



Code of Federal Regulations

49

Parts 1 to 99

Revised as of October 1, 2010

Transportation

Containing a codification of documents
of general applicability and future effect

As of October 1, 2010

With Ancillaries

Published by
Office of the Federal Register
National Archives and Records
Administration

A Special Edition of the Federal Register



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Cite this Code: CFR

*To cite the regulations in
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refers to title 49, part 1,
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Each volume of the Code is revised at least once each calendar year and issued on a quarterly basis approximately as follows:

Title 1 through Title 16.....	as of January 1
Title 17 through Title 27.....	as of April 1
Title 28 through Title 41.....	as of July 1
Title 42 through Title 50.....	as of October 1

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The Paperwork Reduction Act of 1980 (Pub. L. 96-511) requires Federal agencies to display an OMB control number with their information collection request.

Many agencies have begun publishing numerous OMB control numbers as amendments to existing regulations in the CFR. These OMB numbers are placed as close as possible to the applicable recordkeeping or reporting requirements.

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An index to the text of “Title 3—The President” is carried within that volume.

The Federal Register Index is issued monthly in cumulative form. This index is based on a consolidation of the “Contents” entries in the daily Federal Register.

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RAYMOND A. MOSLEY,
Director,
Office of the Federal Register.
October 1, 2010.

THIS TITLE

Title 49—TRANSPORTATION is composed of nine volumes. The parts in these volumes are arranged in the following order: Parts 1–99, parts 100–185, parts 186–199, parts 200–299, parts 300–399, parts 400–571, parts 572–999, parts 1000–1199, and part 1200 to end. The first volume (parts 1–99) contains current regulations issued under subtitle A—Office of the Secretary of Transportation; the second volume (parts 100–185) and the third volume (parts 186–199) contain the current regulations issued under chapter I—Pipeline and Hazardous Materials Safety Administration (DOT); the fourth volume (parts 200–299) contains the current regulations issued under chapter II—Federal Railroad Administration (DOT); the fifth volume (parts 300–399) contains the current regulations issued under chapter III—Federal Motor Carrier Safety Administration (DOT); the sixth volume (parts 400–571) contains the current regulations issued under chapter IV—Coast Guard (DHS), and some of chapter V—National Highway Traffic Safety Administration (DOT); the seventh volume (parts 572–999) contains the rest of the regulations issued under chapter IV, and the current regulations issued under chapter VI—Federal Transit Administration (DOT), chapter VII—National Railroad Passenger Corporation (AMTRAK), and chapter VIII—National Transportation Safety Board; the eighth volume (parts 1000–1199) contains the current regulations issued under chapter X—Surface Transportation Board and the ninth volume (part 1200 to end) contains the current regulations issued under chapter X—Surface Transportation Board, chapter XI—Research and Innovative Technology Administration, and chapter XII—Transportation Security Administration, Department of Transportation. The contents of these volumes represent all current regulations codified under this title of the CFR as of October 1, 2010.

In the volume containing parts 100–185, see §172.101 for the Hazardous Materials Table. The Federal Motor Vehicle Safety Standards appear in part 571.

Redesignation tables for chapter III—Federal Motor Carrier Safety Administration, Department of Transportation and chapter XII—Transportation Security Administration, Department of Transportation appear in the Finding Aids section of the fifth and ninth volumes.

For this volume, Susannah C. Hurley was Chief Editor. The Code of Federal Regulations publication program is under the direction of Michael L. White, assisted by Ann Worley.

Title 49—Transportation

(This book contains parts 1 to 99)

	<i>Part</i>
SUBTITLE A—OFFICE OF THE SECRETARY OF TRANSPORTATION	1

§ 195.567 Which pipelines must have test leads and what must I do to install and maintain the leads?

(a) *General.* Except for offshore pipelines, each buried or submerged pipeline or segment of pipeline under cathodic protection required by this subpart must have electrical test leads for external corrosion control. However, this requirement does not apply until December 27, 2004 to pipelines or pipeline segments on which test leads were not required by regulations in effect before January 28, 2002.

(b) *Installation.* You must install test leads as follows:

(1) Locate the leads at intervals frequent enough to obtain electrical measurements indicating the adequacy of cathodic protection.

