequacy of regulations
- Designing new regulatory initiatives
- New program development
- R&D project funding priorities
- Communicating risk information to industry and public
- Strategic planning



Summary

- IM Rule and Oversight Program are achieving our long term objectives
- Operators making good progress in completing assessments; some IM processes need further development
- OPS is also revamping its agency practices to become more risk-based and data-driven



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