<table>
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<tr>
<th>Proposed Rule</th>
<th>Final Rule</th>
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<tr>
<td>Valve Installation &amp; Rupture Detection</td>
<td>Safety of Gas Transmission &amp; Gathering Lines</td>
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<td>Safety of On-Shore Hazardous Liquid Pipelines</td>
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Final Rules

For these rulemakings, the Notice of Proposed Rulemaking has been published and comments have been submitted. Stakeholders are awaiting the publication of the Final Rule.
The Plastic Pipe Rule

Significant Rule
NPRM Published May 21, 2015
Comments Submitted July 24, 2015
Estimated Final Rule Publication: 2018

**PHMSA presented its path forward to the PHMSA Gas Pipeline Advisory Committee on June 1, 2016. The PAC provided guidance and input on the contents of the final rule.**

**Related Links:**
- PHMSA’s Notice of Proposed Rulemaking
- APGA Comments on Proposed Rulemaking
The Plastic Pipe Rule

Tracking & Traceability

Remain consistent with ASTM F2897

• Phased Implementation
  Phase 1 = 1 Year for Manufacturers to Adhere to Marking Standards
  Phase 2 = 5 Years for Operators to Implement Tracking & Traceability

APGA Position:
1. Agrees with the GPAC’s guidance that only markings required by ASTM F2897 should be required by federal regulation.
2. Agrees with the GPAC’s guidance that ASTM F2897 markings only need to be legible until the pipe or component is installed.
3. Supports the GPAC’s guidance that the implementation of the regulation should be phased in over several years to allow operators to comply.
The Plastic Pipe Rule

Plastic Pipe Installation

PHMSA has indicated that some of the proposed requirements will be removed or revised for clarity:

• Backfill Requirements
• Trenchless Excavations of Mains & Services
• Socket Fusion Diameter Restrictions

**APGA Position:**
1. APGA supported ensuring that backfill does not contain materials detrimental to the pipe, but the provision, as proposed, could be interpreted vaguely. Therefore, APGA does not support the proposed requirements for backfill compaction.
Seemingly Retroactive Regulations

PHMSA has confirmed that the seemingly retroactive requirements were only intended to be prospective, including:

- Leak clamps may not be used as a permanent repair method
- Protection of electrically isolated metal alloy fittings

**APGA Position:**

1. APGA supported cathodically protecting isolated metal fittings, such as with coatings; however, does not support the proposed monitoring requirement.
2. APGA supported prohibiting the use of leak clamps for **new** permanent repairs; however, agrees with PHMSA and the GPAC that it should not be a retroactive restriction.
The Plastic Pipe Rule

**Design Factor, Expanded Use of PA-11 & Incorporation of PA-12**
Moving forward as proposed in the NPRM. Additionally, PHMSA will consider the retroactive application of the new PE Design Factor and other pipe diameter sizes that were not included in the NPRM.

**APGA Position:**
1. APGA supported this change.

**Fusion Equipment Maintenance**
PHMSA will limit the requirement to requiring operators to maintain equipment in accordance with the manufacturer’s recommended practices or with written procedures that are proven to be equivalent.

**APGA Position:**
1. APGA supported PHMSA’s modified proposal that operators follow equipment manufacturers recommended practices, but still maintains that operators should only have to keep calibration records for the life of the pipeline.
PHMSA presented its path forward to the PHMSA Gas Pipeline Advisory Committee on June 1, 2016. The PAC provided guidance and input on the contents of the final rule.

**NOTE:** PHMSA originally proposed changes to Operator Qualification in the Operator Qualification, Cost Recovery, Accident & Incident Notification and Other Pipeline Safety Changes Proposed Rule. The balance of that rulemaking was finalized in January 2017, but did not include Operator Qualification modifications.

**Related Links:**
- PHMSA’s Notice of Proposed Rulemaking
- APGA Comments on Proposed Rulemaking
- PHMSA’s Final Rule: *Without Operator Qualification requirement changes*
Operator Qualification

Topics addressed in the proposed rulemaking:

1. Required Change Management Process for OQ
2. Introduction of Program Effectiveness for OQ
3. Record Keeping Requirements for Training
4. Addition of OQ for New Construction
5. Modification of the Definition of “Covered Task”

Language agreed upon during PHMSA GPAC Meeting:

... a covered task is an activity, identified by the operator that:

1. is performed on a pipeline facility;
2. is an operations or maintenance task including those conducted during an emergency response, or is a construction task or an integrity management task performed on the right-of-way;
3. is performed as a requirement of this part; and
4. affects the operation or integrity of the pipeline
**APGA Position:**

1. **Definition of Covered Task & OQ for New Construction:** APGA has long supported PHMSA’s efforts to include construction tasks as a covered task and under OQ.