(2) Provide enough looping or slack so backfilling will not unduly stress or break the lead and the lead will otherwise remain mechanically secure and electrically conductive.

(3) Prevent lead attachments from causing stress concentrations on pipe.

(4) For leads installed in conduits, suitably insulate the lead from the conduit.

(5) At the connection to the pipeline, coat each bared test lead wire and bared metallic area with an electrical insulating material compatible with the pipe coating and the insulation on the wire.

(c) *Maintenance.* You must maintain the test lead wires in a condition that enables you to obtain electrical measurements to determine whether cathodic protection complies with § 195.571.

§ 195.569 Do I have to examine exposed portions of buried pipelines?

Whenever you have knowledge that any portion of a buried pipeline is exposed, you must examine the exposed portion for evidence of external corrosion if the pipe is bare, or if the coating is deteriorated. If you find external corrosion requiring corrective action under § 195.585, you must investigate circumferentially and longitudinally beyond the exposed portion (by visual examination, indirect method, or both) to determine whether additional corrosion requiring remedial action exists in the vicinity of the exposed portion.

§ 195.571 What criteria must I use to determine the adequacy of cathodic protection?

Cathodic protection required by this Subpart must comply with one or more of the applicable criteria and other considerations for cathodic protection contained in paragraphs 6.2 and 6.3 of NACE SP 0169 (incorporated by reference, *see* § 195.3).

[Amdt. 195–94, 75 FR 48607, Aug. 11, 2010]

§ 195.573 What must I do to monitor external corrosion control?

(a) *Protected pipelines.* You must do the following to determine whether cathodic protection required by this subpart complies with § 195.571:

(1) Conduct tests on the protected pipeline at least once each calendar year, but with intervals not exceeding 15 months. However, if tests at those intervals are impractical for separately protected short sections of bare or ineffectively coated pipelines, testing may be done at least once every 3 calendar years, but with intervals not exceeding 39 months.

(2) Identify not more than 2 years after cathodic protection is installed, the circumstances in which a close-interval survey or comparable technology is practicable and necessary to accomplish the objectives of paragraph 10.1.1.3 of NACE SP 0169 (incorporated by reference, *see* § 195.3).

(b) *Unprotected pipe.* You must re-evaluate your unprotected buried or submerged pipe and cathodically protect the pipe in areas in which active corrosion is found, as follows:

(1) Determine the areas of active corrosion by electrical survey, or where an electrical survey is impractical, by other means that include review and analysis of leak repair and inspection records, corrosion monitoring records, exposed pipe inspection records, and the pipeline environment.

(2) For the period in the first column, the second column prescribes the frequency of evaluation.

Period	Evaluation frequency
Before December 29, 2003 ...	At least once every 5 calendar years, but with intervals not exceeding 63 months.

Period	Evaluation frequency
Beginning December 29, 2003.	At least once every 3 calendar years, but with intervals not exceeding 39 months.

(c) *Rectifiers and other devices.* You must electrically check for proper performance each device in the first column at the frequency stated in the second column.

Device	Check frequency
Rectifier	At least six times each calendar year, but with intervals not exceeding 2½ months.
Reverse current switch. Diode. Interference bond whose failure would jeopardize structural protection.	
Other interference bond	At least once each calendar year, but with intervals not exceeding 15 months.

(d) *Breakout tanks.* You must inspect each cathodic protection system used to control corrosion on the bottom of an aboveground breakout tank to ensure that operation and maintenance of the system are in accordance with API Recommended Practice 651. However, this inspection is not required if you note in the corrosion control procedures established under §195.402(c)(3) why compliance with all or certain operation and maintenance provisions of API Recommended Practice 651 is not necessary for the safety of the tank.

(e) *Corrective action.* You must correct any identified deficiency in corrosion control as required by §195.401(b). However, if the deficiency involves a pipeline in an integrity management program under §195.452, you must correct the deficiency as required by §195.452(h).

[Amdt. 195-73, 66 FR 67004, Dec. 27, 2001; 67 FR 70118, Nov. 20, 2002, as amended by Amdt. 195-86, 71 FR 33411, June 9, 2006; Amdt. 195-94, 75 FR 48607, Aug. 11, 2010]

§ 195.575 Which facilities must I electrically isolate and what inspections, tests, and safeguards are required?

