



OFFICE of the STATE FIRE MARSHAL

Pipeline Safety Advisory Committee Meeting

Marriott Hotel, Torrance, CA

May 24, 2011

1:00 to 3:00 pm

MINUTES

MEMBERS PRESENT:

Bob Gorham, OSFM-Pipeline Safety Division (Chairperson)
Gene Braithwaite, Kinder Morgan Energy Partners
Robert Pace, Shell, Western States Petroleum Association
Tony Semenza, Fire/Emergency Response Consultant
Robert Distaso, Orange County Fire Authority
Mark Reese, Beacon Energy Services, Inc.
Ken Johnson, Paso Robles Department of Emergency Services
Roya Borman, Sacramento Municipal Utilities District
Todd Letterman, Riverside County Fire Department

OSFM STAFF:

Chuck MacDonald, OSFM-Pipeline Safety Division
Linda Zigler, OSFM-Pipeline Safety Division

CALL TO ORDER:

Bob Gorham called the meeting to order at 1:15 pm. The meeting was held in Suite Ten on the Second Floor of the hotel.

INTRODUCTIONS:

Each attendee introduced themselves and what organization they represented.

APPROVAL OF MINUTES:

Copies of the December 1, 2010 meeting were reviewed and approved as they were.

GENERAL DISCUSSION:

Bob Gorham opened with a discussion of the history of our Pipeline Safety Training Seminars. Prior to 2006, our division always hosted two seminars per year. One would be during the spring and the other would be in the fall of each year. From 2006-2008, we reduced it down to just one seminar per year in the spring. In April of 2008, we hosted a seminar at the Hilton Hotel in Del Mar which proved to be quite successful. Unfortunately, the economy fell as did the state budget. This resulted in travel restrictions which in turn prohibited us from hosting a training seminar in 2009 or 2010.

Subsequently, this year we hosted the seminar in Torrance to meet a federal requirement stipulating the Pipeline Safety Division hold a seminar at least once every three years as a condition of receiving grant funding. The question as it stands at this point is whether there will be a seminar next year in 2012? It is not known at this time – but most likely, the answer will be no.

In general, Bob would like input from the pipeline industry regarding issues or topics that are important to them.

Senate Bills 44 and 216

There are two Senate Bills that the State Fire Marshal's Office is following: 1) SB 44 and 2) SB 216

o The subject of SB 44 is "Public Utilities: gas pipeline emergency response standards" which focuses on natural gas pipelines and ensuring that operators will provide line location and other information

to the local fire departments. It also would provide instruction on how to access and utilize the National Pipeline Mapping System (NPMS) which was developed by DOT/PHMSA (Pipeline and Hazardous Materials Safety Administration) which is linked to their website.

o SB 216 would require the PUC to evaluate current safety practices with regard to intrastate natural gas transmission pipelines. The bill requires operators of natural gas transmission pipelines to install automatic or remote-controlled shut off valves in areas of high population density or where pipelines cross active seismic faults.

Final Rule – Rural Onshore Low Stress Pipelines

Chuck MacDonald gave an overview of this final rule that revises 49 CFR Part 195.12 and takes effect on October 1, 2011. There are many different deadlines for many different requirements of this code section based on the categories listed below.

(Note that “USA” means an “Unusually Sensitive Area” and “SMYS” means “Specified Minimum Yield Strength”).

There are three “categories” of rural low stress pipelines:

- Category 1: Nominal Diameter > or = 8 5/8”
 Located in or within ½ mile of a USA
 Operates < or = to 20% SMYS **OR** less than 125 psi

- Category 2: Nominal Diameter < 8 5/8”
 Located in or within ½ mile of a USA
 Operates < or = to 20% SMYS **OR** less than 125 psi

- Category 3: Nominal Diameter = any size
 Not located in or within 1/2 mile of a USA
 Operates < or = 20% SMYS **OR** less than 125 psi

Note that this section does not apply to a rural low stress pipeline that crosses a waterway currently used for commercial navigation because these pipelines are regulated in Part 195.1(a)(2).

Mr. Reese asks if these low-stress pipelines would need to have a CSFM ID # and the answer is yes. Also, emergency plans would be required for them.

A flow line extends from a well to a production facility. From a LACT unit (Lease Automatic Custody Transfer), the measuring equipment installed at the point of transfer from lease to pipeline, a pipeline would then become SFM jurisdictional.

