

PI-07-0100

U.S. Department of Transportation
Pipeline and Hazardous Materials Safety Administration
400 Seventh Street, S.W.
Washington, D.C. 20590

FEB 16 2007

Mr. Rod Dyck
Pipeline Operations Group Chair
National Transportation Safety Board
490 L'Enfant Plaza, SW
Washington, DC 50594-0001

Re: Gas pipeline incident in West Cote Blanche Bay, Louisiana

Dear Mr. Dyck:

This letter responds to your request for a determination by the Pipeline and Hazardous Materials Safety Administration (PHMSA) of the regulatory status of an 8-inch gas pipeline involved in an incident in West Cote Blanche Bay, Louisiana on October 12, 2006. PHMSA has determined that the pipeline segment involved in the incident is subject to the pipeline safety requirements in 49 C.F.R. § 192.612 based on the depth of water and because the pipeline's location places it within an "inlet" of the Gulf of Mexico for purposes of 49 C.F.R. § 192.3.

The pipeline is an 8-inch gas gathering line operated by Chevron USA, which transports processed gas to gathering systems. The pipeline was apparently damaged when a barge traveling above the pipeline released a spud or stabilizing stake, which penetrated the ground bed and punctured the pipeline, causing an explosion. The line had approximately 24 to 48 inches of cover when the incident occurred. The water depth at the location is approximately 8 feet.

Section 60102(a)(2) of title 49, United States Code, authorizes PHMSA to prescribe standards for gas pipeline transportation. Gas pipeline transportation includes gathering, transmission and distribution of gas by pipeline, but only includes gathering through "regulated gathering lines." The minimum safety requirements for gas pipeline facilities and the transportation of gas are set forth in 49 C.F.R. Part 192. Under § 192.1, these regulations do not apply to the onshore gathering of gas "through a pipeline that is not a regulated onshore gathering line (as determined in § 192.8)" or "within inlets of the Gulf of Mexico, except for the requirements in § 192.612."

PHMSA defines "regulated onshore gathering line" as a gathering line with particular characteristics located in a Class 2, 3, or 4 area. While regulated onshore gathering lines must comply with the gas pipeline safety regulations under § 192.9, onshore gathering lines in a Class 1 area, such as West Cote Blanche Bay, are not subject to Part 192, except that all onshore gathering lines within the Gulf of Mexico and its inlets are subject to the requirements in § 192.612 for reducing the risks associated with vessels hitting underwater pipelines.

Section 192.612 requires each operator to "identify its pipelines in the Gulf of Mexico and its inlets in waters less than 15 feet (4.6 meters) deep as measured from mean low water that are at risk of being an exposed underwater pipeline or a hazard to navigation." An operator must also "conduct appropriate periodic underwater inspections of its pipelines in the Gulf of Mexico and its inlets in waters less than 15 feet (4.6 meters) deep as measured from mean low water based on the identified risk." If an operator discovers that a line has become exposed or poses a hazard to navigation, the operator must promptly notify the National Response Center, mark the location of the pipeline, and within 6 months bury the pipeline so that the top of the pipe is 36 inches below the natural bottom (18 inches for rock excavation).

PHMSA defines "the Gulf of Mexico and its inlets" to mean "waters from the mean high water mark of the coast of the Gulf of Mexico and its inlets open to the sea (excluding rivers, tidal marshes, lakes, and canals) seaward to include

the territorial sea and Outer Continental Shelf to a depth of 15 feet (4.6 meters), as measured from the mean low water." (§ 192.3) Based on its geography, and in accordance with this agency's prior interpretations, we consider West Cote Blanche Bay an "inlet" of the Gulf of Mexico within the meaning of § 192.612. Accordingly, to the extent that the pipeline is located in waters less than 15 feet deep (including at the point of impact), the pipeline involved in the October 12, 2006 incident is subject to the inspection and reburial requirements in § 192.612. However, because the pipeline does not meet the definition of a regulated onshore gathering line, the pipeline is not subject to the other Part 192 requirements.

PHMSA intends to review these regulations, in particular the definition of "Gulf of Mexico and its inlets" in § 192.3, to determine if any changes to the text are necessary to improve clarity and promote more consistent application of the regulations for pipelines located in the Gulf area. In the meantime, PHMSA plans to work with the State of Louisiana and our other State partners in the Gulf area to ensure the pipelines subject to these regulations meet the specifications for burial depth. PHMSA is also developing additional guidance material for pipeline operators to aid them in complying with these important safety regulations.

If you have any further questions pertaining to this matter, please contact Mr. Joy Kadnar of my staff at (202) 366-4595.

Sincerely,
Jeffrey D. Wiese
Acting Associate Administrator for Pipeline Safety

cc: Tom Fortner
Director, State Programs, PHMSA

James H. Welsh
Commissioner of Conservation
Louisiana Department of Natural Resources