(a) You must electrically isolate each buried or submerged pipeline from other metallic structures, unless you electrically interconnect and cathodi-

cally protect the pipeline and the other structures as a single unit.

(b) You must install one or more insulating devices where electrical isolation of a portion of a pipeline is necessary to facilitate the application of corrosion control.

(c) You must inspect and electrically test each electrical isolation to assure the isolation is adequate.

(d) If you install an insulating device in an area where a combustible atmosphere is reasonable to foresee, you must take precautions to prevent arcing.

(e) If a pipeline is in close proximity to electrical transmission tower footings, ground cables, or counterpoise, or in other areas where it is reasonable to foresee fault currents or an unusual risk of lightning, you must protect the pipeline against damage from fault currents or lightning and take protective measures at insulating devices.

§ 195.577 What must I do to alleviate interference currents?

(a) For pipelines exposed to stray currents, you must have a program to identify, test for, and minimize the detrimental effects of such currents.

(b) You must design and install each impressed current or galvanic anode system to minimize any adverse effects on existing adjacent metallic structures.

§ 195.579 What must I do to mitigate internal corrosion?

(a) *General.* If you transport any hazardous liquid or carbon dioxide that would corrode the pipeline, you must investigate the corrosive effect of the hazardous liquid or carbon dioxide on the pipeline and take adequate steps to mitigate internal corrosion.

(b) *Inhibitors.* If you use corrosion inhibitors to mitigate internal corrosion, you must—

(1) Use inhibitors in sufficient quantity to protect the entire part of the pipeline system that the inhibitors are designed to protect;

(2) Use coupons or other monitoring equipment to determine the effectiveness of the inhibitors in mitigating internal corrosion; and

(3) Examine the coupons or other monitoring equipment at least twice

§ 195.581

each calendar year, but with intervals not exceeding 7½ months.

(c) *Removing pipe.* Whenever you remove pipe from a pipeline, you must inspect the internal surface of the pipe for evidence of corrosion. If you find internal corrosion requiring corrective action under §195.585, you must investigate circumferentially and longitudinally beyond the removed pipe (by visual examination, indirect method, or both) to determine whether additional corrosion requiring remedial action exists in the vicinity of the removed pipe.

(d) *Breakout tanks.* After October 2, 2000, when you install a tank bottom lining in an aboveground breakout tank built to API Specification 12F, API Standard 620, or API Standard 650 (or its predecessor Standard 12C), you must install the lining in accordance with API Recommended Practice 652. However, installation of the lining need not comply with API Recommended Practice 652 on any tank for which you note in the corrosion control procedures established under §195.402(c)(3) why compliance with all or certain provisions of API Recommended Practice 652 is not necessary for the safety of the tank.

§ 195.581 Which pipelines must I protect against atmospheric corrosion and what coating material may I use?

(a) You must clean and coat each pipeline or portion of pipeline that is exposed to the atmosphere, except pipelines under paragraph (c) of this section.

(b) Coating material must be suitable for the prevention of atmospheric corrosion.

(c) Except portions of pipelines in offshore splash zones or soil-to-air interfaces, you need not protect against atmospheric corrosion any pipeline for which you demonstrate by test, investigation, or experience appropriate to the environment of the pipeline that corrosion will—

- (1) Only be a light surface oxide; or
- (2) Not affect the safe operation of the pipeline before the next scheduled inspection.

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§ 195.583 What must I do to monitor atmospheric corrosion control?

(a) You must inspect each pipeline or portion of pipeline that is exposed to the atmosphere for evidence of atmospheric corrosion, as follows:

If the pipeline is located:	Then the frequency of inspection is:
Onshore	At least once every 3 calendar years, but with intervals not exceeding 39 months.
Offshore	At least once each calendar year, but with intervals not exceeding 15 months.

(b) During inspections you must give particular attention to pipe at soil-to-air interfaces, under thermal insulation, under disbonded coatings, at pipe supports, in splash zones, at deck penetrations, and in spans over water.

(c) If you find atmospheric corrosion during an inspection, you must provide protection against the corrosion as required by §195.581.

