



U.S. Department of Transportation
Pipeline and Hazardous Materials
Safety Administration



Special Permits

2010

New England Pipeline Safety

Representatives Seminar

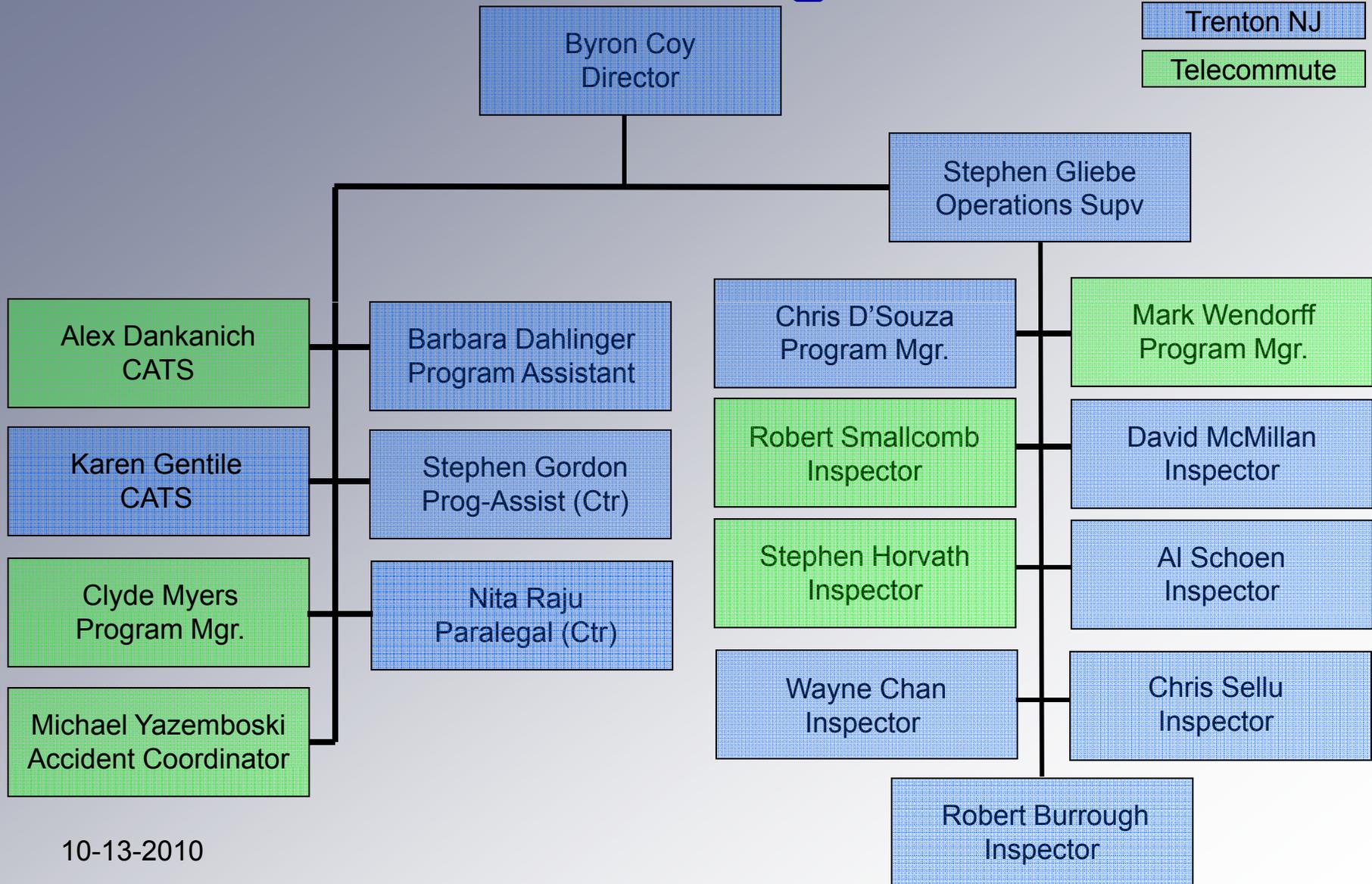
Ogunquit, Maine

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Director, Eastern Region



Eastern Region



10-13-2010



Origin of Special Permits

- Section 10 of the 2006 'PIPES' Act
- Federal Register / Vol. 73, No. 61/ page 16562
- March 28, 2008 : Rules and Regulations
- Waivers → Special Permits