Control Room Management

This final rule which concerns both 49 CFR Parts 192 and 195 has been expedited to “realize the safety benefits sooner than established in the original rule”. The deadline for operators to implement many of the control room procedures is now October 1, 2011 – 16 months sooner than the original regulation. Other procedures do not need to be implemented until August 1, 2012. It is important to read this final rule to know exactly what procedures have what implementation due date for our hazardous liquid pipeline operators.

National Association of State Fire Marshals (NASFM)

This organization, about 5 or 6 years ago, developed a great pipeline training manual for fire departments entitled “Pipeline Emergencies”. They have just posted their 2nd edition of this manual on their website which is <http://www.NASFM.org> DOT/PHMSA is encouraging pipeline operators to include this as part of their Public Awareness Program.

Pipeline Mapping information

Following the San Bruno pipeline explosion, local governmental agencies and fire departments realized they needed to know more about the lines in their communities. CSFM is looking into the possibility of making maps available on a secure website for fire departments. CSFM would take care of the liquid side. We are looking into this with Cal EMA. Bob Gorham would like input on this subject.

Some fire departments are not getting information from natural gas companies as far as what is at risk – the oil companies are better.

Bob Gorham stated that he has met with PG&E and they are way behind, but they will soon be changing.

Robert Pace stated that the hazardous liquid pipeline operators hold spill drills and was wondering if the natural gas pipeline operators did as well. No one knew for sure.

GAO Audit/PUC Commission

One of the items that was asked of the liquid pipeline side was – what do you do for Integrity Management? Bob Gorham was able to answer that we have a mature testing program. The gas side has been using ECDA (External Corrosion Direct Assessment) which is not as effective as hydro testing.

Mark Reese asked what the results were from the GAO audit. Bob Gorham replied that the final report is not due until later this year. Most likely there will be new regulations and laws created. The GAO auditors were surprised at how sophisticated the CSFM testing program was. California's liquid lines are in good shape because our testing program has been in place since 1985 – the number of leaks/accidents is significantly down.

Most accidents in California are reported to Cal EMA. Each agency that is listed on the report can respond if warranted. If a spill is in or threatens a water feature, it usually raises the level of response. Operators need to develop good relationships with government agencies.

Purchasing pipelines

Todd Letterman asked how a pipeline operator could research the quality of a newly acquired “used” pipeline. Suggestions included conducting a hydrostatic pressure test or an in-line inspection using a “smart pig”. If a breakout tank were included, you could contract to have an API 653 inspection done. Also, the maintenance records from the previous owner help assess the condition of the newly bought pipeline. Most operators won't take a risk of assuming ownership of a pipeline without certain information.

New business

Topics for the next PSAC meeting?

- 1) Regional Water Boards and how they are so different depending on what geographical area they are from. Is it possible to educate these other agencies about the difference between natural gas and liquid lines, i.e., how they operate, the different agencies that regulate them, etc? CUPA has an annual conference that could be used to disseminate information. Possibly a Local Agency Planning Committee (LAPC)?
- 2) Are environmental agencies, such as Fish & Game, afraid to give out permits? This leads to the question: When does a 60-day repair become an “immediate” repair because the permitting agency would not grant a pipeline operator a permit to do repair work in a timely fashion?
- 3) Governmental agencies are becoming more proactive about going out to construction/relocation job sites, but possibly becoming a distraction to the on-site construction inspectors.

Gene Braithwaite gave an example: An inspector at a construction site should be watching what is going on at the site, but if agency staff shows up, the inspector would need to take his attention away from the job while he assists the agency with whatever information they need. In one instance, this caused a safety issue to surface. The construction inspectors may need some advance warning about when agency staff are arriving so that their needs can be accommodated.

Roya Borman mentioned that SMUD Power Generation factors the cost of additional staff into projects so that there is always someone available to meet with the agency inspector.

Bob Gorham stated that he would let his inspectors know that safety comes first and that if need be, questions for the operator could be taken care of later. It is not the intention of the CSFM to stop or impede a project.

Travel Expense Claims for this meeting

No committee members need to submit a travel expense claim for this meeting.

Next PSAC meeting

The next meeting is tentatively scheduled for November 30, 2011.

Meeting adjourned

Today's PSAC meeting ended at 3:15 pm.