

Public Service Commission of Maryland

Marcellus Shale Advisory Commission Presentation

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Presented by

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Topics to be Addressed

- * Jurisdiction
- * Regulatory Requirements
- * What part does the PSC play?
- * Gathering Lines
- * PHMSA - ANPRM

Interstate and Intrastate

What is the difference?

- * Interstate – between or among states of a federal government. (A pipeline that crosses a state’s border.)
- * Intrastate – within a state. (A pipeline that starts and stops within a state and does not cross the state’s borders.)

What organizations regulate pipeline infrastructure within the United States?

- * The regulation of the Nation's pipeline infrastructure falls in the hands of the U.S. Department of Transportation's Pipeline and Hazardous Materials Administration (PHMSA).
- * However, through agreements with the States, the States are given regulatory enforcement authority over intrastate pipelines. In Maryland the Public Service Commission (PSC) has been designated as the Maryland agency with authority.

Who regulates the gas transmission and distribution infrastructure within Maryland with regard to pipeline safety?

Type of Facility	Interstate	Intrastate
Gathering Lines	PHMSA	PSC
Transmission Lines	PHMSA	PSC
Compressor Stations	PHMSA	PSC
Storage Facilities	PHMSA	PSC
Distribution Systems		PSC

How is the location of the lines regulated?

- * Interstate lines, and all of their associated facilities, have to go through the Federal Energy Regulatory Commission (FERC) to obtain approval for siting of their proposed routes.
- * Intrastate lines do not have to come to the FERC or the PSC for approval of their routes. Their routes are developed through agreements with landowners for the right-of-way. They do have to get approval for environmental issues through other State agencies.

What do the pipeline safety regulations cover?

- * Materials
- * Pipe & Pipe Components Design
- * Joining of Materials
- * Construction
- * Customer Meters, Service Regulators & Service Lines
- * Test Requirements
- * Upgrading
- * Operations
- * Maintenance
- * Qualification of Pipeline Personnel
- * Integrity Management

Are there any requirements in the pipeline safety regulations regarding noise levels?

* NO

* Noise issues, for compressor stations, are generally addressed through standards established by the Maryland Department of the Environment and enforced by the local jurisdiction.

The PSC's Role

- * To ensure that the operators, under the Commission's jurisdiction, are in compliance with the pipeline safety regulations.
- * The PSC's Pipeline Safety Group inspects;
 - Procedures
 - Records
 - Field Operations
 - Incidents
- * Also, involved in the operator's rate cases.

What is a Pipeline?

- * **Pipeline** means all parts of those physical facilities through which gas moves in transportation, including pipe, valves, and other appurtenance attached to pipe, compressor units, metering stations, regulator stations, delivery stations, holders, and fabricated assemblies.

Types of Pipelines

- * **Gathering line** means a pipeline that transports gas from a current production facility to a transmission line or main.
- * **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) operates at a hoop stress of 20 percent or more of SMYS; or (3) transports gas within a storage field.
- * **Distribution line** means a pipeline other than a gathering or transmission line.

Gathering Lines

- * Type A and Type B – classification depends on characteristics
 - * Material
 - * Pressure
- * Terms
 - * Maximum allowable operating pressure (MAOP) means the maximum pressure at which a pipeline or segment of a pipeline may be operated
 - * Specified minimum yield strength (SMYS) means the stress value used to calculate the required wall thickness of a pipe that can sustain a certain internal pressure

Type A Gathering Lines

- * Type A –Gathering lines are metallic with a MAOP of 20% SMYS or more, as well as nonmetallic lines with a MAOP of more than 125 psig, in a Class 2,3 or 4 location. These lines are subject to all requirements in 49 CFR § 192 that apply to transmission lines, except § 192.150, the regulation that requires the accommodation of smart pigs in the design and construction of certain new and replaced pipelines and the Integrity Management requirements of § 192. Operators of Type A gathering lines are also permitted to use an alternative process for demonstrating compliance with the requirements of § 192, subpart N, Qualification of Pipeline Personnel.

Type B Gathering Lines

- * Type B – Gathering lines are metallic lines with a MAOP of less than 20% SMYS, as well as non-metallic lines with a MAOP of 125 psig or less, in a Class 2, 3 or 4 location. These lines are subject to less stringent requirements than Type A gathering lines. Specifically, any new or substantially changed Type B line must comply with design, installation, construction, and initial testing and inspection requirements applicable to transmission lines and, if of metallic construction, the corrosion control requirements for transmission lines. Operators must include Type B lines in their damage prevention and public education programs, establish the MAOP of those lines under § 192.618, and comply with the requirements for installing and maintaining line markers.

What is left unregulated?

- * Neither Type A or B gas gathering lines are regulated in Class 1 areas.
- * A Class 1 area is an area located either offshore or in a rural area where there are 10 or fewer buildings intended for human occupancy within 220 yards on either side of the centerline of any continuous one mile segment of pipeline.

PHMSA's ANPRM

- * PHMSA is proposing to expand its regulation of gas gathering lines. PHMSA has expressed concerns that the current regulatory oversight of gathering lines does not adequately cover current practices and allows gathering line operators to avoid necessary safety regulations.
- * PHMSA is considering:
 - * Amending the regulations to require annual, incident, and safety related condition reports by operators of all gathering lines;
 - * Expanding the definition for gathering lines used in the regulations to include pipelines downstream from processing or compression facilities;
 - * Establishing safety requirements for large diameter, high pressure gas gathering lines, including those located in rural locations; and
 - * Adopting requirements for pipeline associated with landfill gas systems.

Questions?