



National Transportation Safety Board

Washington, D.C. 20594

Office of the Chairman

APR 24 2012

The Honorable Cynthia L. Quarterman
Administrator
Pipeline and Hazardous Materials
Safety Administration
Washington, D.C. 20590

Dear Administrator Quarterman:

Thank you for your letter, dated December 14, 2011, which the National Transportation Safety Board (NTSB) received on February 24, 2012, updating the status of actions to address Safety Recommendations P-11-8 through -20, stated below. We issued these recommendations to the Pipeline and Hazardous Materials Safety Administration (PHMSA) on September 26, 2011, as a result of our investigation of the September 9, 2010, natural gas pipeline rupture that occurred in a residential area in the City of San Bruno, California.

P-11-8

Require operators of natural gas transmission and distribution pipelines and hazardous liquid pipelines to provide system-specific information about their pipeline systems to the emergency response agencies of the communities and jurisdictions in which those pipelines are located. This information should include pipe diameter, operating pressure, product transported, and potential impact radius.

The NTSB is aware that PHMSA issued Advisory Bulletin (ADB) PHMSA-2010-0307, *Pipeline Safety: Emergency Preparedness Communications*. We note that, in December 2011, PHMSA held an emergency responder forum that brought together leaders of the emergency responder community from the Federal and state governments, the public, and the pipeline industry to begin development of a strategy and action plan for improving emergency responders' ability to prepare for, and respond to, pipeline emergencies. The forum evaluated available resources and current regulatory requirements, drew lessons from recent pipeline accidents, and looked for potential gaps in information that emergency responders need to adequately prepare for, and respond to, natural gas and hazardous liquid pipeline emergencies. PHMSA plans to use this information to address Safety Recommendation P-11-8; accordingly, the recommendation is classified "Open—Acceptable Response."

P-11-9

Require operators of natural gas transmission and distribution pipelines and hazardous liquid pipelines to ensure that their control room operators immediately

and directly notify the 911 emergency call center(s) for the communities and jurisdictions in which those pipelines are located when a possible rupture of any pipeline is indicated.

The NTSB notes that PHMSA plans to issue an ADB to all pipeline operators, reiterating the importance of immediately notifying emergency responders when a pipeline ruptures or other emergency condition exists. However, the pending ADB, which does not constitute a regulation, will not *require* operators to directly notify emergency responders, as recommended. Accordingly, we ask that PHMSA reconsider its planned action to address Safety Recommendation P-11-9. Pending receipt of further information from PHMSA regarding our request, Safety Recommendation P-11-9 is classified “Open—Acceptable Response.”

P-11-10

Require that all operators of natural gas transmission and distribution pipelines equip their supervisory control and data acquisition systems [SCADA] with tools to assist in recognizing and pinpointing the location of leaks, including line breaks; such tools could include a real-time leak detection system and appropriately spaced flow and pressure transmitters along covered transmission lines.

The NTSB notes that, in late 2011, PHMSA issued an Advanced Notice of Proposed Rulemaking (ANPRM), and in 2012, as part of a study to examine how enhancements to SCADA systems can improve recognition of pipeline leak locations, will hold a public workshop as well as a public forum on leak detection. Because PHMSA intends to initiate rulemaking once these actions are complete, Safety Recommendation P-11-10 is classified “Open—Acceptable Response.”

P-11-11

Amend Title 49 *Code of Federal Regulations* [CFR] 192.935(c) to directly require that automatic shutoff valves or remote control valves in high consequence areas and in class 3 and 4 locations be installed and spaced at intervals that consider the factors listed in that regulation.

P-11-14

Amend Title 49 *Code of Federal Regulations* 192.619 to delete the grandfather clause and require that all gas transmission pipelines constructed before 1970 be subjected to a hydrostatic pressure test that incorporates a spike test.

P-11-15

Amend Title 49 *Code of Federal Regulations* Part 192 of the Federal pipeline safety regulations so that manufacturing- and construction-related defects can only be considered stable if a gas pipeline has been subjected to a postconstruction

hydrostatic pressure test of at least 1.25 times the maximum allowable operating pressure.

Because PHMSA initiated regulatory action to address these issues, with the August 2011 issuance of an ANPRM, *Pipeline Safety: Safety of Gas Transmission Pipelines*, Safety Recommendations P-11-11, -14, and -15 are classified “Open—Acceptable Response,” pending publication of the recommended final rule.

P-11-12

Amend Title 49 *Code of Federal Regulations* 199.105 and 49 *Code of Federal Regulations* 199.225 to eliminate operator discretion with regard to testing of covered employees. The revised language should require drug and alcohol testing of each employee whose performance either contributed to the accident or cannot be completely discounted as a contributing factor to the accident.

