



May 5, 2025

Submitted via www.regulations.gov

Mr. Daniel Cohen
Assistant General Counsel for Regulation
U.S. Department of Transportation
Office of the General Counsel
1200 New Jersey Avenue S.E.
Washington, D.C. 20590

**Re: Comments on Ensuring Lawful Regulation; Reducing Regulation and Controlling Regulatory Costs
Docket No. DOT-OST-2025-0026 (Regulatory Reform RFI)**

Dear Mr. Cohen:

The GPA Midstream Association (GPA or the Association) respectfully submits these comments in response to the U.S. Department of Transportation's (DOT's) "Ensuring Lawful Regulation; Reducing Regulation and Controlling Regulatory Costs" Request for Information (the RFI).¹ GPA has served the U.S. energy industry since 1921. GPA is composed of over 50 corporate members that directly employ over 57,000 employees that are engaged in the gathering, transportation, processing, treating, storage and marketing of natural gas, natural gas liquids (NGLs), crude oil, and refined products, commonly referred to in the industry as "midstream activities." In 2023, GPA Midstream members operated over 500,000 miles of pipelines, gathered over 91 Bcf/d of natural gas, and produced over 5.3 million barrels/day of NGLs from over 365 natural gas processing facilities.

GPA has focused these comments on the Pipeline and Hazardous Materials Safety Administration's (PHMSA) regulations related to gathering and processing operations. GPA has reviewed DOT's seven categories listed in the RFI and identifies which category is appropriate for each proposed change. The Association will continue to evaluate regulatory requirements that should be modified or clarified and may submit additional comments in the future.²

Property Damage Threshold for Accident Reporting (49 C.F.R. § 195.50(e))

GPA urges DOT to modify the property damage threshold for reporting hazardous liquid pipeline accidents to be consistent with the reporting requirements for natural gas operators. PHMSA's current regulations require an accident report where a release of hazardous liquid or carbon dioxide

¹ Ensuring Lawful Regulation; Reducing Regulation and Controlling Regulatory Costs, 90 Fed. Reg. 14,593 (Apr. 3, 2025).

² DOT stated in the RFI that it will accept deregulatory comments on a continuing basis. See Ensuring Lawful Regulation; Reducing Regulation and Controlling Regulatory Costs, 90 Fed. Reg. 14,593, 14,594 (Apr. 3, 2025).



results in several listed consequences including “estimated property damage exceeding \$50,000.”³ However, the threshold that applies to natural gas operators is \$145,400, almost three times larger.⁴

PHMSA’s predecessor, the Research and Special Programs Administration, (RSPA) first established the \$50,000 threshold thirty-one years ago, in 1994, and it is severely outdated.⁵ At the time, RSPA recognized that an increase from \$5,000, the threshold in place at the time, to \$50,000 was appropriate and would be consistent with the reporting threshold established for natural gas pipeline operators under 49 C.F.R. Part 192.⁶ At the time, the agency acknowledged that such a change would avoid confusion and unnecessary burdens.⁷ The agency stated that “[s]ignificant accidents will still be reported because the other criteria (especially those that are environmentally related) requiring reports will be unchanged...”⁸ The agency also recognized that increasing the threshold would make the hazardous liquid reporting requirements consistent with the gas safety reporting requirements eliminating unnecessary confusion.⁹

Four years ago, in 2021, PHMSA increased the reporting threshold for natural gas incidents and agreed to re-evaluate that figure each year based on inflation.¹⁰ Yet, the reporting threshold for hazardous liquid operators remains set at \$50,000. Maintaining such a reduced reporting threshold for Part 195 while continuing to increase the relevant threshold for Part 192 not only promotes inconsistency and confusion but also creates unnecessary burdens. Hazardous liquid operators may have to use more resources for calculating property damage than their natural gas counterparts. PHMSA staff have to spend more time reviewing these calculations when working with such a reduced threshold. This regulatory change falls into Category V (Regulations that impose significant costs upon private parties that are not outweighed by public benefits) and Category III (Regulations that are based on anything other than the best reading of the underlying statutory authority or prohibition).¹¹

Repair Criteria

GPA urges DOT to update the Integrity Management (IM) repair criteria for hazardous liquid pipelines. The Association is grateful for the recent statement from DOT providing that “PHMSA will issue an ANPRM to modernize pipeline repair requirements to improve safety and

³ 49 C.F.R. § 195.50(e)(“[e]stimated property damage, including cost of clean-up and recovery, value of lost product, and damage to the property of the operator or others, or both, exceeding \$50,000”).

