Final Rule
January 23, 2017

- Effective date March 24, 2017
- Defined farm taps
- Remove farm taps from DIMP requirements (§192.1003(b))
- Adds requirement for farm tap regulator and overpressure protection inspections every 3 years as new §192.740
§192.740(a)

• Service line directly connected to a production, gathering, or transmission pipeline that is not operated as part of a distribution system.

• Exist in many different scenarios

§192.740(b)

Each pressure regulating or limiting device, relief device (except rupture discs), automatic shutoff device, and associated equipment must be inspected and tested at least once every 3 calendar years, not exceeding 39 months, to determine that it is:
§192.740(b)

(1) In good mechanical condition;
(2) Adequate from the standpoint of capacity and reliability of operation for the service in which it is employed;
(3) Set to control or relieve at the correct pressure consistent with the pressure limits of § 192.197; and to limit the pressure on the inlet of the service regulator to 60 psi (414 kPa) gauge or less in case the upstream regulator fails to function properly; and
(4) Properly installed and protected from dirt, liquids, or other conditions that might prevent proper operation.

Farm Taps

• In WV, between 20,000 and 30,000 farm taps, many on unregulated gathering
  – Reconfigure to inspect

• Inspection completed by December 31, 2019
**Farm Taps - Distribution Service Lines**

- Interpretations provide the basis for determination that farm taps are distribution service lines
- Farm Tap outlined in
  - Northern Natural Gas Company (Interpretation #PI-11-0008 on April 19, 2011)
  - ATMOS Energy (Interpretation #PI-11-0016 on September 12, 2012)
- [https://www.phmsa.dot.gov/regulations/title49/b/2/1](https://www.phmsa.dot.gov/regulations/title49/b/2/1)

**FAQ’s**

- PHMSA and NAPSR developed a set of Frequently Asked Questions (FAQs) to support implementation of the new rule.
- FAQs seek to provide guidance for operators and regulators implementing the requirements of §192.740 and handling farm tap installations
- Farm Tap FAQs were posted, but were withdrawn for further review
Farm Taps

- Exercise of Enforcement Discretion Regarding Farm Taps
  - Issued March 28, 2019

- Choice of managing risk to farm taps by either §192.740 or §192.1003

- Equivalent levels of safety

Farm Taps

- Exercise of Enforcement
- Distribution operators can place farm taps back into DIMP
- All operators of farm taps,
  - comply with all other regulatory required programs such as §§ 192.603(c)(4) Abnormal Operations; 192.613 Continuing Surveillance; and, 192.617 Investigation of Failures.
Farm Taps

• Exercise of Enforcement

• Continues to evaluate and analyze the technical aspects of this matter
  – Additional guidance and FAQs

• Remain in effect until further notice

Farm Taps

• Exercise of Enforcement

• Nothing prohibits PHMSA from rescinding this document and pursuing enforcement actions for significant safety issues.

• Does not relieve operators from compliance with applicable provisions of the pipeline safety regulations
Kentucky Interpretation

• November 5, 2018, issued interpretation regarding farm taps
  – Very specific Kentucky law (KRS 278.485)

• PHMSA interpretations only directly apply to actual conditions as defined in request
  – May provide guidance for other situations
  – Not blanket or universal coverage

Kentucky Interpretation

• Farm taps not defined in code
  – Service line defined in 192.3
  – Farm taps meet definition of service line if owned or maintained by person engaged in transportation of gas
  – Therefore subject to requirements of 49 CFR Parts 191 and 192
Kentucky Interpretation

- Service line ends at connection to customer pipe or outlet of meter, whichever is further downstream (§192.3)
  - Piping and appurtenances owned by a customer or person not engaged in transportation of gas are not service lines, and therefore not subject to the regulations.

PHMSA Service Line Drawings

Operator Responsibility - Farm Tap

- Transmission Pipeline
- Operation Responsibility - Pipeline Company
- Owned by Home Owner
- Operated and Maintained by Home Owner
Farm Taps

- Exercise of Enforcement
- Recommend operators continue to evaluate and prioritize farm taps
- Continue with inspections until final resolution of regulation
- Into DIMP as separate subdivision with plan
  - Better analysis of risk
Guidance

• Farm taps become service lines
  – O&M manual
  – Operator qualification
  – Odorization
  – Operator ID
  – Annual report (taps off unregulated pipelines)

Regulator Tests

• Nothing in regulations requires lock up test
  – Alternative methods which meet intent of rule and provide equivalent level of safety
  – Interpretation P92-0058
  – “…using any practicable method that will demonstrate the presence or absence of the listed qualities. Set-point, lock-up, and full-stroke-operation would be part of the inspection and testing if such tests are practicable at the station concerned. If not, whatever other tests are practicable in meeting the requirements of §192.739 must be saved.”
Service Regulators

• Inlet pressure limited to 60 psig or less, only needs visual inspection (§§192.740(b)(3) and 192.197(a))
  – Interpretation PI-93-019 “all the inspections and tests that can be done at some regulator stations may not be practicable at stations with service-type regulators.”

Excess Flow Valves

• Farm taps are service lines
• §§192.383 and 192.385 apply to farm taps
  – Installation required on lines operating ≥ 10 psig throughout the year
  – Limitations on installation

• Does not require retrofitting, only when for new or replaced lines
Guidance

• Some sort of inspection by December 31, 2019
• Prioritization of taps for upgrade
• Establish design pressure for unregulated gathering lines
  – Documented well head pressures

Questions