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10. Lilienthal, H., et al. Behavioral Effects of Pre- and Postnatal Exposure to a Mixture of Low Chlorinated PCBs in Rats. Fundamental and Applied Toxicology. 15, 457-467 (1990).

Dated: May 13, 1991.

Victor J. Kimm,

Acting Assistant Administrator for Pesticides and Toxic Substances.

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BILLING CODE 6560-60-F

DEPARTMENT OF TRANSPORTATION

Research and Special Programs Administration

49 CFR Part 195

[Docket No. PS-117, Notice 2]

Transportation of a Hazardous Liquid in Pipelines Operating at 20 Percent or Less of Specified Minimum Yield Strength

AGENCY: Research and Special Programs Administration (RSPA), DOT.

ACTION: Notice of meeting.

SUMMARY: In Notice 1 of this proceeding, RSPA requested public comment on the need to regulate the safety of hazardous liquid pipelines operated at 20 percent or less of specified minimum yield strength (SMYS). Now the Associate Administrator for Pipeline Safety announces that he will invite representatives of industry and government who have expressed a strong interest in this proceeding to discuss relevant issues or questions raised by Notice 1. The meeting will be open to the public and a transcript of the meeting will be placed in the docket.

DATES: The meeting will be held on June 17, 1991, from 2 p.m. to 5 p.m.

ADDRESSES: The meeting will be held in the Russell Senate Office Building, Room 253, Delaware Avenue and Constitution Avenue, NE., Washington, DC. The transcript of the meeting will be available for inspection and copying in Room 8419, NASSIF Building, 400 Seventh Street, SW., Washington, DC 20590. (Office hours are 8:30 to 5 p.m., Monday through Friday, except public holidays.)

FOR FURTHER INFORMATION CONTACT: G. Joseph Wolf, (202) 368-4560.

SUPPLEMENTARY INFORMATION: The federal pipeline safety standards in part 195 governing the transportation of hazardous liquids by pipeline do not apply to pipelines operating at 20 percent or less of specified minimum yield strength of the pipe (§ 195.1(b)(3)). Following a serious accident involving one of these low-stress pipelines, RSPA published an advance notice of proposed rulemaking on the need to apply the part 195 regulations to these lines (Notice 1; 55 FR 45822; October 31, 1990).

The comments we received on Notice 1 show a divergence of opinion about the extent to which pipelines operated at 20 percent or less of SMYS should be regulated. To help clarify and narrow the issues involved, the Associate Administrator for Pipeline Safety will invite representatives of industry and government who have expressed a strong interest in this proceeding to meet to discuss Notice 1. The meeting will be conducted as a roundtable forum.

Anticipated participants will be representatives of the petroleum and chemical industries, including the American Petroleum Institute, the Association of Oil Pipelines, the Independent Liquid Terminals Association, and the Chemical Manufacturers Association. Other invitees will include the National Resources Defense Council and representatives of state agencies, including the National Association of Pipeline Safety Representatives. Also, Congressional staff having an interest in this rulemaking will be invited to participate in the meeting.

Anticipated items to be discussed at this meeting include, but are not limited to, the following:

- Description of pipelines affected.
- Operating characteristics of pipelines operated at 20 percent or less of SMYS.
- Description of the current oversight of affected pipelines unregulated by OPS.
- Other federal or state regulations applicable to affected pipelines.
- Accident history of affected pipelines.
- Cost to bring affected pipelines into compliance with part 195.
- Additional cost to operate pipelines in compliance with part 195.
- General comments.

Interested persons who do not receive an invitation to participate in the meeting may be seated or stand in the audience to the extent space is available. Such persons will have an opportunity to participate in the discussion only upon approval of the chair. Additional procedures for the

conduct of the meeting may be established at the meeting.

(49 App. U.S.C. 2002; 49 CFR 1.53 and App. A to part 106)

Issued in Washington, DC, on May 17, 1991.

Richard L. Beam,

Acting Associate Administrator for Pipeline Safety.

[FR Doc. 91-12178 Filed 5-21-91; 8:45 am]

BILLING CODE 4910-60-M

Research and Special Programs Administration

49 CFR Part 195

[Docket No. PS-121; Notice 1]

RIN 2137-AB 46

Hydrostatic Testing of Certain Hazardous Liquid and Carbon Dioxide Pipelines

AGENCY: Research and Special Programs Administration (RSPA), DOT.

ACTION: Notice of proposed rulemaking.

