

The Railroad Commission is considering amending the pipeline safety regulations as they relate to the definition of gathering pipelines. In March 2006, the Pipeline and Hazardous Materials Association (PHMSA) adopted new regulations defining production/flow, gathering, incidental gathering, and the associated endpoints with these potential pipeline types.

The Safety Division Staff participated in two meetings/workshops in 2006, in Dallas and Houston, in conjunction with the Gas Processors Association and PHMSA to discuss the amended definition of "gathering pipeline" and its applicability.

Based on the discussions during these meetings, the Commission is considering changes to the current rules found in 16 T.A.C. §§8.1, 8.5 and 8.101, as they relate to applicability, definitions, and integrity management. The changes would allow continued regulation of all pipelines located in populated areas (class 2 or higher), while at the same time removing the requirement for integrity assessment and management for regulated gathering pipelines to match the federal pipeline regulations.

The draft amendments are attached for your review. At this time, Staff is seeking your comments on the suggested changes. Staff anticipates that in April, we will evaluate all of the comments received and determine, based on the comments, how to proceed with this effort.

Thank you in advance for your consideration and participation; we value your comments on this very important pipeline safety issue. Please send your comments by regular mail to Mary McDaniel, Director, Safety Division, P.O. Box 12967, Austin, Texas 78711-2967; by electronic mail to safety@rrc.state.tx.us; or by using the online comment form found at www.rrc.state.tx.us/rules/draftproposed.html by March 30, 2007.

Rule §8.1

(a) Applicability.

(1) The rules in this chapter establish minimum standards of accepted good practice and apply to:

(A) all gas pipeline facilities and facilities used in the intrastate transportation of natural gas, including master metered systems, as provided in 49 United States Code (U.S.C.) §60101, *et seq.*; and Texas Utilities Code, §§121.001 - 121.507;

(B) Onshore pipeline facilities, including production lines and flow lines, beginning at the first point of measurement and ending as defined by 49 CFR Part 192 as the beginning of an onshore gathering line;

(C) [~~(B)~~] the intrastate pipeline transportation of hazardous liquids or carbon dioxide and all intrastate pipeline facilities as provided in 49 U.S.C. §60101, *et seq.*; and Texas Natural Resources Code, §§117.011 and 117.012; and

(D) [~~(C)~~] all pipeline facilities originating in Texas waters (three marine leagues and all bay areas). These pipeline facilities include those production and flow lines originating at the well.

Rule §8.5

(28) Transportation of gas— The gathering, transmission, or distribution of gas by pipeline or its storage within the State of Texas. For purposes of safety regulation, the term shall ~~not~~ include onshore pipeline facilities, including production lines and flow lines, beginning at the first point of measurement and ending as defined by 49 CFR Part 192 as the beginning of an onshore gathering line and ~~the gathering of gas in Class 2, 3 or 4 areas as defined by 49 CFR Part 192.5. [those rural locations which lie outside the limits of any incorporated or~~

~~unincorporated city, town, village, or any other designated residential or commercial area such as a subdivision, a business or shopping center, a community development, or any similar populated area which the Secretary of Transportation may define as a nonrural area.]~~

Rule §8.101

(b) By February 1, 2002, operators of intrastate transmission [~~and gathering~~] lines subject to the requirements of 49 CFR Part 192 or 49 CFR Part 195 shall have designated to the Commission on a system-by-system or segment within each system basis whether the pipeline operator has chosen to use the risk-based analysis pursuant to paragraph (1) of this subsection or the prescriptive plan authorized by paragraph (2) of this subsection. Hazardous liquid pipeline operators using the risk-based plan shall complete at least 50% of the initial assessments by January 1, 2006, and the remainder by January 1, 2011; operators using the prescriptive plan shall complete the initial integrity testing by January 1, 2006, or January 1, 2011, pursuant to the requirements of paragraph (2) of this subsection. Natural gas pipeline operators using the risk-based plan shall complete at least 50% of the initial assessments by December 17, 2007, and the remainder by December 17, 2012; operators using the prescriptive plan shall complete the initial integrity testing by December 17, 2007, or December 17, 2012, pursuant to the requirements of paragraph (2) of this subsection.

Note: The header in the first Table in subsection (b)(2) will also require the deletion of "and gathering" in the title of the Table.