

INSTRUCTIONS FOR COMPLETING
FORM PHMSA F 7000-1.1 (Rev. 03-2007)

ANNUAL REPORT FOR CALENDAR YEAR 2007
HAZARDOUS LIQUID OR CARBON DIOXIDE SYSTEMS

GENERAL INSTRUCTIONS

All section references are to Title 49 of the Code of Federal Regulations.

Annual reports must be submitted/postmarked by June 15 for the preceding calendar year. Reporting began June 15, 2005 and continues annually thereafter. In order to improve the accuracy of reported data, operators are to review successive years' reports in order to validate that their reported numbers are accurate, or to identify and correct inconsistencies or errors that are either found or that may exist in any previously reported data, filing supplemental reports as necessary.

Reporting requirements will be at §195.49 - Annual report, Title 49 of the Code of Federal Regulations (CFR) Transportation of Hazardous Liquids by Pipeline, upon completion of rulemaking.

Reports should be submitted to the address below. If you have questions about the report or these instructions, or need copies of Form PHMSA F 7000-1.1 (03-2007), please contact:

Information Resources Manager
PHMSA – Pipeline Safety Program
1200 New Jersey Ave., SE
East Building, 2nd Floor (PHP-10)
Room Number E22-321
Washington, D.C. 20590-0001
(202) 366-8075

Copies of the form and instructions are on the Office of Pipeline Safety's home page, <http://ops.dot.gov> in the OPS FORMS section of the ONLINE LIBRARY.

Please type or print all entries. Make an entry in each block for which data is available. Estimate data only if necessary. When estimates are provided, more accurate data is to be provided in a supplemental report if and when the data becomes available. Try to avoid entering mileage in the **Unknown** columns if possible.

The terms "barrel", "breakout tank", "carbon dioxide", "gathering line", "intrastate", "interstate", "hazardous liquid", "highly volatile liquid (HVL)", "offshore", "outer continental shelf (OCS)", "pipeline facility", "rural area", "specified minimum yield strength (SMYS)", etc., are defined in §195.2. The term "operator" is defined in §195.2 as a person who owns or operates pipeline facilities. For purposes of this report, the operator is further defined as the person ("person" is defined in §195.2) who exercises substantial control over the operation of the pipeline.

SPECIFIC INSTRUCTIONS

Enter the Calendar Year for which the report is being filed in the header of the form near the form title, bearing in mind that reporting requirements are for the preceding calendar year (i.e., for the June 15, 2008 deadline, reporting would be for calendar year 2007).

Check **Initial Report** if this is the original filing. Check **Supplemental Report** if this is a follow-up to a previously filed report to amend or correct information. On Supplemental Reports, enter all information requested in Parts A, J, K, and L, and only the new or revised information for the remainder of the form.

For System Type, it is the Pipeline Safety Program's intent to collect individual reports for mileage by system type in order to alleviate any confusion in reporting mileage on multiple systems. Operators should remember that any subsequent filing of an incident report should reflect the corresponding system type as filed in the annual. The system types on both reports must be consistent for proper analysis.

File a separate report for each of the following system types:

Crude Oil - a dark oil consisting mainly of hydrocarbons.

Highly Volatile Liquids (HVLs) - flammable or toxic fluids, which are gases at ambient conditions, including anhydrous ammonia (NH₃) and propane.

Petroleum and Refined Products – gasoline, diesel, fuel, or other petroleum products, which are liquid at ambient conditions. Petroleum products means flammable, toxic, or corrosive products obtained from distilling and processing of crude oil, unfinished oils, natural gas liquids, blend stocks, and other miscellaneous hydrocarbon compounds. For the sake of this report, "petroleum products" is meant to be synonymous with "refined products".

Carbon Dioxide (CO₂) - other non-flammable, non-toxic fluids (gases at ambient temperature).

Note: When a single pipeline serves as two or more of the above system types, that pipeline should only be reported once using the system type that is predominant.

PART A - OPERATOR INFORMATION

Insert the operator name and address. Enter the address where additional information can be obtained. The operator's five digit identification number appears on the PHMSA mailing label. All operators that meet the requirements of a "person" under 49 CFR 195.2 must have an identification number. If the person completing the report does not have the operator identification number, this information may be requested from the Information Resources Manager.

Before continuing with the rest of the form, please read the below:

Important Information Regarding Mileage Reporting

Each hazardous liquid system operator with total mile(s) of one (1) or more mile(s) of pipeline is required to file an annual PHMSA F 7000.1-1 report.