SUMMARY: In this notice RSPA proposes to extend hydrostatic testing or the alternative reduction in maximum operating pressure to all hazardous liquid steel pipelines where maximum operating pressure has not been established in accordance with the requirements of 49 CFR part 195. The proposal would establish an adequate margin of safety for all untested and all inadequately tested interstate hazardous liquid pipelines constructed prior to January 8, 1971, and intrastate hazardous liquid pipelines constructed prior to October 21, 1985. Accidents have occurred on these pipelines that might have been avoided had an adequate safety margin been established between the maximum operating pressure and a test pressure. Requiring an adequate margin of safety by hydrostatic testing or reduction in maximum operating pressure would minimize future failures on these currently untested or inadequately tested pipelines. Additionally, this notice proposes to extend the same requirements for an adequate margin of safety to carbon dioxide pipelines that are required for hazardous liquid pipelines. This is consistent with section 211 of the Pipeline Safety Reauthorization Act of 1988.

DATES: Interested persons are invited to submit written comments in duplicate by July 22, 1991. Late filed comments will be considered to the extent practicable. Interested persons should submit as part of their written comments all the material that is considered

relevant to any statement of fact or argument made.

ADDRESSES: Send comments to the Dockets Unit, room 8417, Office of Pipeline Safety (OPS), Research and Special Programs Administration, U.S. Department of Transportation, 400 Seventh Street, SW., Washington, DC 20590. Identify the docket and notice numbers stated in the heading of this notice. All comments and materials cited in this document will be available in the docket for inspection and copying in room 8419 between 8 a.m. and 4 p.m. each working day. Non-Federal employee visitors are admitted to the DOT headquarters building through the southwest quadrant at Seventh and E Streets.

FOR FURTHER INFORMATION CONTACT: Albert C. Garnett, (202) 366-2036, regarding the subject matter of this notice, or Dockets Unit (202) 366-4453, for copies of this notice or other material in the docket.

SUPPLEMENTARY INFORMATION:

Background

Hydrostatic testing is a generally recognized method of demonstrating the integrity of newly constructed and existing pipelines. The purpose of the hydrostatic test required by the pipeline safety regulations is to ensure that the pipeline has the necessary strength to function as designed and is free of critical size imperfections (defects), which will cause the line to leak or rupture under service conditions. Those defects have their origin in manufacturing, or in conditions subsequently initiated during transportation of the pipe, or during construction or operation of the pipeline. Notwithstanding, the pipeline safety regulations do not permit hydrostatic testing to replace the nondestructive testing requirements for welds in subpart D of part 195.

If no failure occurs during the hydrostatic test, it shows that the pipeline contains no defects that are critical within the pressure range and duration of the test. Moreover, testing to a level above a pipeline's maximum operating pressure (MOP) establishes a proven margin of safety against future failures resulting from the growth of defects. Part 195, subpart E requires that the minimum pressure for testing a pipeline be 125 percent of the MOP. This 125 percent relationship of test pressure to MOP was initially established in the pipeline safety regulations for interstate pipelines effective January 8, 1971. The 125 percent relationship of test pressure to maximum operating pressure originated in the American Society of

Mechanical Engineers Code B31.4 for "Liquid Petroleum Transportation Piping Systems" (1966 edition). Line pipe research reported by the American Gas Association/Battelle (Columbus) contained in "Study Of Feasibility Of Basing Natural Gas Pipeline Operating Pressure On Hydrostatic Test Pressure," page 3 (February 1968); "5th Symposium On Line Pipe Research," page M-25 (November 1974); and "7th Symposium on Line Pipe Research," page 15-3 (October 1986) demonstrated that a minimum relationship (margin of safety) of hydrostatic test pressure to MOP of 125 percent is adequate to protect against future failures. The permanence of the margin of safety depends on the properties of the pipe, the operating conditions, the maintenance procedures, the protective coatings, and the environmental conditions.

At the same time that the hydrostatic test verifies the integrity of the pipeline by causing critical defects to fail, it may cause subcritical size imperfections to grow. When such defect growth occurs, it may cause failures during subsequent hydrostatic testing cycles at lower pressures than previously attained. However, such failures, termed pressure reversals, are infrequent. Therefore, it should not be presumed that repeated hydrostatic testing and subsequent defect growth reduce the safety of the pipeline. Although defect growth leading to failure can occur during hydrostatic testing, research reported by Battelle (Columbus) in the January 7, 1985, edition of "Oil & Gas Journal," page 94, states that the pressure reversal phenomenon is not of great concern provided that the minimum margin of safety between test pressure and MOP required by the current regulations is maintained.