⁴ See 49 C.F.R. § 191.3; see also, <https://www.phmsa.dot.gov/incident-reporting> (last accessed on April 29, 2025).

⁵ “Regulatory Review: Hazardous Liquid and Carbon Dioxide Pipeline Safety Standards,” 59 Fed. Reg. 33,388 (June 28, 1994).

⁶ *Id.* at 33,391-33,392.

⁷ *Id.*

⁸ *Id.*

⁹ *Id.* at 33,391-33,392.

¹⁰ Effective July 1, 2025, the property damage threshold will be revised to \$149,700 pursuant to the procedures in Appendix A to 49 CFR Part 191.

¹¹ Ensuring Lawful Regulation; Reducing Regulation and Controlling Regulatory Costs, at 14,593.



efficiency.”¹² PHMSA’s IM program for hazardous liquids pipelines has been in place since 2000¹³ and has contributed to a significant reduction in releases from pipelines. The IM program applies a heightened set of safety measures to pipelines located in areas where a release could impact people or sensitive environments.¹⁴ While the IM program has been successful, it has not kept pace with advancements in assessment technology, methods for analyzing potential pipeline defects and learning from research and past releases. When it was first developed, the tools available for detecting and analyzing defects were rudimentary compared with today’s technology. PHMSA developed requirements that were very conservative, matched to then-available technology. Today, outmoded IM criteria require operators to repair defects, or even suspected defects, that are not harmful. As a result, these antiquated regulatory criteria needlessly divert operator resources toward excavating and repairing defects that do not need to be repaired. It is time to modernize the IM program.

GPA urges DOT to consider modernization of the IM program in the following key areas:

- **Seam Corrosion:** The current criteria for corrosion that may be near the longitudinal weld seam on pipe is poorly worded and unworkable, and PHMSA has interpreted the language to require repair of any corrosion of or along the long seam, even clearly non-injurious corrosion.¹⁵ This criteria should be updated to focus on seam-related corrosion threats that are known to be potentially injurious. Specifically, preferential corrosion on certain seam types known to be susceptible to such corrosion. Such a change would also be consistent with 2022 PHMSA rule changes to the corresponding repair criteria for gas pipelines.
- **Dents:** Modernizing the repair criteria for dents, to allow operators to use engineering analyses under API RP 1183 or other engineering critical assessment methods to determine if dents require repair.¹⁶
- **Cracks:** Allow operators to apply modern engineering assessment and inspection technology capabilities to the evaluation and repair of cracking in pipelines. Operators should be permitted to address injurious cracks through the procedures and methods allowed in API TR 1190 and API RP 1176 1st Ed. In addition, this change would replace the existing regulatory crack criteria that is poorly worded and difficult to implement.¹⁷

¹² <https://www.phmsa.dot.gov/news/trumps-transportation-secretary-sean-p-duffy-announces-effort-update-outdated-liquefied> (last accessed May 2, 2025).

¹³ Pipeline Integrity Management in High Consequence Areas (Hazardous Liquid Operators With 500 or More Miles of Pipeline), Final Rule, 65 Fed. Reg. 75,378 (Dec. 1, 2000).

¹⁴ 49 C.F.R. §§ 195.450 and 195.452.

¹⁵ 49 C.F.R. § 195.452(h)(4)(iii)(H).

¹⁶ Dent criteria are contained throughout 49 C.F.R. § 195.452(h)(4)

¹⁷ 49 C.F.R. § 195.452(h)(4)(iii)(G).



- **Repair Timeframes:** Streamline the various repair timeframes for defects by replacing 60 and 180-day conditions with 270-day and 365-day conditions.¹⁸
- **Assessment Timeframes:** Adjust the maximum assessment interval for hazardous liquids pipelines from 5 to 7 years to be consistent with long-accepted assessment intervals for gas transmission pipelines.¹⁹ And make additional adjustments to streamline the existing provisions that allow for longer assessment timeframes if technically justified based on an engineering analysis that demonstrates a longer interval is safe and appropriate.²⁰
- **Advanced Analytical Tools:** Operators should be given the option to make judgments about whether to repair defects based on analyses of predicted failure pressure and critical strain levels. Gas pipeline operators are already permitted to deploy these engineering assessment tools, and liquid operators should be permitted to do so as well.²¹
- **Expand Risk-Based IM:** In lieu of specific repair criteria, operators should be given the option to adopt data driven, performance-based IM programs and use technology to make risk-based decisions on inspection frequency and repair schedules.

