Need for Improvement

Pipeline accidents with significant consequences gathered attention in recent years and prompted pipeline safety program changes. Integrity management rules were promulgated for hazardous liquid pipelines (65 FR 75378; December 1, 2000) and for gas transmission pipelines (68 FR 69778; December 15, 2003). In testimony before the Congress on July 20, 2004, the Office of the Inspector General (OIG) reported that the number of incidents reported on distribution systems has consistently exceeded that on transmission systems. Also, the number of fatalities and injuries reported on distribution systems has consistently been much higher than for transmission systems. The prevalence of incidents, particularly those with consequences to people, underscores the need for regulators and stakeholders to pay additional attention to distribution pipeline integrity management. PHMSA agrees that safety issues posed by gas distribution pipelines need to be addressed through appropriate integrity management initiatives.

Differences in Gas Distribution Pipeline Systems

A plan for assuring integrity of gas distribution pipelines must consider the differences between transmission pipeline systems and distribution pipeline systems. Ensuring the integrity of distribution pipeline systems is different from doing so for transmission pipelines because:

- Most pipe in distribution pipeline systems is small diameter and operates at low pressure. Transmission pipelines are generally large diameter and high pressure.
- Distribution pipeline systems are a more complex network, with frequent branching and interconnections. Transmission pipelines generally run for many miles without such connections.
- Distribution pipeline systems include a range of materials, including a significant amount of plastic pipe. Transmission pipelines are generally constructed of steel.
- Distribution pipelines are usually difficult to take out of service for inspection without interrupting gas service to customers. Transmission pipelines often include loop lines and bypasses that allow individual sections of pipe to be removed from service temporarily.
- Distribution pipeline failures tend to occur as leaks. Gas can migrate underground, accumulating in areas remote from the leak so that fires and explosions occur away from the pipeline. Transmission pipelines tend to fail by rupture because of their high operating pressure. The fire and explosions on transmission lines occur on the pipeline.
- Distribution pipeline systems tend to be local, intrastate systems, which state regulators are responsible for regulating. A greater proportion of transmission pipelines are interstate systems, and Federal regulators play a much larger role regulating them.

Developing an Approach to Gas Distribution Integrity Management

Expanding integrity management for distribution systems beyond currently required practices requires a thorough understanding of costs and benefits. Following the previous public meeting, PHMSA has worked with a number of groups comprised of state pipeline regulators, pipeline operators, and representatives of the public to conduct analyses and evaluations in a number of areas that must be considered in developing any distribution integrity management requirements. These meetings were announced by a **Federal Register** notice on March 29, 2005 (70 FR 15988) and subsequent announcements on a Web site established specifically for this effort. The areas considered include:

- Identifying the principal threats to the integrity of distribution pipelines;
- Identifying requirements and practices that currently exist at the State and Federal levels that support management of these threats to integrity;
- Determining whether current requirements are written effectively to create opportunities and incentives for operators to use existing and developing technologies to support management of the integrity of distribution systems;
- Identifying whether opportunities exist for expedited development of new technologies supporting the assessment of gas distribution systems;
- Understanding practices beyond current requirements that are being used by operators and what the results are;
- Understanding whether there are requirements or approaches used by one or more States which are not included in Federal requirements but which have proven effective in managing the integrity of gas distribution systems; and,
- Identifying whether the opportunity exists to codify currently demonstrated effective integrity management practices in a national consensus standard.

The analyses and evaluations conducted by the work/study groups comprise Phase 1 of the PHMSA plan to develop integrity management requirements. Phase 1 is expected to be completed by the end of 2005. The Phase 1 results will support PHMSA and state regulators in making decisions regarding the nature of requirements that may be needed. Achieving increased integrity of distribution pipeline systems may involve Federal and/or State rulemaking, development of guidance for adoption by States, publication and promotion of best practices or national consensus standards, or some combination of these or other actions. PHMSA will use the results of Phase 1 to develop new requirements as part of Phase 2 of the PHMSA plan, which PHMSA expects to begin in early 2006.

During this meeting, persons involved in the Phase 1 program will share the scope of their ongoing work and their preliminary conclusions with the public. Representatives of various stakeholder groups will also share their perspective with attendees. PHMSA will collect comments and suggestions from members of the public attending this meeting to further inform the Phase 2 efforts to develop appropriate requirements.

Interested parties may find additional information regarding the previous public meeting in the docket (*http://dms.dot.gov*), then click on Simple Search and type in Docket No. 19854.

Visitors may access the Distribution Integrity Management Web site through the OPS home page (*http://ops.dot.gov*) by selecting ''Integrity Management'' and then ''Distribution Integrity Management''.

Issued in Washington, DC, on August 22, 2005.

Theodore L. Willke,

Deputy Associate Administrator for Pipeline Safety.

[FR Doc. 05–16966 Filed 8–25–05; 8:45 am]

BILLING CODE 4910–60–P

DEPARTMENT OF TRANSPORTATION

Surface Transportation Board

[STB Finance Docket No. 34743]

BNSF Railway Company—Temporary Trackage Rights Exemption—Union Pacific Railroad Company

Union Pacific Railroad Company (UP), pursuant to a written trackage rights agreement entered into between UP and the BNSF Railway Company (BNSF), has agreed to grant temporary overhead trackage rights to BNSF over UP's rail line between Valley Junction, IL, UP milepost 0.00, and Rockview Junction, MO, UP milepost 131.3, a distance of approximately 131.3 miles.

The transaction was scheduled to be consummated on August 15, 2005, and the temporary trackage rights will expire on October 16, 2005. The purpose of the temporary trackage rights is to allow BNSF to bridge a limited number of its trains while its main lines are out of service due to programmed track, roadbed, and structural maintenance.

As a condition to this exemption, any employee affected by the acquisition of the temporary trackage rights will be protected by the conditions imposed in *Norfolk and Western Ry. Co.—Trackage Rights—BN,* 354 I.C.C. 605 (1978), as modified in *Mendocino Coast Ry., Inc.—Lease and Operate,* 360 I.C.C. 653 (1980), and any employee affected by the discontinuance of those trackage rights will be protected by the conditions set out in *Oregon Short Line R. Co.—Abandonment—Goshen,* 360 I.C.C. 91 (1979).

This notice is filed under 49 CFR 1180.2(d)(8). If it contains false or misleading information, the exemption is void *ab initio.* Petitions to revoke the exemption under 49 U.S.C. 10502(d) may be filed at any time. The filing of a petition to revoke will not automatically stay the transaction.

An original and 10 copies of all pleadings, referring to STB Finance Docket No. 34743, must be filed with the Surface Transportation Board, 1925 K Street, NW., Washington, DC 20423–0001. In addition, a copy of each pleading must be served on Michael E. Roper, Senior General Attorney, BNSF Railway Company, P. O. Box 961039, Fort Worth, TX 76161–0039.

Board decisions and notices are available on our Web site at *http://www.stb.dot.gov.*

Decided: August 22, 2005.

By the Board, David M. Konschnik, Director, Office of Proceedings.

Vernon A. Williams,

Secretary.

[FR Doc. 05–17025 Filed 8–25–05; 8:45 am]

BILLING CODE 4915–01–P