§ 195.585 What must I do to correct corroded pipe?

(a) *General corrosion.* If you find pipe so generally corroded that the remaining wall thickness is less than that required for the maximum operating pressure of the pipeline, you must replace the pipe. However, you need not replace the pipe if you—

- (1) Reduce the maximum operating pressure commensurate with the strength of the pipe needed for serviceability based on actual remaining wall thickness; or
- (2) Repair the pipe by a method that reliable engineering tests and analyses show can permanently restore the serviceability of the pipe.

(b) *Localized corrosion pitting.* If you find pipe that has localized corrosion pitting to a degree that leakage might result, you must replace or repair the pipe, unless you reduce the maximum operating pressure commensurate with the strength of the pipe based on actual remaining wall thickness in the pits.

§ 195.587 What methods are available to determine the strength of corroded pipe?

Under § 195.585, you may use the procedure in ASME B31G, "Manual for Determining the Remaining Strength of Corroded Pipelines," or the procedure developed by AGA/Battelle, "A Modified Criterion for Evaluating the Remaining Strength of Corroded Pipe (with RSTRENG disk)," to determine the strength of corroded pipe based on actual remaining wall thickness. These procedures apply to corroded regions that do not penetrate the pipe wall, subject to the limitations set out in the respective procedures.

§ 195.588 What standards apply to direct assessment?

(a) If you use direct assessment on an onshore pipeline to evaluate the effects of external corrosion, you must follow the requirements of this section for performing external corrosion direct assessment. This section does not apply to methods associated with direct assessment, such as close interval surveys, voltage gradient surveys, or examination of exposed pipelines, when used separately from the direct assessment process.

(b) The requirements for performing external corrosion direct assessment are as follows:

(1) *General.* You must follow the requirements of NACE SP0502 (incorporated by reference, *see* § 195.3). Also, you must develop and implement an External Corrosion Direct Assessment (ECDA) plan that includes procedures addressing pre-assessment, indirect examination, direct examination, and post-assessment.

(2) *Pre-assessment.* In addition to the requirements in Section 3 of NACE SP0502 (incorporated by reference, *see* § 195.3), the ECDA plan procedures for pre-assessment must include—

(i) Provisions for applying more restrictive criteria when conducting ECDA for the first time on a pipeline segment;

(ii) The basis on which you select at least two different, but complementary, indirect assessment tools to assess each ECDA region; and

(iii) If you utilize an indirect inspection method not described in Appendix

A of NACE SP0502 (incorporated by reference, *see* § 195.3), you must demonstrate the applicability, validation basis, equipment used, application procedure, and utilization of data for the inspection method.

(3) *Indirect examination.* In addition to the requirements in Section 4 of NACE SP0502 (incorporated by reference, *see* § 195.3), the procedures for indirect examination of the ECDA regions must include—

(i) Provisions for applying more restrictive criteria when conducting ECDA for the first time on a pipeline segment;

(ii) Criteria for identifying and documenting those indications that must be considered for excavation and direct examination, including at least the following:

(A) The known sensitivities of assessment tools;

(B) The procedures for using each tool; and

(C) The approach to be used for decreasing the physical spacing of indirect assessment tool readings when the presence of a defect is suspected;

(iii) For each indication identified during the indirect examination, criteria for—

(A) Defining the urgency of excavation and direct examination of the indication; and

(B) Defining the excavation urgency as immediate, scheduled, or monitored; and

(iv) Criteria for scheduling excavations of indications in each urgency level.

(4) *Direct examination.* In addition to the requirements in Section 5 of NACE SP0502 (incorporated by reference, *see* § 195.3), the procedures for direct examination of indications from the indirect examination must include—

(i) Provisions for applying more restrictive criteria when conducting ECDA for the first time on a pipeline segment;

(ii) Criteria for deciding what action should be taken if either:

(A) Corrosion defects are discovered that exceed allowable limits (Section 5.5.2.2 of NACE SP0502 (incorporated by reference, *see* § 195.3) provides guidance for criteria); or

(B) Root cause analysis reveals conditions for which ECDA is not suitable (Section 5.6.2 of NACE SP0502 (incorporated by reference, *see* §195.3) provides guidance for criteria);

(iii) Criteria and notification procedures for any changes in the ECDA plan, including changes that affect the severity classification, the priority of direct examination, and the time frame for direct examination of indications; and

(iv) Criteria that describe how and on what basis you will reclassify and reprioritize any of the provisions specified in Section 5.9 of NACE SP0502 (incorporated by reference, *see* §195.3).

