Briefing Paper August 19, 2010

**Excess Flow Valves - Larger Applications Advisory Committee Action: Information** 

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<u>Background</u>: On Sept. 21, 2009, NTSB provided Cynthia Douglass, Assistant Administrator/Chief Safety Officer, Pipeline and Hazardous Materials Safety Administration, the following comment on the Notice of Proposed Rulemaking (NPRM) for Distribution Integrity Management Programs (DIMP) 2

...The NTSB again urges PHMSA to amend its NPRM to require EFVs on all new and renewed service lines for all gas service customers regardless of their classification, as specified in the recommendation, when the operator's conditions are compatible with readily available valves. If the final rules are not revised as requested, final classification of this recommendation may be "unacceptable." Pending a response from PHMSA about this requested change, Safety Recommendation P-01-2 remains classified "Open—Acceptable Response."

On Dec. 4, 2009, the DIMP final rule revised section 192.383 to require the installation of EFVs in new and replaced service lines supplying single family residences. Other customer classifications do not require installation of EFVs.

<u>PHMSA Actions</u>: In response to NTSB safety recommendation P-01-2, PHMSA is contemplating future rulemaking to expand the requirement for installation of EFVs to cover remaining gas customers. PHMSA held stakeholder meetings on June 23, 2009 and August 25, 2009, that included the NTSB, Fire Chiefs, State Fire Marshals' Associations, operators and their associations, to share their understanding, knowledge, experience, and capability with respect to the installation, operation, and maintenance of EFVs in service lines supplying commercial, industrial, and multi-residential natural gas users.

Based on information provided by stakeholders, additional research and data evaluation, PHMSA drafted a report, *Interim Evaluation: Response to NTSB Recommendation P-01-2*, *Excess Flow Valves in Applications Other Than Service Lines Serving One Single Family Residence.* The report includes stakeholder perspectives, operators' experience, the current availability of EFV's, technical challenges to design and operation of EFVs on remaining customers' service lines, considerations for improving industry standards, considerations for an economic analysis required for federal regulation proposals, and proposed next steps.

The scope and parameters for the economic analysis include a discussion of: previous benefit-cost analysis, feasibility/practicality, categories of services, defining cost and benefit factors, quantifying the number of incidents or consequences averted, and data needs for such analysis.

The draft report will soon be delivered to the States for their review and comment.