

April 2022



Indiana Utility Regulatory Commission

Overview



- Indiana law regarding Minimum Pipeline Safety Standards
- Revisions to 170 IAC 5-3
- Effective Date of revisions
- Possible future revisions

Pipeline Safety Law Framework



Minimum Pipeline Safety Laws



Federal Laws

- Enabling Statute - 49 U.S. Code § 60101-60102 (“The Secretary shall prescribe minimum safety standards for pipeline transportation and for pipeline facilities”)
- PHMSA Pipeline Safety Rules (Title 49 CFR Parts 190-199)
 - 49 CFR 40 – Workplace Drug and Alcohol Testing
 - 49 CFR 190 – Enforcement (by PHMSA) -> NOT incorporated in state law
 - 49 CFR 191 – Reporting Requirements
 - 49 CFR 192 – Gas Pipelines
 - 49 CFR 193 – LNG
 - 49 CFR 194 – Emergency Response Oil
 - 49 CFR 195 – Hazardous Liquids
 - 49 CFR 198 – Grants to State Pipeline Safety Programs
 - 49 CFR 199 – Drug Testing

Minimum Pipeline Safety Laws



State Laws

- Enabling Statute Indiana Code 8-1-22.5 (“Establish, by rules and regulations of the commission, minimum state safety standards for transportation and related pipeline facilities. Such standards shall not be less stringent than the federal standards”)
- Commission Rule (170 Indiana Administrative Code (IAC) 5-3)
 - *170 IAC 5-3-0.5 - Definitions*
 - *170 IAC 5-3-0.6 – Incorporation of federal regulations*
 - *170 IAC 5-3-2 - Indiana specific modifications to federal regulations*
 - *170 IAC 5-3-3 - Reports*

Minimum Pipeline Safety Laws



Rule 170 IAC 5-3

- *Commission follows rulemaking laws in Indiana Code chapter 4-22-2*
- *Last update was in 2017 to incorporate new federal rules*
- *Last substantive update was in 2010*
- *This rule can and does add Indiana specific requirements in addition to the federal minimum pipeline safety standards*
 - *Must remain “at least as stringent” as federal standards*

The Rulemaking Process Overview



1. Rule Development (2019-2020)
2. Approval of Rulemaking Moratorium Exception (March 2021)
3. Notice of Intent to Adopt a Rule (published in June 2021)
4. Approval of Fiscal and Financial Impact (August 2021)
6. Public Hearing and Public Comment (Nov. 2021)
7. Final Rule (Jan 2022)
8. State Review (Feb-Mar 2022)
- 9. Effective Rule (April 16, 2022)**

Changes to Indiana Minimum Pipeline Safety Standards Rule



Summary of Major Changes



1. Incorporation of federal standards through July 1, 2021
2. Relief valves or automatic shut-off devices on low-pressure system
3. Require relief valves or signaling devices on all stations
4. Flexible risers must be designed to withstand damage
5. Duration requirements for pressure tests
6. Require submission of uprate plans to the Pipeline Safety Division.
7. Operators must post emergency contact information conspicuously on website
8. Additional definition of high occupancy buildings for leak surveys.
9. Requires ongoing updates to electronic maps and records

Summary of Major Changes



10. Require instrument calibration and records
11. Maintain records for pre-tested pipe
12. Requirements for farm taps—treated as part of operator’s distribution system.
13. Requirements for information to be included in construction packets
14. Allow “Method 5” to establish the MAOP on Distribution pipelines <100 psi
15. New enforcement process language
16. New definition of “significant event”
17. Knowingly submitting inaccurate or false reports to the Division is a violation.

Summary of Changes - Incorporation



1. The final rule moves the incorporation date for federal minimum pipelines safety standards from June 1, 2017 to July 1, 2021. (170 IAC 5-3-0.6.)

Pipeline Safety Division has two years to incorporate new federal standards.

Incorporates the following federal minimum pipeline safety standards effective after June 1, 2017

- **Final Rule Effective March 12, 2021, amending Parts 191 and 192 to ease regulatory burdens on the construction, operation, and maintenance of gas transmission, distribution, and gathering pipeline systems. 84 FR 11253**
- **Final Rule Effective July 1, 2020, modifying Part 192 with regard to the safety of gas transmission pipelines. 85 FR 40132.**
- **Final Rule Effective March 13, 2020, modifying Part 191, 192, and 195 with regard to the safety of underground natural gas storage facilities. 85 FR 8104.**
- **Final Rule Effective April 23, 2019, modifying Part 199 with regard to corrections to implementing the transportation industry drug testing program. 84 FR 16770.**
- **Final Rule Effective January 22, 2019, modifying Part 192 with regard to the plastic pipe rule. 83 FR 58694.**

Summary of Changes – relief valves



2. The final rule modifies the federal standard in 49 CFR 192.201(c) to require relief valves or automatic shut off devices on every low-pressure system in Indiana. 170 IAC 5-3-2(b).