Part 190

- § 190.341 Special permits
- A special permit is an order by which PHMSA waives compliance with one or more of the Federal pipeline safety regulations under the standards set forth in 49 U.S.C. 60118(c) and subject to conditions
- A special permit is issued to a pipeline operator (or prospective operator) for specified facilities that are or, absent waiver, would be subject to the regulation
- Applications for special permits must be submitted at least 180 days before the requested effective date



Special Permit Process

- Detailed information about design, construction, operating data, geographic and environmental impact, etc.
- Notice to the public of its intent to consider an application and invites comments
- Consult with other Federal agencies
- May grant the application, in whole or in part, and on a temporary or permanent basis
- Conditions are likely to be imposed
- The application may be denied



Typical Basis for Special Permits

- Class Location
- Design Criteria
- Construction
- Operations
- Maintenance



Special Permit - Process

- PHMSA's goal is to process SP applications within 180 days
- HQ personnel in Regulations and Engineering coordinate all aspects of the process
- Field Regions and interstate agent States participate



Special Permit - Process

- Special Permit Applications are published in the Federal Register
- Environmental Assessments are performed by the operator
- <http://www.phmsa.dot.gov/pipeline/regs/special-permits>



Special Permits

- May be Natural Gas or Hazardous Liquid
- Special Permits require additional safety measures
- Examples are CIS, more frequent patrols, DCVG, etc.
- The application contains a checklist that operators must address



Typical-Additional Requirements

- Include segments in Integrity Management program
- Perform CIS and DCVG/ACVG within one year
- Perform Interference Current and Shorted Casing analysis
- Special evaluation for SCC risks
- At least one CP test point in each High Consequence Area
- Use of non-shielding coatings
- Elevated repair criteria for ILI results
- Advance segments in ILI program for metal loss and deformation, not impacting(bumping) other IM segment evaluations
- Higher acceptance threshold for the quality of girth welds
- More thorough long seam risk analysis
- Incorporate best practices from Common Ground Alliance
- Certification by company senior executive



Special Permits

- PHMSA maintains a database of all SPs
- 90+ active SPs
- Oldest Waiver from 1976 (*Explorer 195.262d*)
- Special Permits can be revoked if requirements are not achieved or maintained
- Terms of Corrective Action Orders take precedence over the terms of Special Permits



Special Permits

- Eastern Region is inspecting all Special Permits this year
- Different levels of interaction with PHMSA may be required, dependent on the type, scope and term of the Special Permit



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Current Special Permits

Fiberglass reinforced polyethylene pipe in storage field application

Alternate criteria for Class Location Change

- Class Location
- Material/Design
- Construction

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Ultrasonic evaluation of plate welds on LNG tank

