



OFFICE of the STATE FIRE MARSHAL

Pipeline Safety Advisory Committee Meeting

OSFM Pipeline Safety Division

June 09, 2015

1:30 PM to 3:00 PM

MINUTES

MEMBERS PRESENT

Bob Gorham, OSFM- Pipeline Safety Division (Chairperson)

Robert Distaso, Orange County Fire Authority

Mark Reese, Beacon Energy Services, Inc.

Bill Reardon, Huntington Beach Fire Department

Ron Morones – Kinder Morgan Energy Partners (Phoned in)

MEMBERS NOT PRESENT

Todd Letterman, Pacific Fire Engineering

Alan Elliott, Shell Pipeline Company

GUESTS

Michael Edwards, California State Lands Commission

OSFM STAFF

Doug Allen, OSFM

Daniel Hastert, OSFM

Linda Zigler, OFSM (Phoned in)

CALL TO ORDER

Chief Gorham called meeting the meeting to order at 1:30 PM

INTRODUCTIONS

Each attendee introduced him or herself and what organization he or she represented.

APPROVAL OF MINUTES

Copies of the September 24, 2014, PSAC meeting were reviewed. Ron Morones moved to approve the minutes as they were and Bill Reardon seconded the motion. A vote was taken by the committee and the minutes were passed and so will be posted on the CSFM website.

There was a note that the phone number for Robert Distaso was incorrect on the phone list. The correct number for Robert Distaso is (714) 573-6253.

OVERVIEW AND PURPOSE

Chief Gorham opened the meeting by reviewing the purpose of the PSAC Committee:

Advise local agencies and pipelines operators of change in laws and the regulations affecting the operations of pipelines and to review purposes regulations adopted by the California Government Code.

GENERAL DISCUSSION

State Regulation Activity

High Profile Incidents

The Wilmington leak of an “Out-of-Service” pipeline has sparked multiple congressional hearings. This leak led to the OFSM removing the “Out-of-Service” classification and leaving “Active” and “Abandoned”. This puts the OFSM in line with PHMSA’s regulations.

Santa Barbara oil spill is the most recent and high profile leak. This pipeline is owned by PLAINS, and is regulated by PHMSA.

LEGISLATIVE REACTION

Santa Barbara oil leak has many bills waiting to be presented. California State Senator Beth Jackson is putting bills together. One of the bills would require OFSM to attempt to reestablish the INTERSTATE agreement with PHMSA. Senator Jackson's bill would also require OFSM to conduct annual inspections on each pipeline operator.

Mark Reese also spoke about spill response based on reasonable worst case scenario.

Also discussed is what happens when the public attempts to help with spill cleanups (i.e. no PPE).

Lastly, the PHMSA Corrections Order that was issued to PLAINS, by PHMSA.

PROPOSED CIVIL PENALTY CALCULATION REGULATIONS

Chief Gorham presented his proposed civil penalty matrix. The matrix is based on a similar civil penalty matrix from the state of South Dakota. This matrix is based on many different factors such as culpability, death, property damage, and other extenuating and mitigating factors. The new matrix will take the subjectivity out of assessing civil penalties. The fine has a maximum of a \$2,000,000 penalty. The money that is collected from civil penalties goes towards training of first responders. Currently we are still in the testing phase of the civil penalty matrix. It was proposed that this matrix will be tested by different people on similar types of incidents to see if similar penalties would be assessed by different people. When the final matrix is complete the matrix will be sent out to the PSAC for review.

OUT OF SERVICE PIPELINES

Currently that is approximately 1,100 miles of out of service pipelines in the state. The Out-of-Service classification will no longer be used to describe OFSM jurisdictional pipelines. Pipelines will now be classified as "Active" or "Abandoned" and the commodity of each line section will be captured in the State Pipeline Mapping System. When companies reactivate pipelines they will have to provide documentation that maintenance has been done, Cathodic Protection (CP) had been kept up, as well as pipeline right-of- ways.

THE OFSM is currently working on a new database to track the pipelines. No time frame has been given for the new database.

AB 119 – ONE CALL ENFORCEMENT

The week of June 15, 2015 this bill is scheduled to go back to the legislature. Currently, Cal Trans is exempted from the one call enforcement. Other points of interest in the bill is that homeowners doing gardening will be exempted as long as they are using hand tools, so would farmers, and landscapers.

Currently there is a question of One Call violations. County District Attorneys forward complaint to the OFSM and the OFSM sends the complaint back to the appropriate DA for enforcement and prosecution.

FEDERAL LEGISLATIVE AND REGULATORY ACTIVITIES

PHMSA is getting a new executive director.

Currently we are waiting on new key regulations from PHMSA.

OFSM PROGRAM UPDATE

OFSM is waiting on a salary structure adjustment. The hope of the OFSM is that newer and higher wages will allow OFSM to attract new people. OFSM will be announcing the new exam period sometime after July 1, 2015. Currently, the OFSM has seven openings for the position of Pipeline Safety Engineer.

Bob Gorham is stepping down as chief and will become a supervisor of the Lakewood office.

NEW BUSINESS

Robert Distaso discussed a new development at John Wayne Airport. Currently Jet Fuel is trucked into the airport every day. The new construction will consist of a new Jet Fuel pipeline that will supply the airport and remove the need for fuel truck delivery. Construction on the new pipeline and jet fuel storage tanks is scheduled to begin in 2016.

NEXT MEETING

The next meeting will be conducted sometime in December 2015. Date and time of the next meeting is TBD.

MEETING ADJOURNED

3:00 PM