(5) *Post assessment and continuing evaluation.* In addition to the requirements in Section 6 of NACE SP 0502 (incorporated by reference, *see* §195.3), the procedures for post assessment of the effectiveness of the ECDA process must include—

(i) Measures for evaluating the long-term effectiveness of ECDA in addressing external corrosion in pipeline segments; and

(ii) Criteria for evaluating whether conditions discovered by direct examination of indications in each ECDA region indicate a need for reassessment of the pipeline segment at an interval less than that specified in Sections 6.2 and 6.3 of NACE SP0502 (*see* appendix D of NACE SP0502) (incorporated by reference, *see* §195.3).

[Amdt. 195–85, 70 FR 61576, Oct. 25, 2005, as amended by Amdt. 195–94, 75 FR 48607, Aug. 11, 2010]

§ 195.589 What corrosion control information do I have to maintain?

(a) You must maintain current records or maps to show the location of—

- (1) Cathodically protected pipelines;
- (2) Cathodic protection facilities, including galvanic anodes, installed after January 28, 2002; and
- (3) Neighboring structures bonded to cathodic protection systems.

(b) Records or maps showing a stated number of anodes, installed in a stated manner or spacing, need not show specific distances to each buried anode.

(c) You must maintain a record of each analysis, check, demonstration, examination, inspection, investigation,

review, survey, and test required by this subpart in sufficient detail to demonstrate the adequacy of corrosion control measures or that corrosion requiring control measures does not exist. You must retain these records for at least 5 years, except that records related to §§195.569, 195.573(a) and (b), and 195.579(b)(3) and (c) must be retained for as long as the pipeline remains in service.

APPENDIX A TO PART 195—DELINEATION BETWEEN FEDERAL AND STATE JURISDICTION—STATEMENT OF AGENCY POLICY AND INTERPRETATION

In 1979, Congress enacted comprehensive safety legislation governing the transportation of hazardous liquids by pipeline, the Hazardous Liquids Pipeline Safety Act of 1979, 49 U.S.C. 2001 *et seq.* (HLPESA). The HLPESA expanded the existing statutory authority for safety regulation, which was limited to transportation by common carriers in interstate and foreign commerce, to transportation through facilities used in or affecting interstate or foreign commerce. It also added civil penalty, compliance order, and injunctive enforcement authorities to the existing criminal sanctions. Modeled largely on the Natural Gas Pipeline Safety Act of 1968, 49 U.S.C. 1671 *et seq.* (NGPSA), the HLPESA provides for a national hazardous liquid pipeline safety program with nationally uniform minimal standards and with enforcement administered through a Federal-State partnership. The HLPESA leaves to exclusive Federal regulation and enforcement the “interstate pipeline facilities,” those used for the pipeline transportation of hazardous liquids in interstate or foreign commerce. For the remainder of the pipeline facilities, denominated “intrastate pipeline facilities,” the HLPESA provides that the same Federal regulation and enforcement will apply unless a State certifies that it will assume those responsibilities. A certified State must adopt the same minimal standards but may adopt additional more stringent standards so long as they are compatible. Therefore, in States which participate in the hazardous liquid pipeline safety program through certification, it is necessary to distinguish the interstate from the intrastate pipeline facilities.

In deciding that an administratively practical approach was necessary in distinguishing between interstate and intrastate liquid pipeline facilities and in determining how best to accomplish this, DOT has logically examined the approach used in the NGPSA. The NGPSA defines the interstate gas pipeline facilities subject to exclusive Federal jurisdiction as those subject to the

Pipeline and Hazardous Materials Safety Administration, DOT Pt. 195, App. A

economic regulatory jurisdiction of the Federal Energy Regulatory Commission (FERC). Experience has proven this approach practical. Unlike the NGPSA however, the HLPESA has no specific reference to FERC jurisdiction, but instead defines interstate liquid pipeline facilities by the more commonly used means of specifying the end points of the transportation involved. For example, the economic regulatory jurisdiction of FERC over the transportation of both gas and liquids by pipeline is defined in much the same way. In implementing the HLPESA DOT has sought a practicable means of distinguishing between interstate and intrastate pipeline facilities that provide the requisite degree of certainty to Federal and State enforcement personnel and to the regulated entities. DOT intends that this statement of agency policy and interpretation provide that certainty.

