PHMSA Publishes Long-Awaited Mega Rule for Gas Transmission Lines: Recordkeeping Requirements

This is the third alert in a four-part Babst Calland series on the Pipeline and Hazardous Materials Safety Administration’s (PHMSA or the Agency) final rule amending the federal safety standards for gas pipeline facilities (Rule). PHMSA published the Rule in the Federal Register on October 1, 2019. The first alert reviewed new requirements for materials verification and reconfirmation of maximum allowable operating pressure (MAOP). The second alert provided a summary of the integrity assessment requirements for areas outside of high consequence areas. This alert will summarize the new Part 192 recordkeeping requirements. Finally, Babst Calland will survey the remaining Rule topics.


At an earlier point in the rulemaking process, PHMSA proposed to establish several new retroactive recordkeeping requirements in Part 192. PHMSA also took the position that all records had to satisfy the reliable, traceable, verifiable, and complete (TVC) recordkeeping standard. A version of this standard was used by the National Transportation Safety Board (NTSB) in its recommendations after the 2010 San Bruno pipeline incident. PHMSA did not propose a definition of the TVC recordkeeping standard but instead referred to the agency’s TVC guidance issued in 2012.

In the Rule, PHMSA made significant changes to its proposed recordkeeping requirements including clarifying that the new recordkeeping requirements are prospective only and removing ‘reliable’ from TVC since that term was never used by the NTSB. PHMSA also drew distinctions in several regulations between the obligations that apply to operators of pipelines installed prior to July 1, 2020, which only require retention of existing records, and those installed after this date, further emphasizing the prospective nature of the new obligations.

What is in the Rule?

New Record Requirements for Pipelines Installed on or before July 1, 2020

Class Location Records (§ 192.5(d)). An operator must retain records documenting how it determined the current class location of its pipeline, but does not need to have historical records for prior class locations. Unlike many of the other recordkeeping requirements, PHMSA did not limit this provision to transmission pipelines.

Material Records (§ 192.67). For steel transmission pipelines installed on or before July 1, 2020, an operator must retain records for the life of the pipeline that document tests, inspections, and attributes required by the manufacturing specifications applicable at the time the pipe was manufactured or installed, but only if the operator has such records. PHMSA notes that if the operator does not have these records and needs them to establish MAOP, then the operator could be subject to the new MAOP reconfirmation requirements.
Pipeline Components (§ 192.205(b)). An operator of a steel transmission pipeline installed on or before July 1, 2020, must retain records documenting the manufacturing standard and pressure rating valves, flanges, fittings, branch connections, extruded outlets, anchor forgings, and other components with material yield strength grades of 42,000 psi or greater and with nominal diameters of greater than 2 inches for the life of the pipeline but only if the operator has such records. PHMSA notes that if an operator of an existing pipeline does not have these records and needs them to establish MAOP, then the operator could be subject to the new MAOP reconfirmation requirements.

Design Records (§ 192.127(b)). An operator of a steel transmission pipeline installed on or before July 1, 2020 must retain records documenting pipe design and the determination of design pressure in accordance with §§ 192.103 and 192.105, for the life of the pipeline but only if the operator has such records. PHMSA notes that if an operator of an existing pipeline does not have these records and needs them to establish MAOP, then the operator could be subject to the new MAOP reconfirmation requirements.

Test Records (§ 192.517). An operator must make and retain for the life of the pipeline a record of each test conducted under §§ 192.505, 192.506, and 192.507.

Material Verification Records (§ 192.607). An operator subject to § 192.607 must document the physical pipeline characteristics and attributes, including diameter, wall thickness, seam type, and grade (e.g., yield strength, ultimate tensile strength, or pressure rating for valves and flanges, etc.) and retain these records for the life of the pipeline. These records must meet the TVC standard.