Summary of Changes – signaling

- 3. The final rule modifies the federal standard in 49 CFR 192.201(c) to require that in systems other than low pressure systems, an operator must install a relief valve or signaling device to alert the operator and the public of a malfunction. Signaling devices were not originally required. 170 IAC 5-3-2(c).
- **Adds a new subsection (c) to 49 CFR 192.201** “At a minimum have a device installed that would notify the operator or the public of a malfunction.”



Summary of Changes - risers



4. Revised 49 CFR 192.375(a) requires that when flexible risers are the flexible riser must be designed to withstand damage, or if not, but be cased to protect the flexible riser from damage, such as from lawn equipment. See 170 IAC 5-3-2(g).

“A flexible riser must be designed to withstand damage from outside or a casing must also be installed to protect the flexible riser from lawn mowers, weed eaters, hedge trimmers, and other possible sources of external damage.”

192.375 “The plastic service line is not used to support external loads”

An operator must show a riser is “designed to withstand damage”
Manufacturer specifications?



Summary of Changes – pressure tests



5. Modifies 49 CFR 192.509(b) in Indiana to require that pressure tests in distribution pipelines comply with duration recommendations in the applicable Gas Pipeline Technology Committee (“GPTC”) guidelines. Indiana regulations were silent on the duration of tests. 170 IAC 5-3-2(j).

<https://www.aga.org/sites/default/files/sites/default/files/media/addendum.pdf>

Example Leak Test Duration for Steel Pipe (hours)							
Nominal Pipe Size	2	3	4	6	8	10	12
Schedule	40	40	40	40	40	40	40
ID (in.)	2.067	3.068	4.026	6.065	7.981	10.020	11.938
Length (ft.)							
50	1/4	1/4	1/4	1/2	1/2	3/4	1 1/4
100	1/4	1/4	1/4	3/4	1	1 1/2	2 1/4
200	1/4	1/2	1/2	1 1/4	2	3	4 1/4
300	1/4	1/2	3/4	1 3/4	3	4 1/2	6 1/2
400	1/2	3/4	1	2 1/4	4	6	8 1/2
500	1/2	3/4	1 1/4	2 3/4	4 3/4	7 1/2	10 3/4
1000	3/4	1 1/2	2 1/2	5 1/2	9 1/2	15	21 1/4



Summary of Changes – uprate plans

6. The final rule modifies 49 CFR 192.553(c) to require that all Indiana operators submit their written plans governing procedures to “uprate,” or increase the pressure in pipelines, to the Commission. Operators are not currently required to submit their plans.



Summary of Changes – contact info

7. The final rule modifies 49 CFR 192.615 so that Operators must post their emergency 24 hour contact information on a **conspicuous** location on the Operator's website.



Summary of Changes – leak surveys



8. The final Rule adds to the definition of “high occupancy buildings”:

1. (e) commercial box-style warehouse stores;
2. (f) strip malls;
3. (g) day care centers;
4. (h) nursing homes;
5. (i) assisted living centers; and
6. (j) identified sites in the operator's plan.

Summary of Changes - Maps



9. The final rule adds 170 IAC 5-3-2.1 applicable to maps and records.
- Electronic maps and records must be updated on an on-ongoing basis.
 - Paper maps must be updated yearly
 - Maps and records must include at least: mains, services, sizes, materials, pressure ranges, emergency valves, stations, rectifiers, farm taps, and critical bonds.

Summary of Changes - calibration



10. The final rule adds a new section, 170 IAC 5-3-2.2 to require operators to calibrate instruments according to manufacturer's specifications and maintain records of the calibration for inspection.