In 1981, DOT decided that the inventory of liquid pipeline facilities identified as subject to the jurisdiction of FERC approximates the HLPESA category of "interstate pipeline facilities." Administrative use of the FERC inventory has the added benefit of avoiding the creation of a separate Federal scheme for determination of jurisdiction over the same regulated entities. DOT recognizes that the FERC inventory is only an approximation and may not be totally satisfactory without some modification. The difficulties stem from some significant differences in the economic regulation of liquid and of natural gas pipelines. There is an affirmative assertion of jurisdiction by FERC over natural gas pipelines through the issuance of certificates of public convenience and necessity prior to commencing operations. With liquid pipelines, there is only a rebuttable presumption of jurisdiction created by the filing by pipeline operators of tariffs (or concurrences) for movement of liquids through existing facilities. Although FERC does police the filings for such matters as compliance with the general duties of common carriers, the question of jurisdiction is normally only aired upon complaint. While any person, including State or Federal agencies, can avail themselves of the FERC forum by use of the complaint process, that process has only been rarely used to review jurisdictional matters (probably because of the infrequency of real disputes on the issue). Where the issue has arisen, the reviewing body has noted the need to examine various criteria primarily of an economic nature. DOT believes that, in most cases, the formal FERC forum can better receive and evaluate the type of information that is needed to make decisions of this nature than can DOT.

In delineating which liquid pipeline facilities are interstate pipeline facilities within the meaning of the HLPESA, DOT will generally rely on the FERC filings; that is, if there is a tariff or concurrence filed with

FERC governing the transportation of hazardous liquids over a pipeline facility or if there has been an exemption from the obligation to file tariffs obtained from FERC, then DOT will, as a general rule, consider the facility to be an interstate pipeline facility within the meaning of the HLPESA. The types of situations in which DOT will ignore the existence or non-existence of a filing with FERC will be limited to those cases in which it appears obvious that a complaint filed with FERC would be successful or in which blind reliance on a FERC filing would result in a situation clearly not intended by the HLPESA such as a pipeline facility not being subject to either State or Federal safety regulation. DOT anticipates that the situations in which there is any question about the validity of the FERC filings as a ready reference will be few and that the actual variations from reliance on those filings will be rare. The following examples indicate the types of facilities which DOT believes are interstate pipeline facilities subject to the HLPESA despite the lack of a filing with FERC and the types of facilities over which DOT will generally defer to the jurisdiction of a certifying state despite the existence of a filing with FERC.

Example 1. Pipeline company P operates a pipeline from "Point A" located in State X to "Point B" (also in X). The physical facilities never cross a state line and do not connect with any other pipeline which does cross a state line. Pipeline company P also operates another pipeline between "Point C" in State X and "Point D" in an adjoining State Y. Pipeline company P files a tariff with FERC for transportation from "Point A" to "Point B" as well as for transportation from "Point C" to "Point D." DOT will ignore filing for the line from "Point A" to "Point B" and consider the line to be intrastate.

Example 2. Same as in example 1 except that P does not file any tariffs with FERC. DOT will assume jurisdiction of the line between "Point C" and "Point D."

Example 3. Same as in example 1 except that P files its tariff for the line between "Point C" and "Point D" not only with FERC but also with State X. DOT will rely on the FERC filing as indication of interstate commerce.

Example 4. Same as in example 1 except that the pipeline from "Point A" to "Point B" (in State X) connects with a pipeline operated by another company transports liquid between "Point B" (in State X) and "Point D" (in State Y). DOT will rely on the FERC filing as indication of interstate commerce.

