



CAL FIRE/OFFICE of the STATE FIRE MARSHAL

Pipeline Safety Advisory Committee (PSAC) Meeting

Pipeline Safety Division

November 18, 2015

1:00 PM to 3:00 PM

MEETING MINUTES

MEMBERS PRESENT

Bob Gorham, OSFM- Pipeline Safety Division (Chairperson)

Robert Distaso, Orange County Fire Authority

Mark Reese, Beacon Energy Services, Inc.

Bill Reardon, Huntington Beach Fire Department

Ron Morones, Kinder Morgan Energy Partners

Alan Elliott, Shell Pipeline Company

MEMBERS NOT PRESENT

Todd Letterman, Pacific Fire Engineering

GUESTS

Steve Marositz, Kinder Morgan Inc.

OFSM STAFF

Doug Allen, OFSM- Pipeline Safety Division

Daniel Hastert, OFSM- Pipeline Safety Division

Ben Ho, OSFM- Pipeline Safety Division

Tom Williams, OFSM- Pipeline Safety Division

Linda Zigler, OFSM- Pipeline Safety Division

CALL TO ORDER

Bob Gorham called the meeting to order at 1:00 PM.

INTRODUCTIONS

Each attendee introduced him or herself and what organization he or she represented.

APPROVAL OF MINUTES

The June 09, 2015, PSAC meeting minutes were reviewed. Mark Reese made a motion to approve the minutes as written and Bill Reardon seconded the motion. A vote was taken by the committee and the minutes were approved and it will be posted on the CSFM website.

OVERVIEW AND PURPOSE

Chief Gorham opened the meeting by reviewing the purpose of the PSAC Committee:

Advise local agencies and pipelines operators of change in laws and the regulations affecting the operations of pipelines and to review purposes regulations adopted by the California Government Code.

GENERAL DISCUSSION

PSD UPDATE

The CAL HR has approved the salary adjustment for Pipeline Safety Engineers (PSE), and Supervising Pipeline Safety Engineers (SPSE) to help with the recruitment and retention issue. There are currently six PSE vacancies and the Division is hiring to fill them all by next year.

The PSE Exam is in progress and the deadline to apply was November 16, 2015. We anticipate having the PSE appointment list by early 2016 so we can start the hiring process.

With the new laws passed by Senate Bill 295 (Jackson, Chapter 607, Statutes of 2015) and Assembly Bill 864 (Williams, Chapter 592, Statutes of 2015), the Division will have an additional 11 PSEs, 2 SPSEs, 1 Associated Governmental Program Analyst (AGPA), 1 Research Program Specialist-GIS (RPS I), and 1 Staff Attorney.

Mark Reese discussed the possibility cooperation between PHMSA and OSFM to work on annual inspections.

2) State Legislation – Regulatory Development and Adoption

Senate Bill 295 (Jackson, Chapter 607, Statutes of 2015):

AB 295 requires the CAL FIRE/Office of the State Fire Marshal (OSFM) to conduct annual inspections of pipeline operators and their pipelines; adopt regulations regarding annual inspections by January 1, 2017, and increase the fees assessed on pipeline operators in order to pay for the increased number of inspections.

It was noted that OSFM cannot delegate its inspection authority, but can allow other organization to attend for instructional purposes.

Mark Reese asked about a timeline for the operators to evaluate lines and the status of the lines.

OSFM will need industry participation in the development of the new regulations.

The fee increase issue was also discussed and it will be coming in July 2016, but it is not known yet what the new fee will be. A regulations workgroup will be formed to work on the new regulations. The Operator fee will remain the same.

Assembly Bill 864 (Williams, Chapter 592, Statutes of 2015):

AB 864 requires the OSFM to develop regulations by July 1, 2017 which would include: researching the use of best available technology on pipelines to reduce the amount of oil released in an oil spill, create a definition of automatic shutoff systems, develop a process to assess the adequacy of the pipeline operator's risk analysis, develop a process by which an operator may request confidential treatment of information submitted in their plan or contained in any documents associated with the risk analysis, determine how near to an environmentally and ecologically sensitive area a pipeline must be to be subjected to regulation based on the likelihood of the pipeline impacting those areas.

Mark Reese asked what is a coastal zone and what is the proximity to water defines a coastal zone.

Alan Elliott brought up the issue of being able to determine the size of the leak in the amount of time, with regards to leak detection technology.

Mark Reese brought up the new American Petroleum Institute (API) and leak technology. Mark also suggested the idea of using interns and Sacramento State to do research on best achievable technology.

Budget Change Proposal (BCP):

There will be an increased workload on OSFM to get inspections done, and regulations adopted. As a result we are working on a BCP, and the Spring Finance Letter to give us the needed staff.

Time lines for Regulations to be adopted are as follows:

SB 295 – January 1, 2017

AB 864 – July 1, 2017

Meeting with Operators:

The OSFM understands that this is a time sensitive issue and would like to engage with all pipeline operators regarding this new requirement. The OSFM is scheduling a meeting with all pipeline operators in January 2016 to discuss the implementation of this law. Bill Reardon will check to see if a facility of the City of Huntington Beach can be used (Council Chambers or Library) to host the initial meeting.

Kinder Morgan has also offered to use their conference room, but can only house about 45 people.

Regulation Workgroup:

The OSFM will create a regulations workgroup with industry participation to write the regulations. The Workgroup will meet at least once a month to work on regulations. The OSFM will need the same individuals to be at each meeting. The first kick off meeting, following the meeting with operators, will be in January. The OSFM will invite all operators to participate and will layout the plan, and to get the needed expert to assist in the regulatory process.

PHMSA Proposed Regulations:

Notice of Proposed Rulemaking (NPRM)- Hazardous Liquid:

A handout of a recent NPRM is in the folder for each member to review.

NEW BUSINESS

Bob discussed the “Out-of-Service” pipelines and Active/Abandoned Line letter to Operators that he will be sending to all operators in the next few weeks. Letter was included in each handout packet, and is requesting feedback on the letter in the next two weeks.

Alan Elliott had a concern about abandoning pipelines and losing their right-of-ways.

Ron Monroe discussed that all operators will take care of the pipelines that they know about, and all operators do what they can to deal with legacy lines.

There is no longer an approval to change pipeline to out-of-service. However, the OSFM still want to know for GIS purposes. The OSFM still needs to know before a pipeline is returned to service.

The OSFM wants all maps that operators have for all there pipelines including out-of-service.

NEXT MEETING

The next meeting will be conducted via teleconference on December 16, 2015. Information will be sent out.

MEETING ADJOURNED

The meeting was adjourned at 3:05 PM.