GPA is prepared to work with PHMSA and other stakeholders to develop specific language to implement the changes summarized above. These changes could be brought about by deletions of certain regulatory text, and streamlining amendments to other text, mostly within 49 C.F.R. § 195.452. On net, these changes would result in a reduction of regulatory requirements consistent with Executive Order 14192. GPA expects that these changes will not only improve pipeline safety, through the better allocation of operator resources, but also reduce regulatory burdens and costs, and allow for the use of advanced technology.

The combination of regulatory changes summarized above falls into RFI Category V (significant costs not outweighed by benefits) and Category VI (impeding technology, infrastructure or energy development).

Update Gas Reporting Requirements

PHMSA defines an incident as an event having “unintentional estimated gas loss of three million cubic feet or more” among other factors. Increasing this amount would save time and the resources associated with reporting an incident.

The Agency should also consider moving to a 30-day written requirement rather than an immediate telephonic requirement if the incident report is based solely on an estimate of lost gas. This would

¹⁸ Various conditions and timeframes are set out in 49 C.F.R. § 195.452(h)(4)(i) through (iv).

¹⁹ The five-year interval requirement is set out in § 195.452(j)(3).

²⁰ While there is a provision in existing regulation that theoretically allows for intervals greater than 5-years, PHMSA rarely permits operators to use it. § 195.452(j)(4).

²¹ See 49 C.F.R. § 192.712(d).



reserve National Response Center (NRC) calls for more significant incidents such as those involving injury or death. PHMSA could accomplish this by removing (1)(iii) under the “Incident” definition in § 191.3. This proposal is responsive to Category V (Regulations that impose significant costs upon private parties that are not outweighed by public benefits).

Class Location Final Rule

GPA supports DOT’s efforts to finalize the pending class location rule and is encouraged by DOT’s recent press release confirming that class location reform is a priority for this Administration.²² This proposal is responsive to Category V (Regulations that impose significant costs upon private parties that are not outweighed by public benefits).

Gas In-Plant Piping

GPA urges DOT to clarify and adopt a jurisdictional framework for gas in-plant piping under 49 C.F.R. Part 192 that mirrors the Part 195 framework for hazardous liquids in-plant piping and low-stress transfer lines.²³ Gas piping within plants, or which moves gas between adjacent or nearby plants is not involved in the “transportation of gas” and should be exempt from Part 192, as it is for hazardous liquid pipelines. These changes would be an incremental and appropriate step on a path that PHMSA has already taken. PHMSA has already recognized an unregulated in-plant piping classification for certain gas piping, through a series of informal regulatory interpretations that borrow from Part 195 in-plant piping concepts.²⁴ Alignment between the gas and liquids in-plant piping approaches would maintain public safety, avoid overlap with other federal and state regulatory programs, and reduce regulatory burdens and confusion. Moreover, this regulatory change would provide the efficient federal regulatory framework that is a signature policy objective of the Trump Administration. Such a regulatory clarification is within PHMSA’s authority under the Pipeline Safety Act.²⁵

Prior PHMSA Interpretations

While it is helpful that PHMSA has already recognized an unregulated in-plant gas piping designation, it has done so through informal interpretations that are not always consistent in the approach or outcomes. In PHMSA’s prior gas in-plant piping interpretations, factual differences,

²² ²² <https://www.transportation.gov/briefing-room/trumps-transportation-secretary-sean-p-duffy-announces-effort-update-outdated>

²³ See 49 C.F.R. §§ 195.1(b)(3)(ii) and 195.1(b)(8).

²⁴ See, e.g., PHMSA Letter of Interpretation to Mr. Darin R. Burke, Manager, Ill. Com. Comm’n, PI-09-0020 (Aug. 11, 2010); PHMSA Letter of Interpretation to Mr. Michael Strong, Senior Regulatory Affairs Specialist, Wacker Chemical Corporation, PI-15-0002 at 1 (April 2, 2015); PHMSA Letter of Interpretation to Ms. Stacie Campbell-Eckhoff, Superintendent, Olin, PI-18-0012 at 1 (April 29, 2019); PHMSA Letter of Interpretation to Mr. Brannen McElmurray, New Fortress Energy, PI-22-0007 at 1 (July 7, 2022).

²⁵ See 49 U.S.C. § 60101 *et seq.*



requestor assumptions and limited PHMSA analysis make it difficult to derive a consistent gas in-plant piping framework. PHMSA's conclusions in these interpretations have varied significantly, sometimes resulting in jurisdiction over lines deep within plant boundaries. For GPA members, whose refining, processing and other plant facilities are often subject to the OSHA Process Safety Management²⁶ (PSM) requirements and other state regulatory programs, inconsistent application of what constitutes PHMSA-exempt, in-plant gas piping causes confusion and unnecessary regulatory burdens.

