

National Association of Pipeline Safety Representatives NATIONAL MEETING 2015

Origin: Central Region Resolution 2015 - 01 September 3, 2015

A RESOLUTION SEEKING SUSPENSION OF THE EFFECTIVE DATE OF A RECENLTY ADOPTED FEDERAL FINAL RULE, AND RECONSIDERATION OF THAT RULE

WHEREAS: In 2002, in response to NAPSR member experience with poor quality construction performed by self-inspecting contractors, NAPSR adopted Resolution CR-1-02, which proposed "That 192.305 be amended to prohibit a contractor that is hired to do construction work for an operator from inspecting its own work";

WHEREAS: The Resolution did not include inspection of their own construction work by operator personnel because fewer problems had been observed and they are considered to have less incentive to accept substandard work;

WHEREAS: The Resolution did not propose to modify the inspection requirements of paragraph 192.305 to only the requirements found in Subpart G of the code;

WHEREAS: On March 11, 2015, PHMSA published in the Federal Register a Final Rule in Docket No. PHMSA-2010-0026, "Pipeline Safety: Miscellaneous Changes to Pipeline Safety Regulations," amended 49 CFR §§ 192.305 and 195.204, to prohibit self-inspection by any personnel, and limited required inspections to only those requirements found in Subpart G of the code;

WHEREAS: PHMSA provided no support or foundation for expanding NAPSR's Resolution to include construction work by operator employees;

WHEREAS: PHMSA provided no support, foundation or even explanation for limiting required inspections to only those requirements found in Subpart G of the code;

WHEREAS: The rule as adopted will place particular hardship on small operators, whose entire work force may be engaged in a construction activity, requiring the operator to obtain the services of a qualified outside party to conduct the inspection;

WHEREAS: There is no inherent conflict of interest caused by operator employees inspecting their own work on a construction site.

WHEREAS: The original intent of the resolution was to address the conflict of interest that potentially exists when construction contractors working for an operator inspect their own work

WHEREAS: By limiting the scope of the entire inspection requirement to Subpart G, PHMSA excludes, without justification, important construction elements such as materials and pipeline component used (Subparts B and D), pipe coating and wrapping (Subpart I), and pressure testing (Subpart J).

AND WHEREAS: The rule as adopted is not consistent with the intent of the NAPSR Resolution;

THEREFORE BE IT RESOLVED: That NAPSR urges PHMSA to:

- 1) Suspend the effective date of this rule until such time as the NAPSR concerns are addressed; and
- 2) Adopt the following language:

Each transmission line or main line must be inspected to ensure that it is constructed in accordance with this part. An operator shall not use operator personnel to perform a required inspection if the operator personnel performed the construction task requiring inspection. An operator shall not use contractor personnel to perform a required inspection of any construction tasks performed by that contractor.