The origination of defects and their growth in service are a much greater concern than defect growth during hydrostatic testing. Because untested or inadequately tested pipelines may contain defects that have not been detected by hydrostatic testing, these pipelines are more vulnerable to defect growth in service than properly tested pipelines. The origination or growth of defects while a pipeline is in operation may be caused by corrosion, creep, fatigue and external damage and may result in a leak or rupture. Therefore, these untested or inadequately tested pipelines are also more vulnerable to failures in service.

Untested pipelines and pipelines tested to lower pressures than required by the regulations have no proven margin of safety or a lower margin of safety than pipelines tested in compliance with the current regulations.

Because the proven margin of safety is less for pipelines that have not been tested in compliance with § 195.302(c), there is a greater possibility, than for properly tested pipelines, that pre-existing defects that have not grown will be stressed to a level that will cause failure during certain permitted overpressuring of the pipeline. This potential for failure is prevalent in older pipelines made of electric resistance welded (ERW) pipe. Hydrostatic testing in compliance with § 195.302(c) will eliminate such defects from causing failure within the limits of the MOP (§ 195.406(a)) and of overpressure from surges or other variations (§ 195.406(b)).

Additionally, the regulations in part 195, subpart E require that each new steel pipeline system and each part of an existing steel pipeline system that is replaced or relocated (not including certain pipe movement under § 195.424) must be qualified for use by hydrostatic testing. Section 195.302(c) requires testing to at least 1.25 times the intended MOP for not less than 4 continuous hours, and if the pipeline is not visually inspected for leakage during test, further testing to at least 1.10 times MOP for at least an additional 4 continuous hours. These regulations became effective January 8, 1971 and September 8, 1980, for new interstate pipelines, and October 21, 1985, for new intrastate pipelines.

Except for the onshore highly volatile liquid (HVL) pipelines discussed below, part 195 does not require that the MOP of hazardous liquid pipelines constructed before the above effective dates (and not subsequently replaced or relocated) be based on a prior hydrostatic test. For these pipelines, there may be little or no proven margin of safety to offset potential defect growth in service.

On September 8, 1980, DOT published regulations requiring untested or inadequately tested onshore interstate HVL pipelines constructed before January 8, 1971, and in HVL service before September 8, 1980, to be either qualified by hydrostatic testing during a 5-year period concluding September 14, 1985, in accordance with § 195.302(c), or not operated at more than 80 percent of any documented prior hydrostatic test or highest operating pressure held for 4 or more continuous hours in accordance with § 195.406(a)(5). Reducing MOP to 80 percent or less of a prior documented test or operating pressure held for at least 4 continuous hours provides a minimum 25 percent safety margin between MOP and test pressure which is equivalent to the margin provided by hydrostatic testing under § 195.302(c).

(Amendment 195-17; 45 FR 59161, September 8, 1980) (§ 195.302(b)).

A similar requirement to hydrostatically test or reduce the MOP of existing onshore intrastate HVL pipelines has been implemented during a 5-year period concluding April 22, 1990 (Amdt. 195-33; 50 FR 15895, April 23, 1985) (§ 195.302(b)).

Accident Record of HVL Pipelines

Of all the untested or inadequately tested hazardous liquid pipelines, DOT initially required testing or reduction in MOP of onshore HVL pipelines (§ 195.302(b)) because these pipelines posed higher risks of severe accidents than other pipelines due primarily to the nature of the product they transport. Operators were required to either reduce the MOP within 1 year following publication of the final rule or complete the hydrostatic testing within 5 years. During the 52-month period following the completion of the hydrostatic testing program for onshore interstate HAL pipelines, the reported accident data show a marked improvement in operational safety.

For the period from January 1, 1968 (the earliest data available) until the start of the test period on September 8, 1980, the average accident rate for onshore interstate HVL pipelines (tested, untested and inadequately tested) due to defective pipe, defective welds and corrosion was 10.9 a year. The mandatory test period concluded September 14, 1985, and for the subsequent period from September 15, 1985, through December 31, 1989, the average failure rate for this category of HVL interstate pipelines (now all assumed to be in compliance with § 195.302(b) by testing or reduction in MOP) due to the same causes was only 3.5 failures per year. Thus the statistics developed after the 5-year testing period show a 68 percent drop in the corresponding failure rate. OPS believes that such a dramatic drop after the required testing period represents the benefits of the rule requiring either hydrostatic testing or reduction in MOP to current requirements.

