

DEPARTMENT OF TRANSPORTATION**Research and Special Programs Administration****49 CFR Part 192****[Docket No. RSPA-00-7666; Amendment 192-95]****RIN 2137-AD54****Pipeline Safety: Pipeline Integrity Management in High Consequence Areas (Gas Transmission Pipelines)****AGENCY:** Office of Pipeline Safety (OPS), Research and Special Programs Administration (RSPA), DOT.**ACTION:** Final rule.

SUMMARY: This final rule requires operators to develop integrity management programs for gas transmission pipelines located where a leak or rupture could do the most harm, *i.e.*, could impact high consequence areas (HCAs). The rule requires gas transmission pipeline operators to perform ongoing assessments of pipeline integrity, to improve data collection, integration, and analysis, to repair and remediate the pipeline as necessary, and to implement preventive and mitigative actions. RSPA/OPS has also modified the definition of HCAs in response to a petition for reconsideration from industry associations. This final rule comprehensively addresses statutory mandates, safety recommendations, and conclusions from accident analyses, all of which indicate that coordinated risk control measures are needed to improve pipeline safety.

DATES: This final rule takes effect January 14, 2004. The incorporation by reference of certain publications in this rule is approved by the Director of the Federal Register as of January 14, 2004.

Privacy Act Information: You may review DOT's complete Privacy Act Statement in the **Federal Register** published on April 11, 2000 (Volume 65, Number 70; Pages 19477-78) or you may visit the Dockets Management System (DMS) Web site at <http://dms.dot.gov>. You may search the electronic form of all comments received into any of our dockets by the name of the individual submitting the comment (or signing the comment, if submitted on behalf of an association, business, labor union, *etc.*).

General Information: You may contact the Dockets Facility by phone at (202) 366-9329 for copies of this final rule or other material in the docket. All materials in this docket may be accessed electronically at <http://dms.dot.gov/>

search. Once you access this address, type in the last four digits of the docket number shown at the beginning of this notice (7666), and click on search. You will then be able to read and download comments and other documents related to this final rule.

FOR FURTHER INFORMATION CONTACT:

Mike Israni by phone at (202) 366-4571, by fax at (202) 366-4566, or by e-mail at mike.israni@rspa.dot.gov, regarding the subject matter of this final rule. General information about the RSPA/OPS programs may be obtained by accessing RSPA's Internet page at <http://RSPA.dot.gov>.

SUPPLEMENTARY INFORMATION: RSPA/OPS believes it can ensure the integrity of gas transmission pipelines by requiring each operator to: (a) Develop and implement a comprehensive integrity management program for pipeline segments where a failure would have the greatest impact on the public or property; (b) identify and characterize applicable threats to pipeline segments that could impact a high consequence area; (c) conduct a baseline assessment and periodic reassessments of these pipeline segments; (d) mitigate significant defects discovered from the assessment; and (e) continually monitor the effectiveness of its integrity program and modify the program as needed to improve its effectiveness. This final rule does not apply to gas gathering or to gas distribution pipelines.

This final rule satisfies Congressional mandates that require RSPA/OPS to prescribe standards that establish criteria for identifying each gas pipeline facility located in a high-density population area and to prescribe standards requiring the periodic inspection of pipelines located in these areas, including the circumstances under which an inspection can be conducted using an instrumented internal inspection device (smart pig) or an equally effective alternative inspection method. The final rule also incorporates the required elements for gas integrity management programs mandated in the Pipeline Safety Improvement Act of 2002, which was signed into law on December 17, 2002, and codified at 49 U.S.C. 60109.

Background*Notice of Proposed Rulemaking*

On January 28, 2003, RSPA/OPS published a Notice of Proposed Rulemaking (68 FR 4278) that proposed pipeline integrity management requirements for gas transmission pipelines. In the preamble to that Notice, RSPA/OPS explained in great

detail the history of the proposed rule and how the proposal addressed statutory mandates, National Transportation Safety Board (NTSB) recommendations, and safety conclusions drawn from accident analyses. RSPA/OPS had finalized the definition of HCAs for gas transmission pipelines in a prior rulemaking on August 6, 2002 (67 FR 50824).

The American Gas Association (AGA), the American Public Gas Association (APGA), the Interstate Natural Gas Association of America (INGAA), and the New York Gas Group (NYGAS) filed a petition for reconsideration of the HCA final rule. Issues raised in the petition are discussed in the section titled, *Petition for Reconsideration of the final rule on the definition of High Consequence Areas*. RSPA/OPS addressed certain aspects of the petition in the published notice of proposed rulemaking on gas transmission pipeline integrity management program requirements (68 FR 4278; January 28, 2003). The remaining issues were addressed in two notices published on July 17, 2003—*Response to Petition for Reconsideration* (68 FR 42456) and *Issuance of Advisory Bulletin* (68 FR 42458).

Pipeline Safety Improvement Act of 2002

On November 15, 2002, Congress passed the Pipeline Safety Improvement Act of 2002, which was signed into law on December 17, 2002, and codified at 49 U.S.C. 60109. This law requires RSPA/OPS to "issue regulations prescribing standards to direct an operator's conduct of a risk analysis and adoption and implementation of an integrity management program" no later than 12 months after December 17, 2002. The statute sets forth minimum requirements for integrity management programs for gas pipelines located in HCAs. These requirements have been incorporated into this final rule. Statutory requirements for an integrity program include conducting baseline and reassessment testing of each covered transmission pipeline segment at specified intervals, conducting an integrated data analysis on a continuing basis, taking actions to address integrity concerns, addressing issues raised by RSPA/OPS and by state and local authorities under an interstate agent agreement, conducting testing in an environmentally appropriate manner, providing notification of changes to a program, and permitting a State interstate agent access to the risk analysis and integrity management program.