2. **Management of Change:** APGA supported the incorporation of a Management of Change process, but believed it should be limited to those operators that have more than 50 employees who perform covered tasks.

3. **Program Effectiveness:** APGA remains concerned that the requirement to perform program effectiveness will be administratively burdensome, particularly for small operators.

4. **Training Records:** APGA supported PHMSA’s proposal to require operators to provide training to ensure that any individual performing a covered task has the knowledge, skills, and abilities to perform that task. However, APGA only supports this addition if PHMSA is not proposing to add a mandatory training requirement to the OQ evaluation and re-evaluation process. Further, APGA does not support a requirement to keep records of training not performed as a part of the OQ process. APGA also believes that any requirement for training records should be on a going forward basis and not retroactive.
Safety of Gas Transmission & Gathering Lines

_Significant Rule_
NPRM Published: April 8, 2016
Comments Submitted: July 7, 2016

GPAC Meeting #1: January 11-12, 2017
GPAC Meeting #2: June 6-7, 2017
GPAC Meeting #3: December 14-15, 2017
Next Scheduled GPAC Meeting: March 26-28, 2018

Estimated Final Rule Publication: 2019

**Related Links:**
- PHMSA’s Advanced Notice of Proposed Rulemaking
- PHMSA’s Notice of Proposed Rulemaking
- APGA Comments on Proposed Rulemaking
- GPAC Meeting #1 Information
- GPAC Meeting #2 Information
- GPAC Meeting #3 Information
- GPAC Meeting #4 Information & Industry Comments
- GPAC Meeting #5 Information
Safety of Gas Transmission & Gathering Lines

- Safety of Launchers & Receivers
- Record Retention Requirements
- Definition of “Traceable, Verifiable, & Complete”
- Definition of Transmission Line & Distribution Center
- MAOP Verification
- MAOP Determination
- Addressing Seismicity
- Material Verification
- Expansion of Pipeline Assessments Outside HCAs
- Moderate Consequence Areas
- Repair Criteria for Pipeline Assessments
- Introduction of a Definition for “Able to accommodate inspection from an ILI”
- TIMP Risk Assessments & Modeling
- Spike Testing & Fracture Mechanics
- Corrosion Control Requirements
- Management of Change
- Gathering Lines
- TIMP Reassessment Intervals
- Continuing Surveillance after Extreme Weather Events

Note: The results from specific topics within this rulemaking will have tangential impact on gas distribution operators.
Industry proposed definitions for *Transmission Line & Distribution Center*:

*Transmission line* means a pipeline, other than a gathering line, that:

1. Transports gas from a gathering line or storage facility to a distribution center, storage facility; or large volume customer that is not down-stream from a distribution center;
2. **has an MAOP operates at a hoop stress of 20 30 percent or more of SMYS; or**
3. transports gas within a storage field; or
4. is voluntarily determined by the operator to be a transmission pipeline.

Note: A large volume customer may receive similar volumes of gas as a distribution center, and includes factories, power plants, and institutional users of gas.

*Distribution center* means the *location initial point where gas volumes are either metered or have pressure of volume enters piping used primarily to deliver gas to customers who purchase it for consumption as opposed to customers who purchase it for resale, for example:*

1. at a metering location
2. pressure reduction location, or
3. where there is a reduction prior to delivery to customers through a distribution line in the volume of gas, such as a lateral off a transmission line.
Safety of Gas Transmission & Gathering Lines

August 25, 2011
ANPRM Published

April 8, 2016
NPRM Published

July 7, 2016
Comments submitted on NPRM

January 10-11, 2017
First GPAC Meeting

June 6-7, 2017
Second GPAC Meeting

Dec. 14-15, 2017
Third GPAC Meeting

March 2, 2018
Fourth GPAC Meeting

March 26-28, 2018
Next Scheduled GPAC Meeting

June 12-14, 2018
Targeted Final GPAC Meeting

What’s Next?

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<table>
<thead>
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<th>Path to a Final Rule</th>
<th>Date</th>
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<tbody>
<tr>
<td>PHMSA Reviews NPRM Comments</td>
<td>July – December 2016</td>
</tr>
<tr>
<td>PHMSA Presents Path Forward to GPAC (5+ Meetings)</td>
<td>December 2016, January 2017, December 2017, March 2018 (2), &amp; June 2018</td>
</tr>
<tr>
<td>PHMSA Makes Necessary Modifications</td>
<td>Fall 2018</td>
</tr>
<tr>
<td>Office of the Secretary of Transportation Reviews &amp; Approves Final Rule</td>
<td>September - November 2018</td>
</tr>
<tr>
<td>Office of Management and Budget Reviews &amp; Approves Final Rule</td>
<td>December – January 2019</td>
</tr>
<tr>
<td>Final Rule Publication</td>
<td>February 2019</td>
</tr>
<tr>
<td>Effective Date of Final Rule</td>
<td>Final Rule Publication + 6 Months = <strong>July 2019</strong></td>
</tr>
</tbody>
</table>
APGA Position:

