



Pipeline Safety Division 2016 Report to the Legislature

(SB 840, Committee on Budget and Fiscal Review,
Statutes 2016)

CALIFORNIA DEPARTMENT OF FORESTRY & FIRE PROTECTION
OFFICE OF THE STATE FIRE MARSHAL
DENNIS MATHISEN, STATE FIRE MARSHAL



TABLE OF CONTENTS

Executive Summary.....	Page 3
Background.....	Page 4
Number of Annual Inspections Conducted.....	Page 5
Pursuant to Government Code Section 51015.1.	
Status of the Installation of Automatic Shutoff Systems.....	Page 5
Pursuant to Government Code Section 51013.1, Including a Summary of the Types of Shutoff Systems Installed, and the Number of Miles of Pipeline Covered by an Automatic Shutoff System	
Status of Line 901 and Line 903 in the County of Santa Barbara.....	Page 6
Conclusion.....	Page 7

Executive Summary

Senate Bill 840 (Committee on Budget and Fiscal Review, Statutes of 2016), codified in Government Code § 51015.6 requires the CAL FIRE - Office of the State Fire Marshal (OSFM) to annually submit a report to the Legislature to update: (1) the number of annual inspections conducted pursuant to Government Code Section 51015.1; (2) the status of the installation of automatic shutoff systems pursuant to Government Code Section 51013.1, including a summary of the types of shutoff systems installed, and the number of miles of pipeline covered by an automatic shutoff system; and (3) the status of Line 901 and Line 903 in the County of Santa Barbara.

The information contained in this report is for calendar year 2016.

- (1) The OSFM has submitted regulations to the Office of Administrative Law to implement the annual inspection of hazardous liquid pipeline operators and their pipelines as required by California Government Code Section 51015.1. The annual inspections are scheduled to begin July 1, 2017.
- (2) The OSFM has completed draft regulatory language for any new, replacement or retrofit pipeline near an Environmentally and Ecologically Sensitive Area in the Coastal Zone as required by California Government Code Section 51013.1. Public workshops are taking place throughout the State to facilitate comments on the draft regulations.
- (3) Plains Lines 901 and 903 in the County of Santa Barbara have been purged of hazardous liquid, are not in operation and cannot restart until receiving approval from the United States Department of Transportation – Pipeline and Hazardous Materials Safety Administration (PHMSA) and OSFM. Effective May 18, 2016, these two pipelines were reclassified to intrastate and are subject to California pipeline safety laws and will be subject to the new regulations being developed pursuant to California Government Code Sections 51015.1 and 51013.1. At this time, there is no estimated return to service date for either pipeline.

Background

On May 19, 2015, an interstate pipeline (Line 901) owned by Plains Pipeline, LP (Plains) ruptured, releasing over 123,000 gallons of heavy crude oil into the environment and ocean near Refugio State Beach in the county of Santa Barbara. The impacts from the spill were devastating, both environmentally and economically. To prevent similar incidents from occurring on intrastate hazardous liquid pipelines, the Governor signed two pipeline safety bills into law, Senate Bill 295, (Jackson, Chapter 607, Statutes of 2015) and Assembly Bill 864 (Williams, Chapter 592, Statutes of 2015), Government Code Sections 51015.1 and 51013.1 respectively.

Section 51015.1 directed the CAL FIRE-Office of the State Fire Marshal (OSFM) to develop and adopt regulations by January 1, 2017, to conduct annual inspections on each intrastate hazardous liquid pipeline and pipeline operator to reduce the likelihood of future pipeline accidents.

Section 51013.1 directs OSFM to develop and adopt regulations by July 1, 2017, to include but not be limited to:

1. A definition of automatic shutoff systems.
2. A process to assess the adequacy of the pipeline operator's risk analysis.
3. 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.
4. A determination of how near a pipeline to an environmentally and ecologically sensitive area to be subject to the regulation based on the likelihood of the pipeline impacting those areas.

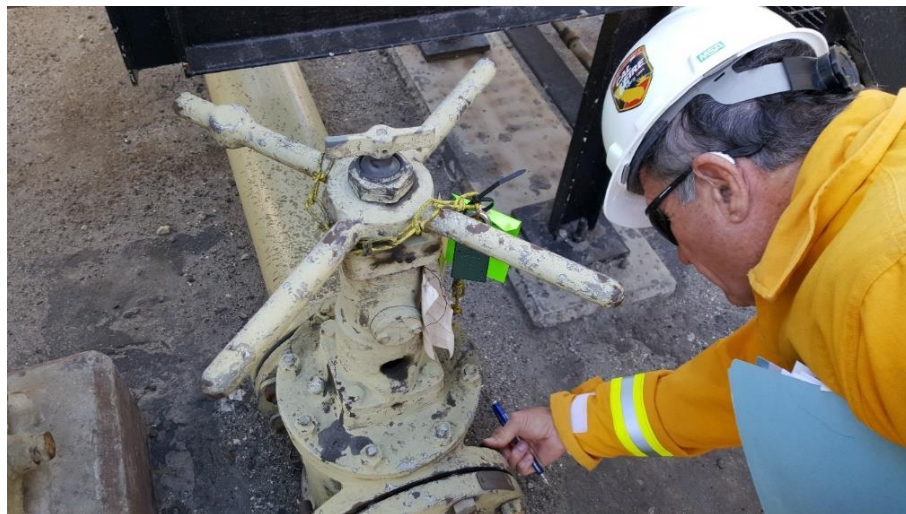
In developing the regulations, the OSFM formed the Pipeline Safety Regulations Workgroup comprised of non-governmental entities, local agencies, and industry representatives with expertise in the field. The workgroup has met regularly and engaged in extensive discussion and analysis resulting in proposed regulations that are essential to the successful implementation of Sections 51015.1 and 51013.1.