Essential Elements of In-Plant Gas Piping

PHMSA should explicitly align its Part 192 in-plant piping approach with the exceptions for hazardous liquids in-plant piping systems in Part 195, in line with the following key elements:

Points of Demarcation

PHMSA should amend Part 192 to use the same points of demarcation for in-plant gas piping that it uses for in-plant hazardous liquid piping. For hazardous liquids lines, PHMSA allows operators to use the last pressure control device necessary to control pressure on an outbound regulated pipeline as the point of demarcation between unregulated in-plant piping and regulated off grounds liquid piping, or, if there is no such device, the plant boundary.²⁷ Similarly, for inbound liquids lines serving a plant, PHMSA allows operators to use the first pressure control device necessary to protect the off-ground portions of that line as the demarcation point. If there is no such device, operators may use the plant boundary.²⁸ These points are also consistent with PHMSA's Part 195 regulations defining in-plant piping.²⁹ These points are easily determined and reflect a safe point of demarcation because they recognize the fact operators control access to plants.

No Connection to a Regulated Pipeline is Required for an In-Plant Piping Designation

PHMSA should amend Part 192 to recognize that in-plant piping can be present even whether there is no connection with a PHMSA-regulated pipeline. While points of demarcation are important for plant piping served by PHMSA-regulated pipelines, the in-plant piping concept does not require a connection to a regulated Part 195 or 192 pipeline to apply. Specifically, for plants that

²⁶ 29 C.F.R. § 1910.119.

²⁷ See PHMSA Letter of Interpretation to Ms. Kim Gerold, Flint Hills Resources at p.2, PI-19-0017 (June 2, 2021).

²⁸ *Id.*

²⁹ See 49 C.F.R. § 195.2 (defining in-plant piping system to **not** include any device or associated piping that are necessary to control pressure in the Part 195-regulated pipeline).



do not have a connection to an in or outbound PHMSA-regulated pipeline but instead produce and move gas or hazardous liquids within a plant or adjacent plants, that piping is never used in transportation and is therefore not subject to the Pipeline Safety Act.³⁰ PHMSA staff have at times, and counterintuitively, suggested that in-plant piping is less likely to apply in the context where there is no regulated in or outbound pipeline. If anything, where there is no regulated line serving a plant or adjacent plants, it is more evident (not less) that an in-plant piping classification is appropriate.

Road and Railway Crossings

PHMSA should amend Part 192 to recognize that in-plant piping may cross a public road or railway and still retain its unregulated in-plant designation. PHMSA's liquids and gas interpretations have recognized that in-plant piping includes piping that crosses a public road or railway as it moves materials between plant buildings or facilities.³¹ Specifically, in a 2021 PHMSA Interpretation, the Agency recognized this public thoroughfare concept for liquids piping, citing to a 1994 Agency rulemaking in support of the concept.³² In the gas context, PHMSA recognized this concept in its 2010 Illinois Commerce Commission (ICC) interpretation, allowing in-plant gas lines to cross a public road between plant buildings.³³

Transfer Lines Less than One-Mile-Long Off Plant Grounds

PHMSA should also amend Part 192 to recognize that certain short gas pipelines that leave plants may retain an unregulated designation, just as has long been allowed for liquids pipelines under Part 195. In its 2010 ICC interpretation PHMSA found that a gas pipeline that leaves plant grounds and is less than a mile in length, operated by plant personnel, and run between plant buildings was not subject to Part 192.³⁴ It is evident that PHMSA adopted this 1-mile concept from a different

³⁰ 49 U.S.C. § 60101(a)(21). Pipeline located at a plant or adjacent plants and which only serves plant operations and is not connected to Part 192 regulated inbound or outbound piping is not gathering, transmission or distribution piping pursuant to the definition of the "transporting gas" in this section of the PSA. Similarly, liquid in-plant piping has long been exempt under 49 U.S.C. § 60101(a)(22).

³¹ PHMSA Letter of Interpretation to Ms. Kim Gerold, Flint Hills Resources at p.2, PI-19-0017 (June 2, 2021), PHMSA Letter of Interpretation to Mr. Darin R. Burke, Manager, Ill. Com. Comm'n, PI-09-0020, p. 1 (Aug. 11, 2010).

³² PHMSA Letter of Interpretation to Ms. Kim Gerold, Flint Hills Resources at p.2, PI-19-0017 (June 2, 2021).