Report **TOTAL** miles of pipeline in the system at the end of the reporting year, including additions to the system during that year. Please adhere to definitions in Title 49 Part 195 of the Code of Federal Regulations when reporting pipeline mileage.

Please round all mileage to the nearest thousandth of a mile. **DO NOT USE FRACTIONS.** Please convert fractions to the nearest decimal number, (e.g., 3/8 to 0.375, 3/4 to 0.75 or 1/2 to 0.5). The entry for "Miles of Steel Pipe" in Parts B, C and D should be identical and reflect system totals. **Note: The form requests reporting in miles of pipeline, not feet.**

PART B - MILES OF STEEL PIPE BY LOCATION/PROTECTION

In Part B, report miles of steel pipe by location and protection. The form asks for mileage of onshore and offshore, cathodically protected or unprotected, and bare or coated pipe. **COATED** means pipe coated with an effective hot or cold applied dielectric coating or wrapper.

Part B also requires a report of the total miles of onshore/offshore pipe that could affect High Consequence Areas (HCAs). It should be noted that the mileages reported as completed Baseline Assessments in Part K are a subset of the total miles of onshore/offshore pipe that could affect High Consequence Areas reported in this Part B. Operators are to validate the total completed and scheduled assessment mileage in their Baseline Assessment Plans with the mileage reported here. The comparison of these two numbers will highlight any discrepancies that might result from new HCA segments being added or deleted, acquired or sold, or idled or converted. Any corrections to previously reported data should be submitted in a supplemental report.

PART C - MILES OF STEEL PIPE BY NOMINAL PIPE SIZE (NPS) BY LOCATION

In Part C, report the miles of steel pipe by Nominal Pipe Size (NPS) (outside diameter) and location for both onshore and offshore locations. Enter the appropriate mileage in the corresponding nominal size blocks. For clarification purposes, the following guidelines are offered:

Please note that pipe size which does not correspond to NPS measurements should be rounded up to the next larger category. For example, 7 inch pipe would fall in the NPS 8" block. Operators should use the closest approximation for diameter.

PART D - MILES OF PIPE BY DECADE INSTALLED

In Part D, report the miles of pipe by decade installed. Please see the General Instructions for amplifying information regarding old or unknown installation dates.

We recognize that some companies may have very old pipe for which installation records may not exist. Enter estimates of the totals of such mileage in the "Pre-20 or UNKNOWN" section of Part D "Miles of Pipe by Decade Installed".

PART E - MILES OF ERW PIPE BY WELD TYPE AND DECADE

In Part E, miles of Electronic Resistance Weld (ERW) pipe by weld type and decade are entered according to year installed, and whether the pipe is high or low frequency.

"High Frequency" means the ERW pipe is high frequency ERW. High frequency ERW pipe is pipe that was manufactured using a much higher frequency electrical current, usually about 450 thousand Hertz (kHz) to provide heat for fusion of the weld seam. Most pipe using this process has been manufactured since the late 1960s.

"Low Frequency" means the ERW pipe is low frequency ERW. Low frequency ERW pipe is pipe that was manufactured using a 250 Hertz (Hz) alternating electrical current to provide heat for fusion of the weld seam. Most pipe using this process was manufactured prior to 1970.

"DC" means direct current.

If you need additional information, please check the PHMSA website at <http://ops.dot.gov> for documents further explaining ERW.

PART F - MILES OF REGULATED PIPE BY SPECIFIED MINIMUM YIELD STRENGTH (SYMS)

Part F requires the total miles of pipe by specified minimum yield strength for pipe onshore and offshore by percentage SYMS. The data requested pertains to pipelines regulated by the Pipeline Safety Program only and not those which are

regulated by other federal or state authorities.

PART G - MILES OF REGULATED GATHERING LINES

Report the mileage of PHMSA regulated gathering lines only. Gathering lines are defined in 49 CFR §195.2 as, "A pipeline 219.1mm (8 5/8 inch) or less nominal outside diameter that transports petroleum from a production facility."

Rural gathering lines are considered to be unregulated gathering lines in accordance with 195.1(b)(4). Include petroleum gathering line mileage under crude oil systems.

PART H - BREAKOUT TANKS

If you have submitted breakout tank information via the National Pipeline Mapping System, check the corresponding box and proceed to Part I.

If not, list the number of tanks by capacity and by commodity on separate reports.