Need to Hydrostatically Test or Reduce the MOP of Other Hazardous Liquid Pipelines

In view of the positive results of the rule requiring hydrostatic testing or reduction of MOP of untested or inadequately tested onshore interstate HVL pipelines, OPS has examined the accident data available for non-HVL hazardous liquid pipelines. These include both interstate and intrastate, onshore and offshore pipelines carrying petroleum and petroleum products that

are not HVL. Because the accident reporting requirements for intrastate hazardous liquid pipelines did not take effect until October 21, 1985, data for these pipelines are not available prior to that date.

OPS's statistics for the period October 21, 1985, through December 31, 1989, for all untested non-HVL steel pipelines show that 149 accidents were reported to have been caused by failed welds, failed pipe, and corrosion during this 4.2-year period. For accident reports submitted with incomplete hydrostatic test data (part H of DOT Form 7000-1), OPS assumes that a hydrostatic test meeting part 195 requirements had not been performed. It should be noted that a report of an accident on a non-HVL pipeline is only required where there is an explosion or unintentional fire, injuries or deaths, where the property damage exceeds \$5,000, or where the spillage is 50 or more barrels of liquid. Therefore, the above statistics do not represent all the non-HVL accidents caused by defective pipe, defective welds and corrosion which occurred during this period, just those that met the minimum reporting requirements.

OPS has completed a technical report titled "Electric Resistance Weld Pipe Failures on Hazardous Liquid and Gas Transmission Pipelines" addressing the safety and reliability of electric resistance weld (ERW) pipe. The report indicates that there have been 172 failures on hazardous liquid pipelines during 1968-1988 involving longitudinal seam splits. About 98 percent of these failures were on pre-1970 ERW pipe. These were caused by seam defects, such as lack of fusion, low toughness, hook cracks, stitching, excessive hardness, and selective seam corrosion.

Because of the unique problem presented by ERW seams on many older pipelines, RSPA is proposing that ERW pipe manufactured prior to 1970 be given priority in scheduling hydrostatic tests that are conducted as a result of this rulemaking. Under this proposal, testing of pipelines known to have more than 50 percent by mileage of pre-1970 ERW pipe would have to be completed within 4.5 years after a final rule is published.

The following are accounts of a few significant reported accidents involving non-HVL pipelines that were not hydrostatically tested or not tested in the manner set forth in § 195.302(c):

On May 19, 1986, an 8-inch ERW interstate fuel oil pipeline, which was constructed in 1957, failed in Minnesota. The operator reported that the pipeline's operating pressure at the time of the failure was about 89 percent of the MOP. It was also reported that 628 barrels (26,376 gallons) of fuel oil were

spilled, with 596 barrels (25,032 gallons) lost into the environment. The operator attributed the failure to a defect in an ERW longitudinal seam, and reported that the pipeline had not been qualified for service by a hydrostatic test.

On December 24, 1988, a 22-inch ERW interstate crude oil pipeline, which was constructed in 1949, ruptured in Maries (Vienna County), Missouri, leaving a 49'-5" opening in the longitudinal seam. The operator reported that the pressure at the location of the pipe failure at the time of the rupture was about 88 percent of the MOP and 91 percent of the maximum test pressure. It was also reported that 20,554 barrels (863,268 gallons) of crude oil were spilled from the rupture, with 9,054 barrels (380,268 gallons) lost into the environment. The operator attributed the pipe rupture to an operational error in switching to a connecting pipeline resulting in a pressure surge of about 88 percent of the MOP, which initiated the ERW seam split at a manufacturing defect known as a hook crack. Most of the crude oil flowed into a tributary of the Gasconade River, and much of that oil eventually flowed into the Missouri and Mississippi rivers. Although there were no deaths or injuries reported, the operator estimated property damage (including cost of unrecovered crude oil, damage to other parties, and cost of cleanup) to be approximately \$14,000,000. It is to be noted that during the subsequent hydrostatic testing to establish an MOP according to current requirements of part 195, there have been numerous failures in the longitudinal seams of the ERW pipe.

On January 24, 1989, a 20-inch ERW interstate crude oil pipeline, which was constructed in 1948, ruptured in Winkler County, Texas, leaving a 13½-foot long opening in the longitudinal seam. The operator reported that the pipeline's operating pressure at the time of the rupture was about 96 percent of the reported MOP. It was also reported that 23,534 barrels (988,428 gallons) of crude oil were spilled from the rupture, with 17,685 barrels (742,770 gallons) lost into the environment. The operator attributed the rupture to a hook crack in the longitudinal seam, and reported that the pipeline had not been hydrostatically tested in the manner part 195 requires. Although there were no deaths or injuries reported, the operator estimated property damage (including cost of unrecovered crude oil, damage to other parties, and cost of cleanup) to be approximately \$312,000. In this accident, the pipeline pumps reportedly were shut down in about 8 minutes, but crude oil continued to drain

from the rupture because approximately 19 miles of the pipeline were at a higher elevation. The pipeline will be operated at a reduced MOP until it is hydrostatically tested, after which a new MOP will be established at 80 percent of the hydrostatic test pressure.

