



BOARD OF SUPERVISORS AGENDA LETTER

Agenda Number:

Clerk of the Board of Supervisors
105 E. Anapamu Street, Suite 407
Santa Barbara, CA 93101
(805) 568-2240

Department Name:	Planning & Development
Department No.:	053
For Agenda Of:	December 8, 2015
Placement:	Departmental
Estimated Time:	45 minutes
Continued Item:	No
If Yes, date from:	
Vote Required:	Majority

TO: Board of Supervisors

FROM: Department
Director(s) Glenn Russell, Ph.D., Director, Planning & Development
Contact Info: Kevin Drude, Deputy Director, Energy & Minerals Division
568-2519

SUBJECT: **County Comments on the Federal Pipeline & Hazardous Materials Safety Administration (PHMSA) Notice of Proposed Rulemaking (Pipeline Safety Regulations)**

County Counsel Concurrence

As to form: Yes

Auditor-Controller Concurrence

As to form: N/A

Other Concurrence:

As to form: N/A

Recommended Actions:

That the Board of Supervisors:

- (a) Authorize the Chair to execute the attached letter (Attachment 1), commenting on the federal Pipeline and Hazardous Materials Safety Administration (PHMSA) Notice of Proposed Rulemaking dated October 13, 2015; and
- (b) Determine that the above actions are organizational and administrative activities of government that are not a project under the California Environmental Quality Act (CEQA) pursuant to section 15378(b)(5) of the CEQA Guidelines (Attachment 3).

Summary Text:

On October 13, 2015, PHMSA released a Notice of Proposed Rulemaking proposing numerous changes to hazardous liquid pipeline safety regulations, as codified in 49 Code of Federal Regulations (CFR) Part 195. Planning and Development, Energy and Minerals Division staff has reviewed the proposed regulations and prepared a draft comment letter, included as Attachment 1. The Notice of Proposed Rulemaking is included as Attachment 2.

PHMSA is proposing to make the following changes to the hazardous liquid pipeline safety regulations: (1) Extend certain reporting requirements to gravity lines; (2) Extend certain reporting requirements to

all hazardous liquid gathering lines; (3) Require inspections of pipelines in areas affected by extreme weather, natural disasters, and other similar events; (4) Require periodic assessments of pipelines that are not already covered under the integrity management (IM) program requirements; (5) Expand the use of leak detection systems on hazardous liquid pipelines to mitigate the effects of failures that occur outside of HCAs; (6) Modify the IM repair criteria, both by expanding the list of conditions that require immediate remediation and consolidating the timeframes for remediating all other conditions, and apply those same criteria to pipelines that are not subject to the IM requirements, with an adjusted schedule for performing non-immediate repairs; and, (7) Increase the use of inline inspection tools by requiring that any pipeline that could affect a high consequence area be capable of accommodating these devices within 20 years, unless its basic construction will not permit that accommodation. Other regulations are proposed to be clarified to improve compliance and enforcement.

The proposed regulations are a positive step in requiring operators to adequately inspect and report on their pipelines. The comments in the attached letter are intended to strengthen the proposed regulations and ensure greater environmental protection. The comments suggest shortening timeframes for compliance and increasing oversight and reporting requirements. Because the proposed regulations would not strengthen preventative standards regarding valve spacing and automatic shutoff systems, staff's recommended comments also suggest incorporation of additional regulations in these areas.

Background:

In response to accident investigation findings, incident report data and trends, and stakeholder input, PHMSA published an Advance Notice of Proposed Rulemaking (ANPRM) in the Federal Register on October 18, 2010. The ANPRM solicited stakeholder and public input and comments on several aspects of hazardous liquid pipeline regulations being considered for revision or updating in order to address the lessons learned from recent accidents and other pipeline safety issues. In addition, the Pipeline Safety, Regulatory Certainty, and Job Creation Act of 2011 (P.L. 112-90) directed PHMSA to update and strengthen key pipeline safety standards. The law required PHMSA to strengthen requirements for the inclusion of leak detection technologies on pipelines and to consider rules requiring automatic shutoff valves on new pipelines. It required these rules to be finalized by January 2014, but this deadline was not met.

Subsequent to the Refugio Oil Spill on May 19, 2015, Representative Lois Capps introduced an amendment into the 2016 Transportation and Housing and Urban Development appropriations bill that set aside funds for the finalization and implementation of these rules. On October 13, 2015, PHMSA released a Notice of Proposed Rulemaking proposing several changes to hazardous liquid pipeline safety regulations as codified in 49 Code of Federal Regulations (CFR) 195.

Fiscal and Facilities Impacts and Fiscal Analysis: *

Budgeted: Yes. Funding to research and prepare the comment letter is budgeted in the Permitting Budget Program on page D-289 of the Planning and Development Department's FY 2015-17 budget.

Special Instructions:

Return executed comment letters to Kevin Drude for electronic submittal.

Attachments:

1. Draft Comments on Proposed Rulemaking
2. PHMSA Notice of Proposed Rulemaking
3. CEQA Exemption

Authored by: Errin Briggs