Example 5. Same as in example 1 except that the line between "Point C" and "Point D" has a lateral line connected to it. The lateral is located entirely with State X. DOT will rely on the existence or non-existence of a FERC filing covering transportation over

that lateral as determinative of interstate commerce.

Example 6. Same as in example 1 except that the certified agency in State X has brought an enforcement action (under the pipeline safety laws) against P because of its operation of the line between “Point A” and “Point B”. P has successfully defended against the action on jurisdictional grounds. DOT will assume jurisdiction if necessary to avoid the anomaly of a pipeline subject to neither State or Federal safety enforcement. DOT’s assertion of jurisdiction in such a case would be based on the gap in the state’s enforcement authority rather than a DOT decision that the pipeline is an interstate pipeline facility.

Example 7. Pipeline Company P operates a pipeline that originates on the Outer Continental Shelf. P does not file any tariff for that line with FERC. DOT will consider the pipeline to be an interstate pipeline facility.

Example 8. Pipeline Company P is constructing a pipeline from “Point C” (in State X) to “Point D” (in State Y). DOT will consider the pipeline to be an interstate pipeline facility.

Example 9. Pipeline company P is constructing a pipeline from “Point C” to “Point E” (both in State X) but intends to file tariffs with FERC in the transportation of hazardous liquid in interstate commerce. Assuming there is some connection to an interstate pipeline facility, DOT will consider this line to be an interstate pipeline facility.

Example 10. Pipeline Company P has operated a pipeline subject to FERC economic regulation. Solely because of some statutory economic deregulation, that pipeline is no longer regulated by FERC. DOT will continue to consider that pipeline to be an interstate pipeline facility.

As seen from the examples, the types of situations in which DOT will not defer to the FERC regulatory scheme are generally clear-cut cases. For the remainder of the situations where variation from the FERC scheme would require DOT to replicate the forum already provided by FERC and to consider economic factors better left to that agency, DOT will decline to vary its reliance on the FERC filings unless, of course, not doing so

would result in situations clearly not intended by the HLPFA.

[Amdt. 195–33, 50 FR 15899, Apr. 23, 1985]

APPENDIX B TO PART 195—RISK-BASED ALTERNATIVE TO PRESSURE TESTING OLDER HAZARDOUS LIQUID AND CARBON DIOXIDE PIPELINES

RISK-BASED ALTERNATIVE

This Appendix provides guidance on how a risk-based alternative to pressure testing older hazardous liquid and carbon dioxide pipelines rule allowed by §195.303 will work. This risk-based alternative establishes test priorities for older pipelines, not previously pressure tested, based on the inherent risk of a given pipeline segment. The first step is to determine the classification based on the type of pipe or on the pipeline segment’s proximity to populated or environmentally sensitive area. Secondly, the classifications must be adjusted based on the pipeline failure history, product transported, and the release volume potential.

Tables 2–6 give definitions of risk classification A, B, and C facilities. For the purposes of this rule, pipeline segments containing high risk electric resistance-welded pipe (ERW pipe) and lapwelded pipe manufactured prior to 1970 and considered a risk classification C or B facility shall be treated as the top priority for testing because of the higher risk associated with the susceptibility of this pipe to longitudinal seam failures.

In all cases, operators shall annually, at intervals not to exceed 15 months, review their facilities to reassess the classification and shall take appropriate action within two years or operate the pipeline system at a lower pressure. Pipeline failures, changes in the characteristics of the pipeline route, or changes in service should all trigger a reassessment of the originally classification.

Table 1 explains different levels of test requirements depending on the inherent risk of a given pipeline segment. The overall risk classification is determined based on the type of pipe involved, the facility’s location, the product transported, the relative volume of flow and pipeline failure history as determined from Tables 2–6.

TABLE 1. TEST REQUIREMENTS—MAINLINE SEGMENTS OUTSIDE OF TERMINALS, STATIONS, AND TANK FARMS

Pipeline segment	Risk classification	Test deadline ¹	Test medium
Pre-1970 Pipeline Segments susceptible to longitudinal seam failures ² .	C or B	12/7/2000 ³	Water only.
	A	12/7/2002 ³	Water only.
All Other Pipeline Segments	C	12/7/2002 ⁴	Water only.
	B	12/7/2004 ⁴	Water/Liq. ⁵