In addition to the estimated damages reported by the operator, there may be other costs. The cost of environmental damage is not specifically required to be reported, and thus may not have been included in the estimates of property damage.

Furthermore, there is the potential for serious consequences to persons in the proximity of hazardous liquid pipeline failures. For example, on October 7, 1986, a failure occurred in a 14-inch non-HVL hazardous liquid interstate pipeline near King of Prussia, Pennsylvania. A spill of approximately 5,250 barrels (220,500 gallons) of gasoline resulted in evacuation of a major shopping center and closing a section of the Pennsylvania Turnpike. This failure was attributed to an improper welding procedure (probably exacerbated by bending stresses) on a repair sleeve that had been installed less than a month earlier. Fortunately, there were no deaths or injuries. However, the resulting evacuation, the closing of a major highway, and the reported unrecovered loss of 1,942 barrels (81,564 gallons) of gasoline into the environment, illustrate the potential harm that can occur from a failure in a non-HVL hazardous liquid pipeline.

The four pipeline failures discussed above that occurred within a 32-month time interval have resulted in the non-HVL spillage of 49,966 barrels (2,098,572 gallons) of which 29,277 barrels (1,229,634 gallons), or about 59 percent, were never recovered. Those significant spills occurred in four widely separated regions of the country and in the pipeline systems of four major operators. Thus, these failures were not confined to conditions occurring only in a limited geographic area or restricted to a specific pipeline system. Hazardous liquid spills of such magnitude have the potential to cause an accident of calamitous consequences to persons and property. Additionally, spillage of these large quantities of petroleum liquids can create major environmental problems for land surfaces and waterways.

Additional Benefits

Besides protecting against failures over the long term due to latent material and construction defects, hydrostatic testing of existing pipelines can have more immediate safety benefits. For example, flaws that may have occurred from excavation damage ("dig-ins") to

in-service pipelines might be detected. In addition, some pipelines may have developed wall thinning from undetected corrosion during their years of service. For the 4.2-year period from October 21, 1985, through December 31, 1989, there were 116 failures reported to have been caused by corrosion in these untested or inadequately tested non-HVL pipelines. Similar corroded areas would be likely to rupture during hydrostatic testing, thus preventing potential in-service accidents. Moreover, OPS anticipates that when sections of pipeline are removed from service and prepared for hydrostatic testing, operators will use the opportunity to inspect the exposed pipe for evidence of deteriorated coating and external corrosion. Further, operators may perform other work to update their pipelines such as the replacement of obstructions to the passage of instrumented inspection devices ("smart pigs"). These opportunities for inspecting and updating those older pipelines will further contribute to their safe operations.

Extending the Existing Rule

For the foregoing reasons, RSPA is proposing to extend hydrostatic testing or reduction in MOP to all untested or inadequately tested steel pipelines where the MOP has not been established by the requirements of § 195.406(a). Operators electing to alternatively establish a MOP based on a previous hydrostatic test or a previous (not limited to the highest) operating pressure would be required to document that pressure by recording charts or logs made at the time the test or the operations were conducted, as was similarly required for onshore HVL pipelines in § 195.406(a)(5). The pipelines predominately affected by this notice are interstate non-HVL pipelines constructed before January 8, 1971, and intrastate non-HVL pipelines constructed before October 21, 1985, both onshore and offshore, that are subject to part 195.

This notice proposes to apply the minimum 25 percent margin of safety to untested or inadequately tested offshore HVL pipelines that were excluded from the hydrostatic test requirements of § 195.302(b) or the alternative reduction in MOP requirements of § 195.406(a)(5). Information from industry and Federal regulatory sources indicates that there are very few, if any, offshore pipelines covered by part 195 that transport HVL. Nonetheless, RSPA sees the need to close this regulatory gap by requiring the same minimum 25 percent margin of safety for older offshore HVL pipelines

that is required for all other pipelines subject to part 195.