PART I - VOLUME TRANSPORTED IN BARREL-MILES

Include annual volume transported totals in barrel-miles regardless of state. Mixed system operators should report all mileage under the predominant system type for mixed commodity category systems.

Barrel-miles means one barrel transported one mile. The volume transported should be consistent with the system type in order to have clear data for analysis.

PART J - INTEGRITY INSPECTIONS CONDUCTED AND ACTIONS TAKEN BASED ON INSPECTION

Part J captures the integrity inspections conducted and actions taken based on inspection. Inspections means those inspections conducted in the reporting period calendar year (including Baseline, non-Baseline, and new construction). Part J is subdivided into five (5) sections.

- Section 1 - Mileage inspected by In-Line Inspection (ILI) tool type.
- Section 2 - Actions taken based on ILI inspections.
- Section 3 - Pressure Testing.
- Section 4 - Other Inspection Techniques (including Direct Assessment).
- Section 5 - Total Mileage Inspected (all Methods) and Actions Taken.

Please ensure that operator answers to Part J – Questions 2 and 4 are based on actual "actions taken" (i.e. actual repairs made) and not on anticipated or reported conditions from ILI logs or other reports. Also, please ensure that operator answers to Part J – Questions 2(b), 4(c), and 5(b) include only those conditions identified and repaired, but not those which were "otherwise mitigated". (It should be noted that the words "...or otherwise mitigated..." included in the original report form have been removed.) In addition, operator answers to Part J – Questions 1, 2(a), 2(b), 3, and 4(a) are to include both pipe segments that were determined to be HCA "could affect" segments and those that were not. Operator answers to Part J – Questions 2(c), 4(b), and 4(c) are only for those pipe segments that were determined to be HCA "could affect" segments. In the case of Questions 2(b) and 2(c), the answer to 2(c) is a subset of the answer to 2(b).

PART K – MILEAGE OF COMPLETED BASELINE ASSESSMENTS

Part K captures the completed Baseline Assessments as required under 49 CFR 195.452. Of the total miles that could affect HCAs (see miles reported in Part B), and for the miles that the operator currently owns, enter the number of miles with completed Baseline Assessments for the appropriate corresponding year. Please do not report scheduled or forecasted assessments in outlying years.

These "completed assessments" (with the lone exception of those reported in Question (a) – see note below) are defined consistently with FAQ 4.13 <http://primis.phmsa.dot.gov/iim/faqs.htm>. ***The date on which an assessment is considered complete will be the date on which final field activities related to that assessment are performed***, not including repair activities. That will be when a hydrostatic test is completed, when the last in-line inspection tool run of a scheduled series of tool runs is performed, or the date on which "other technology" for which an operator has provided timely notification is conducted. Evaluation of the assessment results, integration of other information, and repair of anomalies must still be performed in accordance with the requirements established for these activities in the rule. However, for the purposes of reporting "completed assessments" in Part K(b)-(g), these activities are considered to occur after the completion of the "assessment".

Note: The *only* mileage that can be reported in Question (a) of Part K (a "previously acceptable assessment" occurring between January 1, 1996 and December 31, 2002) is that mileage the operator included and officially declared in their Baseline Assessment Plan, namely those mileages for which the entire assessment process – consistent with all the provisions of the IM Rule and inclusive of risk assessments, integration of information, integrity testing, repairs completed, and/or mitigation in place – was completed.

PART L - PREPARER AND AUTHORIZED SIGNATURE

PREPARER is the name of the person most knowledgeable about the report or the person to be contacted for more information. Please include the preparer's E-mail address if applicable.

AUTHORIZED SIGNATURE may be the preparer or a company officer, principal, or other person whom the operator or owner has designated to review and sign reports.

The Pipeline Inspection, Protection, Enforcement and Safety Act (signed in December 2006) requires pipeline operators to have a senior executive officer of the company sign and certify annual pipeline integrity management program (IMP) performance reports (Part J and K of this form). By his or her signature, the senior executive officer is certifying that he or she has (1) reviewed the report and (2) to the best of his or her knowledge, believes the report is true and complete.

Senior Executive Officer is the person who is certifying the information on Part J and K as required by 49 U.S.C. 60109(f).

The name and title of the senior executive officer certifying the report should be entered in the appropriate blanks on this section of the form. The name of the senior executive officer certifying the report should also be entered in the signature block on the form. Operators should keep in mind that entering the senior executive officer's name onto the electronic form is equivalent to a paper submission and has the same legal authenticity and requirements of a paper document.