Establishing Maximum Allowable Operating Pressure (§ 192.619). An operator of a pipeline in operation as of July 1, 2020, must retain any existing records establishing the MAOP for the life of the pipeline. If an operator does not have these records and is required to reconfirm MAOP in accordance with § 192.624, the company must retain the reconfirmation records for the life of the pipeline.

Reconfirmation of Maximum Allowable Operating Pressure Records (§ 192.624). An operator subject to the MAOP reconfirmation requirements must retain records of investigations, tests, analyses, assessments, repairs, replacements, alterations, and other actions taken in accordance with the requirements of § 192.624 for the life of the pipeline.

Recordkeeping Requirements for Pipelines Installed After July 1, 2020.

Material Records (§ 192.67). For steel transmission pipelines installed after July 1, 2020, an operator must make records that document the physical characteristics of the pipeline. The operator must retain these records for the life of the pipeline.

Design Records (§ 192.127). Operators of a steel transmission pipeline installed after July 1, 2020 must make records documenting that the pipe is designed to withstand external pressures and loads in accordance with § 192.103 and made in accordance with § 192.105. The operator must retain these records for the life of the pipeline.

Components (§ 192.205(a)). Operators of a steel transmission pipeline installed after July 1, 2020, must make records documenting the manufacturing standard and pressure rating to which each valve was manufactured and tested in accordance with Subpart D of Part 192. Flanges, fittings, branch connections, extruded outlets, anchor forgings, and other components with material yield strength grades of 42,000 psi (X42) or greater and with nominal diameters of greater than 2 inches must have records documenting the manufacturing specification in effect at the time of manufacture, including yield strength, ultimate tensile strength, and chemical composition of materials. The operator must retain these records for the life of the pipeline.
**Welding Records (§ 192.227(c)).** An operator of a steel transmission pipeline installed after July 1, 2021, must have records demonstrating each individual welder qualification at the time of construction. An operator must retain these records for five years following construction. This is a change from the lifetime requirement that PHMSA had initially proposed. PHMSA has also adjusted the effective date of this requirement to apply to pipelines installed one year from the effective date of the Rule.

**Plastic Pipe (§ 192.285(e)).** An operator of a plastic transmission pipelines installed after July 1, 2021, must have records demonstrating each individual’s plastic pipe joining qualifications at the time of construction. An operator must retain those records for a minimum of five years following construction. This is a change from the lifetime requirement that PHMSA had initially proposed. PHMSA has also adjusted the effective date of this requirement to apply to pipelines installed one year from the effective date of the Rule.

**Establishing Maximum Allowable Operating Pressure (§ 192.619).** An operator of a pipeline placed in operation after July 1, 2020, must make and retain records establishing the MAOP for the life of the pipeline.

**What is not in the Rule?**

**Definition of traceable, verifiable, and complete.** PHMSA declined to define TVC stating that “changing that standard could potentially derail work being done by operators to meet that traceable, verifiable, and complete record standard.” Instead, the Agency referenced its definitions of the TVC standard published in guidance from 2011 and 2012. In comparing the language in the preamble of the Rule with the previous Advisory Bulletins, the Firm notes several changes to the description of TVC. PHMSA has added that the individual who observed the test and thereafter signed an affidavit as to the test conducted would have to be ‘qualified’. In the preamble, the Agency did not recognize prior interpretations which allowed for a single record, rather than complementary records to meet the TVC standard. Finally, PHMSA added mechanical and chemical properties to its description of pipe mill records.

**General Duty Clause of § 192.13(e).** The Agency eliminated the proposed general duty clause of § 192.13(e) which would have required that all records meet the TVC standard.

**Table of Record Retention Requirements.** PHMSA removed its proposed table (Appendix A) that summarized current and new recordkeeping retention requirements. Although PHMSA maintained that this table memorialized current recordkeeping requirements, it arguably had created new retention requirements that were not supported by the text or history of the regulations.

For a more detailed assessment and redline of the Rule, please contact a member of the Pipeline and HazMat Safety practice group.