In response to section 211 of the Pipeline Safety Reauthorization Act of 1988 (Pub. L. 100-561; October 31, 1988) which requires the Secretary of Transportation to extend part 195 regulations to cover pipelines used in the transportation of carbon dioxide (CO₂), OPS issued a notice of proposed rulemaking entitled "Transportation of Carbon Dioxide by Pipeline" (Docket No. PS-112, Notice 1; 54 FR 41912; October 12, 1989). The period for public comment on that notice ended December 11, 1989. This notice proposes new or amended part 195 regulations for hydrostatic testing or alternative reduction in MOP to the CO₂ pipelines in Docket PS-112. The proposals in this notice are in addition to, and do not alter, the proposals made in Docket PS-112.

The regulations of part 195 currently apply to the pipeline transportation of hazardous liquids. A hazardous liquid defined by § 195.2 "means petroleum, petroleum products, or anhydrous ammonia" which are often categorized as HVL or non-HVL. Docket PS-112, draft final rule, amends the definitions in § 195.2 by the addition of "Carbon dioxide means a fluid consisting of more than 90 percent carbon dioxide molecules compressed to a supercritical state." Now, the regulations in this notice propose to revise part 195 to establish an adequate margin of safety for CO₂ pipelines in addition to certain hazardous liquid pipelines. At normal temperatures and atmospheric pressure, CO₂ is an odorless and colorless gas, not flammable, with a density 1.5 times the density of air. It will not support combustion nor will it sustain life if inhaled. As a gas, CO₂ is considered to be inert and does not easily react with other gases in the atmosphere. But, CO₂ chemically reacts with water to form carbonic acid which is corrosive to metals including steel pipe, valves and other pipeline components. Because of this chemical reaction, it is essential that a CO₂ pipeline be dried out completely after hydrostatic testing with water as a test medium. Although § 195.306 requires water as the test medium (with an exception for offshore pipelines under certain circumstances), Docket No. 112, (above), would revise § 195.306 to permit the alternative use of inert gas or CO₂ as a test medium under specified conditions.

Proposal

RSPA proposes to extend the current rule because hydrostatic testing is the only practicable means to protect the

public and the environment from the effects of preventable accidents, based on proven technology and accident data as discussed above OPS has been following with increased interest, the development and use of in-line inspection tools to obtain diverse information on hazardous liquid pipelines. Advances in the state-of-the-art by various manufacturers have made significant improvements in the data gathering and recording capacities of "smart pigs" and the subsequent interpretation of that information. But, at this time, no "smart pigs" are available that will reliably detect longitudinally oriented defects, especially those in and near line pipe welds. OPS encourages the use of these inspection devices where the technology is able to provide continuously reliable information on specific conditions and properties of the underground pipe. However, OPS recognizes that hydrostatic testing to the requirement of part 195 is the currently proven method for demonstrating the integrity of newly constructed and existing pipelines.

If these proposed rules are adopted, operators will have to complete extensive planning, scheduling, budgeting, and engineering work before beginning actual hydrostatic testing. In addition, field construction will be necessary to prepare pipeline sections for hydrostatic testing. At the conclusion of hydrostatic testing, a substantial amount of work may be necessary to return the tested pipeline sections to service. Also, test water will have to be disposed of in an environmentally acceptable manner, although this problem can be minimized by planning to reuse water in consecutive test sections. In recognition of the time needed to complete hydrostatic testing, the proposed rule provides a 7.5-year period for compliance. But, the testing of pipelines known to have more than 50 percent by mileage of pre-1970 ERW pipe would have to be completed within 4.5 years after a final rule is published. Moreover, to assure completion within 7.5 years, operators would be required to meet certain interim milestones for planning, scheduling, and completion of hydrostatic testing or reduction of MOP.

This proposal would amend the hydrostatic test requirements of §§ 195.300 and 195.302 as set forth hereafter. Section 195.302(c), dealing with test pressure, would be separately set forth as a new § 195.303. Section 195.406(a)(5), dealing with maximum operating pressure, would be modified to include certain pipelines under the amended § 195.302.

In commenting on these proposals, operators are requested to (1) estimate their mileage of non-HVL pipelines, offshore HVL pipelines and CO² pipelines (categorized as non-HVL, offshore HVL or CO²) that are subject to or proposed to be subject to part 195 but have not been hydrostatically tested in the manner set forth in subpart E of part 195; (2) estimate the percentage of the mileage given in response to item (1) that would be brought into compliance by reduction of MOP instead of hydrostatic testing (3) estimate the percentage drop of MOP and effect on annual throughput; and (4) estimate percentage of mileage given in response to item (1) that would be tested in accordance with § 195.306, which discusses the test medium.