The NTSB understands that PHMSA is reviewing its legal authority and policy with the U.S. Department of Transportation (DOT) to clarify the regulatory language identified in Title 49 CFR 199.105(b) and .225(a)(1), and that, following those discussions, PHMSA will clarify the regulations as needed. Accordingly, pending completion of this review and receipt of further information about PHMSA’s intended course of action, Safety Recommendation P-11-12 is classified “Open—Acceptable Response.”

P-11-13

Issue immediate guidance clarifying the need to conduct postaccident drug and alcohol testing of all potentially involved personnel despite uncertainty about the circumstances of the accident.

PHMSA issued ADB-2012-02, *Pipeline Safety: Post Accident Drug and Alcohol Testing*, on February 23, 2012, satisfying the recommendation. Accordingly, Safety Recommendation P-11-13 is classified “Closed—Acceptable Action.”

P-11-16

Assist the California Public Utilities Commission [CPUC] in conducting the comprehensive audit recommended in Safety Recommendation P-11-22.

Because PHMSA is assisting the CPUC as requested, Safety Recommendation P-11-16 is classified “Open—Acceptable Response,” pending completion of the CPUC’s audit.

P-11-17

Require that all natural gas transmission pipelines be configured so as to accommodate in-line inspection tools, with priority given to older pipelines.

The NTSB is encouraged that the U.S. Secretary of Transportation is committed to this issue and that PHMSA initiated regulatory action with its August 25, 2011, issuance of an ANPRM, *Pipeline Safety: Safety of Gas Transmission Pipelines*, which includes action regarding Integrity Management Programs (IMP). Accordingly, pending publication of a final rule that satisfies the recommendation, Safety Recommendation P-11-17 is classified “Open—Acceptable Response.”

P-11-18

Revise your integrity management inspection protocol to (1) incorporate a review of meaningful metrics; (2) require auditors to verify that the operator has a procedure in place for ensuring the completeness and accuracy of underlying information; (3) require auditors to review all integrity management performance measures reported to the Pipeline and Hazardous Materials Safety Administration and compare the leak, failure, and incident measures to the operator’s risk model; and (4) require setting performance goals for pipeline operators at each audit and follow up on those goals at subsequent audits.

PHMSA has initiated action to revise its IMP inspection protocol and amend its audit requirements as requested. Accordingly, pending completion of these efforts, Safety Recommendation P-11-18 is classified “Open—Acceptable Response.”

P-11-19

(1) Develop and implement standards for integrity management and other performance-based safety programs that require operators of all types of pipeline systems to regularly assess the effectiveness of their programs using clear and meaningful metrics, and to identify and then correct deficiencies; and (2) make those metrics available in a centralized database.

The NTSB understands that PHMSA’s IMP contains some of the recommended metrics, and we are encouraged that PHMSA plans to continue working with applicable stakeholders to improve those metrics and to ensure that operators regularly assess the effectiveness of their programs and correct identified deficiencies. We are also encouraged that PHMSA plans to advance the goals of this recommendation in a spring 2012 pipeline safety data workshop. Pending completion of PHMSA’s efforts to satisfy this recommendation, Safety Recommendation P-11-19 is classified “Open—Acceptable Response.”

P-11-20

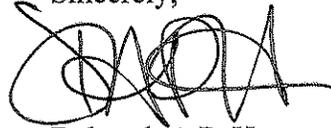
Work with state public utility commissions to (1) implement oversight programs that employ meaningful metrics to assess the effectiveness of their oversight programs and make those metrics available in a centralized database, and (2) identify and then correct deficiencies in those programs.

The NTSB is encouraged that PHMSA plans to work, or already has begun to work, (1) with state pipeline safety programs, (2) with the National Association of Regulatory Utility

Commissioners, and (3) with the National Association of Pipeline Safety Representatives to address this recommendation. We are further encouraged that your agency is working to improve the transparency of its data and of state pipeline safety program data. Pending completion of these efforts to implement Safety Recommendation P-11-20, this recommendation is classified "Open—Acceptable Response."

We would appreciate receiving periodic updates on these initiatives as progress continues to address Safety Recommendations P-11-8 through -12 and 14 through -20. We encourage you to submit updates electronically at the following e-mail address: correspondence@ntsb.gov. If a response includes attachments that exceed 5 megabytes, please e-mail us at the same address for instructions. To avoid confusion, please do not submit both an electronic copy and a hard copy of the same response.

Sincerely,

A handwritten signature in black ink, appearing to read 'D. Hersman', written over a circular stamp or seal.

Deborah A.P. Hersman
Chairman

cc: Ms. Linda Lawson, Director
Office of Safety, Energy, and Environment
Office of Transportation Policy