Regulations for Section 51015.1 have been submitted to the Office of Administrative Law for final approval. The draft regulations for Section 51013.1 are still in development and open for public comment. Information on the draft regulations can be found here:

http://osfm.fire.ca.gov/codedevelopment/codedevelopment_title19development

Number of Annual Inspections Conducted Pursuant to Government Code Section 51015.1

Annual inspections of pipelines and pipeline operators are scheduled to begin July 1, 2017. Because the inspections have not yet commenced, no inspections pursuant to Section 51015.1 have been conducted at this time.



Status of the Installation of Automatic Shutoff Systems Pursuant to Government Code Section 51013.1, including a Summary of the Types of Shutoff Systems Installed, and the Number of Miles of Pipeline Covered by an Automatic Shutoff System

Implementation of Government Code Section 51013.1 requires the adoption of regulations detailing the implementation of this section. The OSFM has completed draft language for the regulations and is currently holding public workshops seeking comment. New or replacement pipeline near Environmentally and Ecologically Sensitive Areas in the Coastal Zone are not subject to the provisions of Section 51013.1 until January 1, 2018; plans to retrofit existing pipeline do not need to be submitted to the OSFM until July 1, 2018. Information on Automatic Shutoff Systems installed and miles of pipeline covered by these systems will be outlined in the 2019 Report to the Legislature.

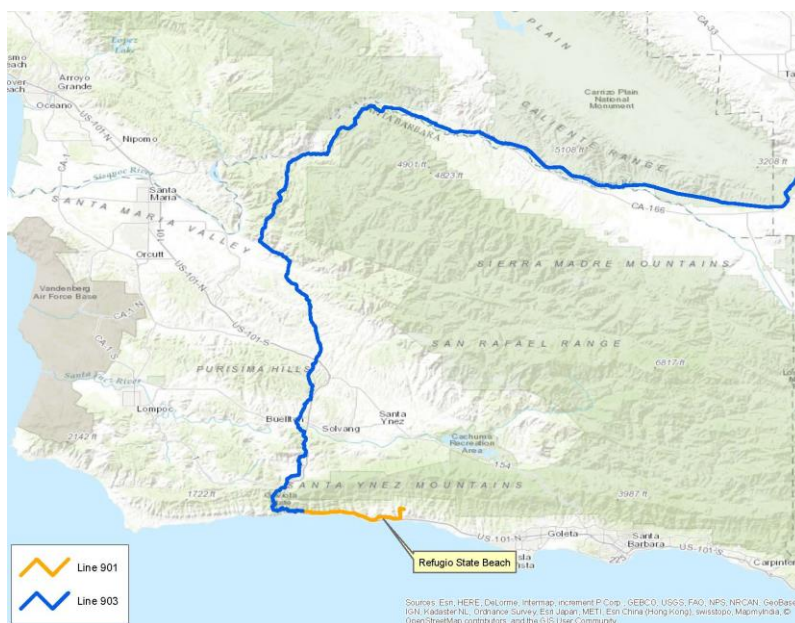
Status of Plains Pipeline Line 901 and Line 903 in the County of Santa Barbara

Line 901 (Los Flores Canyon to Gaviota Pump Station) in Santa Barbara County has been purged of hazardous liquid and is currently not in operation. The pipeline cannot restart until receiving approval from United States Department of Transportation-Pipeline and Hazardous Materials Safety Administration (PHMSA) and the OSFM. A return to service date has not been set for the line.

The section of Line 903 (Gaviota Pump Station to Pentland Pump Station) in Santa Barbara County has also been purged of hazardous liquid and is not in operation. However, the section of Line 903 (Pentland Pump Station to Emidio Pump Station) in Kern county remains in operation at reduced pressure and is undergoing extensive inspection and preventative repair work.

Both PHMSA and OSFM inspectors are monitoring construction activities on Lines 901 and 903. Lines 901 and 903 have been reclassified from interstate pipelines to intrastate pipelines and are subject to California pipeline safety laws, which includes regulations developed pursuant to Sections 51015.1 and 51013.1. The OSFM maintains close communication with local, State and federal agencies regarding the status of Lines 901 and 903.

Map depicting location of Plains Pipeline Line 901 and Line 903



Conclusion

In 2017, the OSFM will continue to enforce California pipeline safety laws and regulations through detailed inspections of intrastate hazardous liquid pipelines and pipeline operators; implement the annual inspection of each hazardous liquid pipeline and their operators pursuant to regulations developed at the direction of Section 51015.1; promulgate regulations to implement the requirements of Section 51013.1; and continue to monitor the status of Plains Lines 901 and 903.

The OSFM is currently recruiting personnel to fill 11 Pipeline Safety Engineer and 2 Supervising Pipeline Safety Engineer positions. Those positions were approved in the 2016 Budget Act, and are necessary to successfully implement the requirements of Section 51015.1 and 51013.1.

Pursuant to California Government Code Section 9795(d) this report can be obtained by:

- Viewing the report posted at the OSFM website here: <http://osfm.fire.ca.gov>
- Downloading from the OSFM website provided here: <http://osfm.fire.ca.gov>
- Calling the OSFM at (916) 445-8477 and requesting a hardcopy.