Paperwork Reduction Act

This rulemaking would extend the collection of information under the current § 195.310 which describes the records of each hydrostatic test which must be retained as long as the facility is in use. This proposal will be submitted to the Office of Management and Budget (OMB) for approval under the Paperwork Reduction Act of 1980 (44 U.S.C. chap. 35). Persons desiring to comment on these information collection requirements should submit their comments to the office of Regulatory Policy, Office of Management and Budget, 726 Jackson Place NW., Washington, DC 20503, Attention: Desk Officer, Research and Special Program Administration (RSPA). Persons submitting comments to OMB are also requested to submit a copy of their comments to OPS as indicated above under ADDRESSES.

Impact Assessment

The proposed rules are major under Executive order 12291. That order defines a major rule as one which has an annual effect on the economy of \$100 million, a major increase in costs, or a significant adverse effect on the economy. The draft Economic Evaluation, a copy of which is in the docket, is based on available data and projected relevant costs and quantifiable benefits, shows net benefits resulting from the proposed rule. The agency's draft Economic Evaluation suggests that the benefits of hydrostatic testing exceed the associated costs. Comments are requested explaining why operators have not voluntarily tested pipelines never tested in accordance with current standards. Comments are also requested on the draft Economic Evaluation, in particular: (a) on the assumption of a 25 percent increase in benefits for non-reportable accidents;

(b) on the cost of disposing testwater; (c) on the cost of environmental cleanup (i.e., cost per barrel); (d) on the cost of repairing blowouts; and (e) on whether those pipelines already tested have focused on pipelines with the most potential for leaking. These comments will be taken into consideration when preparing the final Regulatory Evaluation.

The proposal is "significant" as defined by the Department of Transportation Policies and procedures (44 FR 11034, February 26, 1979) because it involves a substantial change in regulations affecting existing hazardous liquid pipelines. Also, based on the facts available about the anticipated impact of this rulemaking action, I certify pursuant to section 605 of the Regulatory Flexibility Act that the action will not, if adopted as final, have a significant economic impact on a substantial number of small entities, because few, if any, small entities operate pipelines subject to part 195.

Federalism

OPS has analyzed this action in accordance with the principles and criteria contained in E.O. 12612 (52 FR 41685) and has determined that it does not have sufficient federalism implications to warrant preparation of a Federalism Assessment.

List of Subjects in 49 CFR Part 195

Hydrostatic testing, Maximum operating pressure, Carbon dioxide.

In consideration of the foregoing, RSPA proposes to amend title 49 of the Code of Federal Regulations part 195 to read as follows:

PART 195—[AMENDED]

1. The authority citation for part 195 continues to read as follows:

Authority: 49 App. U.S.C. 2002; and 49 CFR 1.53.

2. Section 195.300 would be revised to read as follows:

§ 195.300 Scope.

This subpart prescribes minimum requirements for hydrostatically testing steel pipelines. It does not apply to the movement of pipe under § 195.424.

3. Section 195.302 would be revised to read as follows:

§ 195.302 General requirements.

(a) Except for the alternative provided under paragraph (a)(6) of this section, each of the following pipelines must be hydrostatically tested without leakage under this subpart before being operated:

(1) An interstate hazardous liquid pipeline constructed on or after January 8, 1971.

(2) An intrastate hazardous liquid pipeline constructed on or after October 21, 1985.

(3) A carbon dioxide pipeline constructed on or after (insert date of publication of final rule).

(4) A pipeline system or component of a pipeline system that is relocated, replaced or otherwise changed.

(5) A pipeline previously used in service not subject to this part and qualified for use under § 195.5.

(6) An HVL pipeline where the operator reduced the maximum operating pressure under the requirements of § 195.406(a)(5) as in effect (insert one day prior to effective date of this final rule):

(i) An interstate onshore pipeline constructed before January 8, 1971, and in HVL service before September 8, 1980.

(ii) An intrastate onshore pipeline constructed before October 21, 1985, and in HVL service before April 23, 1985.

(b) The following non-HVL pipelines that were not hydrostatically tested under this subpart must be hydrostatically tested without leakage under this subpart or the operator may reduce maximum operating pressure under § 195.406(a)(5) in accordance with the compliance dates of paragraph (e) of this section:

(1) An interstate pipeline constructed before January 8, 1971.

(2) An intrastate pipeline constructed before October 21, 1985.