Summary of Changes: pre-tested pipe



11. The proposed rule adds a new section 170 IAC 5-3-2.3 to require that operators maintain records for pre-tested pipe.

Summary of Changes – farm taps

- 12. 170 IAC 5-3-2.5 would require that farm taps be treated as any other pipe in the operator's distribution system. The operator would therefore include farm taps in its distribution integrity management plan and be required to odorize the gas.
- Farm tap definition: “a service line directly connected to a production, gathering, or transmission pipeline”



Summary of Changes – Construction Packets



13. The final Rule requires construction packets that include the following:

1. Maps or drawings of the construction
2. Types of pipe and materials being installed
3. 811 compliance
4. As-built drawings of facilities in service or installed
5. Location of valves, types and other information
6. Construction scope of work, timeline, footages
7. MAOP records and proposed and actual pressure test documents
8. Corrosion control review documentation
9. Gaining knowledge for DIMP



Summary of Changes – method 5



14. Method **5** - MODIFIED IN RESPONSE TO IEA COMMENTS

A newly added section 170 IAC 5-3-2.6 would allow an operator to use “Method 5” under 49 CFR 192.619(a)(4) to establish MAOP on Distribution pipelines with less than 100 psi of pressure.

Steps to “Method 5”

- (i) Reduce the MAOP to no greater than the highest actual operating pressure before October 1, 2019, divided by 1.1. The highest actual sustained pressure must have been reached for a minimum cumulative duration of 8 hours during one continuous 30-day period.
- **Perform patrols and surveys**
 - 1 additional patrol in first three months
 - ~~3 additional patrols in next 9 months~~
 - 1 final leak survey after establishment of MAOP
 - 1 additional leak survey in first three months
 - ~~3 additional leak surveys in next 9 months.~~

Summary of Changes - enforcement



15. A newly added section 170 IAC 5-3-4.1 provides more transparency to the enforcement process for violations of the rule.

Sec. 4.1. (a) If the Division identifies a possible violation of this rule, the division shall provide a written notice of probable violation to the operator and allow the operator an opportunity to respond.

(b) An operator that receives a written notice of probable violation from the division shall respond within the time specified in the written notice. The failure of the operator to respond to the written notice is an additional violation of this rule.

(c) Violations of this rule may be enforced by the division under IC 8-1-22.5 by referring the violations to the commission for investigation and possible civil penalty under IC 8-1-22.5-7 or by filing a petition with the commission requesting a commission determination of the violation and penalty.

(d) When the Division and an operator agree in writing to a set of compliance actions, a violation of the agreement is in and of itself a violation of this rule.

(e) An operator shall not prohibit its employees or contractors from providing information to the Division related to the safe operation of the operator's system.

Summary of Changes – significant event



16. Significant Event **MODIFIED AFTER IEA COMMENTS**

A newly added section 170 IAC 5-3-4(a) provides additional detail about what events are significant

Call to Division “as soon as practicable but not to exceed one hour following discovery”

(3) Other significant ~~by the operator~~ events, including, but not limited to, situations involving:

- (A) **traditional** media attention during the event;
- (B) high profile locations as defined by the operator in writing;
- (C) large evacuations: ~~or~~
 - (i) of twenty **(20)** or more people;
 - (ii) ordered by public safety personnel onsite;
 - (iii) requested by an operator onsite; or
 - (iv) of a school, hospital, or health care facility;
- (D) rerouting of traffic or closing a roadway by public safety personnel;
- (E) an over-pressure event that exceeds the maximum allowable operating pressure (MAOP) **plus allowable build-up** (under 49 CFR 192.201);
- ~~(D)~~ (F) the possibility ~~of recurrence~~ the same event will reoccur in a short period of time, such as repeated gas odor calls;
- (G) a service interruption described in subdivision (d)(1); or
- (H) an event reported to the Pipeline and Hazardous Materials Safety Administration (PHMSA).

Summary of Changes – false reports



17. The final rule specifies that knowingly submitting:
inaccurate or
false



Damage reports to the division gives rise to a violation.

170 IAC 5-3-4 (e)(7)

(A) It is a violation of this rule for an operator to knowingly submit inaccurate or falsified information to the division in the initial submission of a damage or follow-up information related to the specific damage.

(B) The operator shall provide the information required by this subsection on the form provided by commission.

Timeline for Rule Promulgation



Effective Date of Rule



- Effective date: April 16, 2022
- Operators will need to revise O&M Plans and submit them to the Division.

Future Rule Revisions



Proposed Rule Revisions



In 2022, we intend to propose additional revisions:

- Incorporate gathering rule and all new PHMSA rules through June 30, 2023
- Require records to be kept until the next applicable inspection (D&A). Require MAOP verification and pressure test records to be kept for life of pipeline.
- Require public awareness programs to include direct outreach to appropriate governmental agencies and emergency responders in addition to group meetings
- Require OQ training that include certain types of training for covered tasks
- Define electrical isolation for 192.467.
- Require responses to the Division's areas of concern

Stakeholder comments encouraged.



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