³³ PHMSA Letter of Interpretation to Mr. Darin R. Burke, Manager, Ill. Com. Comm'n, PI-09-0020, p. 1 (Aug. 11, 2010)

³⁴ *Id.* 2.



exemption in Part 195 – the low-stress interfacility transfer line exemption, which applies to certain transfer lines that are less than one mile long, measured off facility grounds.³⁵

Ownership of Plant Facilities is Not Relevant to Jurisdiction or Points of Demarcation

PHMSA should also amend Part 192 to recognize that the test for in-plant piping is functional and does not depend on ownership or commercial arrangements within a plant or adjacent plants. In certain interpretations, PHMSA has found that the in-plant piping exception does not apply if the operator of the piping is not the end user of the gas.³⁶ This approach does not align well with the configuration of many industrial plants, where commercial arrangements may involve several entities at one plant or adjacent plants. For example, one entity might operate the piping that receives gas from a regulated line and then transfer gas to another entity within plant boundaries. For plants that include multiple owners or lessees, the Part 195 definition of “in-plant piping system”³⁷ and the jurisdictional exceptions in Sec. 195.1(b)(8) provides a model for identifying in-plant piping by location and function, not ownership. The Part 195 exceptions apply to in-plant piping systems regardless of whether multiple entities are involved in operating equipment within the plant boundaries or at adjacent plants. This logical approach aligns with the Pipeline Safety Act’s functional approach for classifying pipelines and determining their jurisdictional status.³⁸ The Pipeline Safety Act requires PHMSA to establish safety standards for facilities engaged in the function of “transporting gas,” and does not reference ownership as a consideration to determine if a line is jurisdictional or subject to Part 192.³⁹ Similarly, Part 192 uses function, not ownership, to determine if a line should be classified as a transmission, gathering, or distribution line. Indeed, one standard incorporated into Part 192, API RP 80, expressly rejects using ownership as a mechanism for regulatory classification.⁴⁰

³⁵ 49 C.F.R. § 195.1(b)(3)(ii) (This provision exempts “[a low-stress] pipeline that serves refining, manufacturing, or truck, rail, or vessel terminal facilities, if the pipeline is less than one mile long (measured outside facility grounds) and does not cross an offshore area or a waterway currently used for commercial navigation.”)

³⁶ PHMSA Letter of Interpretation to Ms. Stacie Campbell-Eckhoff, Superintendent, Olin, PI-18-0012 at 1 (April 29, 2019); PHMSA Letter of Interpretation to Mr. Brannen McElmurray, New Fortress Energy, PI-22-0007 at 1 (July 7, 2022).

³⁷ 49 C.F.R. § 195.2.

³⁸ See, e.g., 49 U.S.C. §§ 60101(a)(21)-(22) (defining transportation of gas and hazardous liquid by the function of the facilities, without referencing changes in ownership).

³⁹ 49 U.S.C. §§ 60101(a)(21) & 60102(a)(2); 49 C.F.R. § 192.1(a).

⁴⁰ API RP 80, § 2.6.2.2 (“Custody transfer-whether defined in terms of ownership or physical custody-was another factor judged unsuitable for representing pipeline function. This factor has become inherently unstable and unreliable for such purposes due to the rapidly evolving nature of transactions in the gas transportation industry...”).



The functional approach has been safely implemented at plants with hazardous liquid in-plant piping systems, and there is no safety reason to depart from a functional approach for gas in-plant piping systems. If piping otherwise qualifies as in-plant piping in accordance with the concepts set out above, it should remain as such regardless of commercial arrangements at a plant or adjacent plants.

GPA is prepared to work with PHMSA and other stakeholders to develop specific regulatory language to implement the in-plant piping concept described above. This change is best implemented through the addition of an exception in 49 C.F.R. § 192.1(b). While this involves the addition of language to Part 192, its direct effect would be a reduction of regulatory requirements under the 10 for 1 Executive Order. Such a change would be consistent with pipeline safety, add clarity and reduce regulatory burdens and costs.

This proposal is responsive to RFI Category V (significant costs not outweighed by benefits) and Category VI (impeding technology, infrastructure or energy development).

Emergency Response

In section 192.615(b)(3), each operator is required to “review employee activities to determine whether the procedures were effectively followed in each emergency.”⁴¹ PHMSA should refine which events are considered an “emergency” that would trigger this type of review. This proposal is responsive to Question (6) (Are there regulations, guidance, or reporting requirements that are still necessary, but have not operated as well as expected such that a modified, or slightly different approach at lower cost is justified?).

GPA appreciates DOT’s consideration of these comments. If questions or further clarification is needed, please reach out.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Stuart Saulters". The signature is fluid and cursive, with a prominent initial "S" and a long, sweeping tail.

Stuart Saulters
Vice President, Federal Affairs
GPA Midstream Association

⁴¹ 49 C.F.R. § 192.615(b)(3).