INSIGHTS

Technical Advisory Committee Meeting Scheduled on Gas Mega Rule

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By: Catherine D. Little, Annie Cook and Mandi Moroz

The Gas Pipeline Advisory Committee (GPAC) will meet [Notice of advisory committee meeting] in Washington, D.C. early next month to convene the second public meeting regarding PHMSA's proposed gas rules, often referred to as the gas mega rule. The meetings will be focused on key proposed revisions to 49 C.F.R. Part 192 natural gas rules, including expanded integrity assessment requirements, revised integrity assessment and repair criteria, records, material documentation, corrosion control, and the integrity verification process (IVP) for segments that are currently grandfathered under the rules. The meetings are scheduled for Tuesday and Wednesday, June 6-7, 2017, from 8:30 a.m. to 5:00 p.m.

The purpose of the meetings is to discuss the proposed rule <u>Safety of Gas Transmission</u> <u>and Gathering Pipelines</u> that was issued for public comment on April 8, 2016. The comment period closed on July 7, 2016. This rulemaking is one of the largest in the Agency's history. If finalized as proposed, the rulemaking would nearly double the current number of pages in the 49 C.F.R. Parts 191 and 192 regulations. The rulemaking proposes expanding system integrity requirements, by increasing the scope of areas subject to in line inspection (ILI) and instituting more stringent repair criteria (both within and outside the boundaries of HCAs), as well as new recordkeeping requirements, among other changes. The rule would also significantly expand the number of onshore gathering lines subject to PHMSA regulation. The massive proposed rule prompted substantial comment from operators and industry trade groups, including calls to urge PHMSA to reconsider many of the broad proposals.

Technical Advisory Committees (there is one for both gas pipelines and oil pipelines) are comprised of 15 members each, including representatives evenly divided from federal and state governments, industry, and the public. The Committees advise on the technical feasibility, reasonableness, cost effectiveness, and practicability of proposed pipeline standards. PHMSA is required to obtain input from the GPAC before finalizing the proposed rule. Although PHMSA is not required to accept recommendations from the Committee, these meetings are a useful opportunity for stakeholders to provide meaningful input to the Agency.

GPAC convened its first meeting on the proposed gas mega rule in January 11-12, 2017. This meeting addressed some of the less controversial provisions of the rule including the 6 month grace period for reassessment intervals, safety features on ILI launchers and receivers, seismicity, inspections following extreme weather events, and management of change. It also covered general records (and proposed Appendix A) and certain corrosion control proposals, which were the subject of extensive discussion. Industry associations, AGA, API, and INGAA,

submitted <u>additional comments</u> following the meeting on April 6, 2017 to summarize and elaborate on the concerns discussed.

Notably, this will be the first advisory committee meeting under the Trump administration, which has issued many *presidential directives focused on deregulation*. Notably the he Trump administration has yet to even nominate candidates for vacancies in key leadership positions at PHMSA that require Congressional confirmation including an Administrator, a Deputy Administrator, and a Chief Counsel. We understand that PHMSA is still working through the impact of those executive orders and memoranda and that Secretary Chao is particularly focused on statistics and cost benefit analysis. It is not yet clear how these directives will shape a final PHMSA rule, however, but it is likely that the scope of the rule will narrow in response to the extensive comments submitted on the rule, advisory committee meetings, and to comply with the presidential directives.

The meetings will not be webcast, but materials will be available on the www.regulations.gov website within 30 days after the sessions end (search for docket number PHMSA-2016-0136). PHMSA asks anyone planning to attend to register by June 2. This meeting is likely to be one of the last opportunities for public input on this significant proposed rule, although PHMSA expects to hold a third advisory committee meeting dedicated exclusively to its proposals regarding gathering pipelines.

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