1. **Definition of Transmission Line & Distribution Center:** APGA supports PHMSA’s proposed definition of Distribution Line if PHMSA’s intent is to exclude all pipelines operating below 20% SMYS from the definition of Transmission Line.
   - Industry is encouraging PHMSA to modify the criteria within the definition of Transmission Line to greater than 30% SMYS versus 20% SMYS.

2. **Moderate Consequence Areas:** APGA supports PHMSA’s decision to not modify the current definition of HCAs and thus limit the pipelines that must be incorporated into TIMP.
   - Only pipelines operating greater than 30% SMYS are included in the new requirement to expand integrity assessments outside of HCAs.

3. **New Recordkeeping Requirements:** APGA urges PHMSA to ensure that the final code language clearly states that any newly introduced recordkeeping requirements are not retroactively applied.
APGA Position:

4. **MAOP & Material Verification and Expanding Assessments Beyond HCAs:** APGA urges PHMSA to limit these requirements to pipelines operating above 30% SMYS.
   - PHMSA is considering limiting some of the new requirements related to MAOP and Material Verification to pipelines operating greater than 30% SMYS. That decision may come in the March or June 2018 GPAC Meetings.

5. **Corrosion Control Requirements:** APGA asked that PHMSA limit some of the proposed corrosion control requirements to transmission pipelines greater than 20% SMYS, but at a minimum ensure that the requirements do not apply to distribution pipelines.
   - The GPAC ensured that the new requirements do not apply to distribution pipelines and made many of the requirements more reasonable for operators, but did not vote to limit any to pipelines operating greater than 20% SMYS.

6. **Management of Change:** APGA encourages PHMSA to restrict the requirements for MOC to operators that have control rooms and/or compressor stations.
   - The GPAC did not vote to support this position, but did limit the changes that must be incorporated into an MOC to those that could substantially impact the integrity of the pipeline.
Additional Pending
Final Regulations & Agency Actions

Safety of On-Shore Hazardous Liquid Pipelines

National Pipeline Mapping System Update
Proposed Rules

These are rulemakings that PHMSA has stated are in progress. The content and details of these rulemakings remains unknown as the proposed rule has not yet been published.
Valve Installation and Minimum Rupture Detection Standards

Significant Rule
NPRM with the OST for Review
Estimated NPRM publication date: 2018

Expected to cover

- Rupture detection and response time metrics, including:
  - Integration of ASV and RCV placement
    (Objective: Improve overall incident response)

Will attempt to address

Legislation

- If appropriate, require ASVs, RCVs or equivalent technology on new or fully replaced transmission lines
  (where economically, technically & operationally feasible)

NTSB Recommendations

- Equip SCADA systems with tools to assist in recognizing and pinpointing leaks (distribution and transmission)
# Additional Pending Regulations / Actions

<table>
<thead>
<tr>
<th>Class Location Changes – <strong>Coming SOON! Spring 2018.</strong></th>
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<tbody>
<tr>
<td>Safety of On-Shore Hazardous Liquid Pipelines</td>
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<tr>
<td>Standards Update Rule – 2015 and Beyond</td>
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<tr>
<td>State Pipeline Safety Program Certification</td>
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<tr>
<td>National Pipeline Mapping System Update</td>
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</table>

*Referenced in the Gas Transmission Rule NPRM or Discussed at Workshops:*

- Quality Management
- Public Awareness
- LNG for Small Facilities
Advocacy Actions Beyond Current Rulemakings

Details are provided on APGA advocacy actions that are in progress, but are outside of specific PHMSA rulemakings.
Farm Tap Inspections

OQ, Cost Recovery, Accident & Incident Notification and Other Pipeline Safety Changes Final Rule

Effective: March 24, 2017

New Requirement:

(a) This section applies, except as provided in paragraph (c) of this section, to any service line directly connected to a production, gathering, or transmission pipeline that is not operated as a part of a distribution system.

(b) Each pressure regulating or limiting device, relief device, automatic shutoff device, and associated equipment must be inspected and tested at least once every 3 calendar years, not exceeding 39 months.

Related Links:

PHMSA’s Notice of Proposed Rulemaking
APGA Comments on Proposed Rulemaking
PHMSA’s Final Rule
Industry Comments on Deregulatory Actions (APGA Supported)
1. Discussions with PHMSA
   On-going since the publication of the Final Rule.