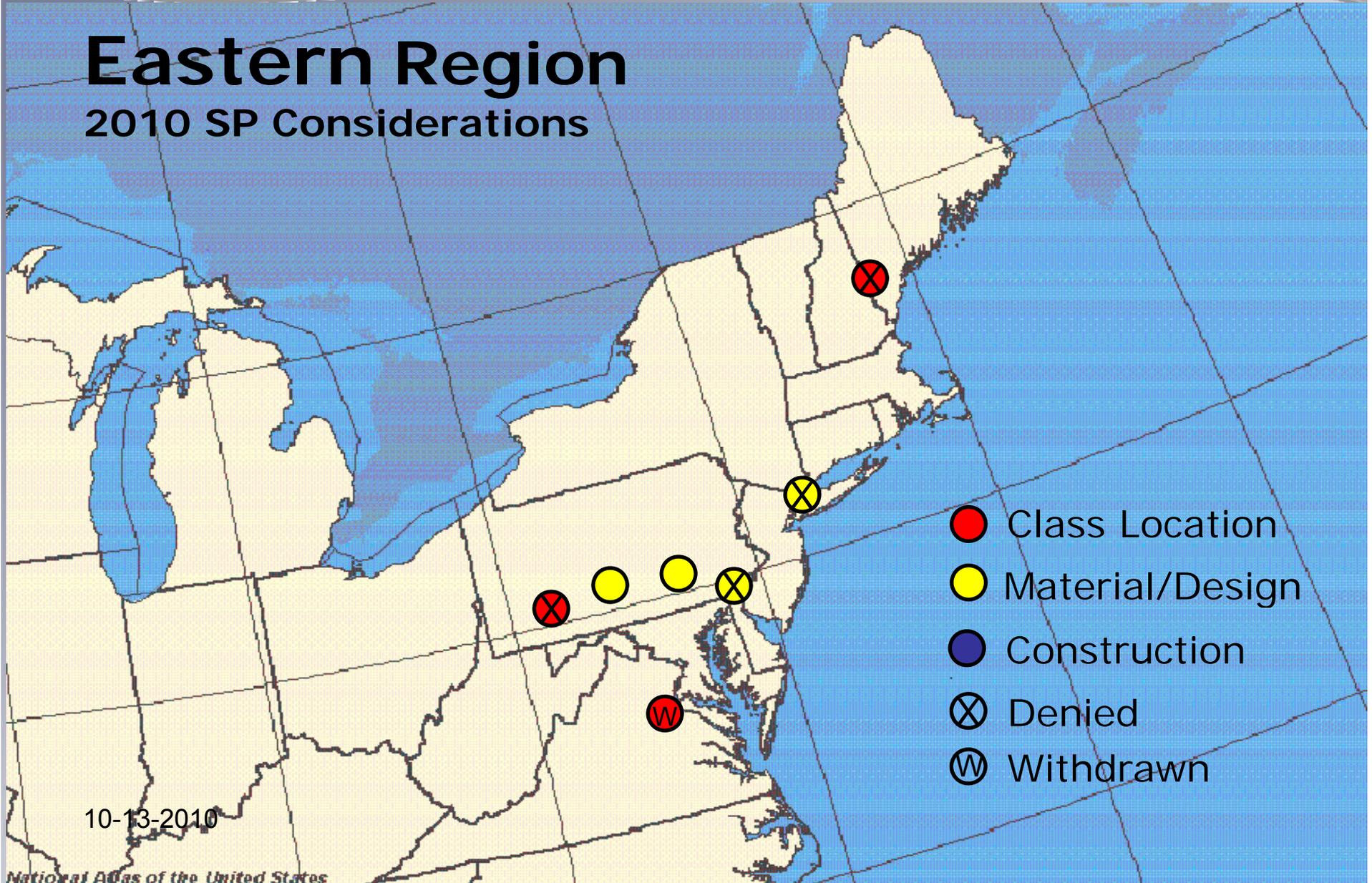


| Operator | Type | Year | State |
|-------------------------------|------------------------|-------------|----------------------|
| Algonquin Gas Trans | Material/Design | 1978 | Massachusetts |
| Columbia Gas Trans | Material/Design | 1980 | Maryland |
| Tennessee Gas Pipeline | Class Location | 1982 | Pennsylvania |
| Tennessee Gas Pipeline | Class Location | 1985 | New Jersey |
| Williams Gas Pipeline | Class Location | 1985 | New Jersey |
| Tennessee Gas Pipeline | Class Location | 1989 | New York |
| Portland Natural Gas | Class Location | 2004 | New Hampshire |
| Texas Eastern Trans | Class Location | 2004 | Pennsylvania |
| Columbia Gas Trans | Material/Design | 2005 | New York |
| Cove Point LNG | Construction | 2006 | Maryland |
| Dominion Transmission | Class Location | 2007 | Virginia |
| Portland Natural Gas | Class Location | 2007 | Maine |
| Tennessee Gas Pipeline | Class Location | 2008 | New York |
| Texas Eastern Trans | Class Location | 2009 | Pennsylvania |
| Texas Eastern Trans | Class Location | 2009 | Pennsylvania |
| Columbia Gas Trans | Class Location | 2010 | West Virginia |
| Empire Pipeline | Class Location | 2010 | New York |



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2010 SP Considerations



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2010 SP Considerations ...

| Operator | Type | Status | State |
|-------------------------|---------------------------|---------------------|------------------------|
| Columbia Gas Trans | Class Location | Denied | Pennsylvania |
| Buckeye Partners | Anomaly Repair | Denied | Pennsylvania |
| TransCanada | Class Location Extensions | Denied | Maine New Hampshire |
| National Grid | Material | Denied | New York |
| | | | |
| Dominion Trans | Class Location | Withdrawn | Virginia |
| | | | |
| Williams - Transco | ILI Capability | Under Consideration | Pennsylvania |
| Spectra – Texas Eastern | Design MAOP | Under Consideration | Pennsylvania |
| | | | |



§ 192.620

- Alternative maximum allowable operating pressure for certain steel pipelines
- 72 → 80% SMYS
- MAOP still impacted by Class Areas
- Contains many of the additional requirements found in Special Permits



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Special Permits

Thank You

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