(c) The following HVL pipelines that were not hydrostatically tested under this subpart must be hydrostatically tested without leakage under this subpart or the operator may reduce maximum operating pressure under § 195.406(a)(5) in accordance with the compliance dates of paragraph (e) of this section:

(1) An interstate offshore pipeline constructed before January 8, 1971.

(2) An intrastate offshore pipeline constructed before October 21, 1985.

(d) A carbon dioxide pipeline constructed before the (insert publication date of final rule) that was not hydrostatically tested under this subpart must be hydrostatically tested without leakage under this subpart or the operator may reduce maximum operating pressure under § 195.406(a)(5) in accordance with the compliance dates of paragraph (e) of this section.

(e) The following compliance dates apply to pipelines under paragraphs (b), (c), and (d) of this section:

(1) Planning and scheduling of hydrostatic testing, or actual reduction

in maximum operating pressure under § 195.406(a)(5), must be completed before (1 year after date of publication of final rule);

(2) Hydrostatic testing of each discrete (as identified by name, symbol or otherwise by the operator) pipeline for which it can be determined from existing records that electric resistance welded pipe manufactured prior to 1970 exceeds 50 percent by mileage of the pipeline must be completed before (4.5 years after date of publication of final rule); and

(3) Hydrostatic testing of pipelines other than those identified in subparagraph (2) of this paragraph must be completed before (7.5 years after date of publication of final rule) with at least 50 percent by mileage of the testing completed before (4.5 years after date of publication of final rule).

4. Section 195.302(c) would be redesignated as § 195.303 to read as follows:

§ 195.303 Test Pressure.

The test pressure for each hydrostatic test conducted under this subpart must be maintained throughout the part of the system being tested for at least 4 continuous hours at a pressure equal to 125 percent, or more, of the maximum operating pressure, and in the case of a pipeline that is not visually inspected for leakage during test, for at least an additional 4 continuous hours at a pressure equal to 110 percent, or more, of the maximum operating pressure.

5. Section 195.304(a) would be revised to read as follows:

§ 195.304 Testing of components.

(a) Each hydrostatic test under this subpart must test all pipe and attached fittings, including components, unless otherwise permitted by paragraph (b) of this section.

6. In § 195.406, the introductory text of paragraph (a) is republished without change, and paragraph (a)(5) would be revised to read as follows:

§ 195.406 Maximum operating pressure.

(a) Except for surge pressures and other variations from normal operations, no operator may operate a pipeline at a pressure that exceeds any of the following:

(5) For pipelines under § 195.302 (b), (c), and (d), 80 percent of a hydrostatic test pressure or alternatively 80 percent of an operating pressure to which the pipeline was subjected for 4 or more continuous hours that can be demonstrated by recording charts or logs made at the time the hydrostatic

test or the alternative operations were conducted.

* * * * *

Issued in Washington, DC, on May 14, 1991.

George W. Tenley, Jr.,
Associate Administrator for Pipeline Safety,
Research and Special Programs
Administration.

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INTERSTATE COMMERCE COMMISSION

49 CFR Parts 1246 and 1248

[Docket No. 40436]

Revision to Railroads' Reporting Requirements

AGENCY: Interstate Commerce
Commission.

ACTION: Notice of proposed rulemaking.

SUMMARY: This proposed rulemaking sets forth proposed changes to railroads' periodic report forms. The objective is to streamline and update the report forms to reduce reporting burden and require only frequently used disclosures.

DATES: Comments are due by June 21, 1991.

ADDRESSES: An original and fifteen copies, if possible, of comments should be sent to: Office of the Secretary, Case Control Branch, Interstate Commerce Commission, Washington, DC 20423.

FOR FURTHER INFORMATION CONTACT: William F. Moss, III, (202) 275-7510, (TDD for hearing impaired (202) 275-1721).

SUPPLEMENTARY INFORMATION: The Commission is proposing to revise the reporting regulations and report forms for railroads in order to effect cost savings and to reduce reporting burden by an estimated 20,000 hours. Generally, Form R-1 will be reduced by eliminating certain schedules and combining others. Form C will no longer be required. Form QCS will be required annually instead of quarterly. We propose no specific changes to the report forms RE&I, CBS, or to FORMS A AND B. The following report forms are under review:

- Railroad Annual Report Form R-1 (Form R-1) (OMB 3120-0029)
- Quarterly Report Form RE&I (Form RE&I) (OMB 3120-0027)
- Quarterly Condensed Balance Sheet—Railroads (Form CBS) (OMB 3120-0063)
- Monthly Report of Number of Railroad Employees (Form C) (OMB 3120-0133)