2. AGA Submitted a Regulatory Impact Position Paper
   Highlighted the estimated annual cost impact of the new prescriptive inspection requirements and provided a cost / farm tap comparison between DIMP and prescriptive inspection cycles.
   Sent to PHMSA: September 18, 2017

3. Industry Comments to the Department of Transportation on Deregulatory Actions
   A suggested deregulatory action for PHMSA.
   Submitted to : November 9, 2017

4. Industry Comments to the Department of Transportation on Deregulatory Actions
   At the December 13, 2017 PHMSA Gas & Liquid Pipeline Advisory Committee Meeting, PHMSA indicated that modifications to the new Farm Tap requirements was included in their priorities for regulatory reform.
Construction Inspection

Miscellaneous Changes to the Pipeline Safety Regulations Rulemaking

The Effective Date for §192.305 is “delayed indefinitely.”

Final Rule Language:

§192.305 Inspection: General. Each transmission line and main must be inspected to ensure that it is constructed in accordance with this subpart. An operator must not use operator personnel to perform a required inspection if the operator personnel performed the construction task requiring inspection. Nothing in this section prohibits the operator from inspecting construction tasks with operator personnel who are involved in other construction tasks.

Related Links:
NAPSR Resolution on Construction Inspection
PHMSA’s Notice of Proposed Rulemaking
APGA Comments on Proposed Rulemaking
PHMSA’s Final Rule
APGA Petition for Reconsideration
PHMSA’s Response to Petitions for Reconsideration
Construction Inspection

Post Final Rule Advocacy Actions:
PHMSA Created the “Construction Inspection Advisory Group” in Fall 2015. The group was tasked with addressing concerns from industry, while meeting the goals of the federal and state regulators. Members of the advisory group included:

• PHMSA
• NAPSR
• APGA
• AGA
• Distribution Contractors Association (DCA)

The group last met in October 2015. The changes to §192.305 will not move forward without the consensus of this advisory group.

APGA Petition Position:
• APGA requested that PHMSA clarify that a 2-man utility crew may inspect each other’s work and comply with the Construction Inspection requirements.
• PHMSA should ensure that the Final Rule does not impact a substantial number of small businesses.
Recently Published Rulemakings

These rules have been finalized recently.
Expanding Excess Flow Valves (EFVs) Beyond Single Family Homes

NonSignificant Rule
NPRM Published: July 15, 2015
Comments Submitted: September 14, 2015
Final Rule Publication: October 14, 2015
Effective Date: April 14, 2017

Related Links:
PHMSA’s Notice of Proposed Rulemaking
APGA Comments on Proposed Rulemaking
PHMSA’s Final Rule
PHMSA’s Correction to Final Rule
Excess Flow Valves (EFVs) Beyond Single Family Homes

New Requirements Include:

1. Installation of EFVs on multi-family residences and single, small commercial customers with known customer loads not exceeding 1,000 SCFH per service, at time of service installation.

2. Operators must notify eligible existing service line customers of their right to request an EFV be installed on their service line. Electronic notification is allowed and include emails, website postings, and e-billing notices.

3. Installation of either a manual service line shut-off valve or an EFV for any new or replaced service line, with installed meter capacity exceeding 1,000 SCFH. They must be installed “in such a way to allow accessibility during emergencies” and are subject to “regular scheduled maintenance, as documented by the operator and consistent with the valve manufacturer’s specification.”
# Underground Storage

*Interim Final Rule*

IFR Published: December 19, 2016  
Comments Submitted: February 17, 2017  
Industry Petition for Reconsideration Submitted to PHMSA: January 18, 2017  
Petition for Reconsideration Filed to the DC Circuit Court: March 17, 2017

**Effective Date: January 18, 2017**

<table>
<thead>
<tr>
<th>Introduces storage facilities into Pipeline Safety Regulations:</th>
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<tbody>
<tr>
<td>1. Incorporation of mandatory &amp; non-mandatory provisions of API RP 1170 &amp; 1171</td>
</tr>
<tr>
<td>With respect to the incorporation by reference of API RP 1170 &amp; API RP 1171 in this section, the non-mandatory provisions (i.e. provisions containing the word “should” or other non-mandatory language) are adopted as mandatory provisions under the authority of the pipeline safety las except when the operator...</td>
</tr>
<tr>
<td>2. Compliance Timeline</td>
</tr>
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</table>

**Notice Issued June 20, 2017:**

Until PHMSA addresses the petitions from industry and for one year after the publication of a final rule, PHMSA will not issue any enforcement citations to operators for failure to meet any provisions that are non-mandatory in API RP 1170 and RP 1171.