

OQ PUBLIC MEETING
FEBRUARY 25, 2003
HOUSTON, TX

<i>Government Panelists</i>	<i>Industry Panelists</i>
Richard Sanders, TSI	Daron Moore, El Paso Corporation
John Haddow, OPS Western Region	Deb Haifleigh, KOCH Pipeline
Danny McGriff, Georgia PSC	Dan Cote, Bay State Gas
Glenn Tong, NAPSR	Byron Ables, Colonial Pipeline
Rick Marini, NAPSR	Mike Comstock, City of Mesa, Arizona
Rex Evans, NAPSR	Kent Denney, Duke Energy
Robert Brown, OPS	Tim Kasprzyk, TECO Peoples Gas
Paul Wood, Cycla	
Warren Miller, OPS Central Region	
Lynn Tessner, OPS Southern Region	
Dave Waters, Cycla	

Richard Sanders opened meeting covering the agenda and stated that OPS will place all info on Web Site for review by industry and public. He suggested that if anyone has difficulty accessing any material, they may notify OPS either through associations or federal/state contacts. The PowerPoint presentations presented at the OQ public meetings will also be made available on the Web.

On 12/17/02, a new law was passed that affected the OQ Rule and triggered some of the current issues. One of the things asked of us from a regulatory standpoint is to flowchart our path forward in dealing with regulations and enforcement issues. Subparts N and G cover this part of the regulations. Out of the San Antonio meeting, 13 issues were put on the table for discussion and classification as to high, medium and low impact. Another issue on the regulatory side is inconsistent use of terms, i.e., "pipeline facility," "integrity," "benchmark," and "significant." Discussion will assist everyone in reaching a common ground. These definitions will be presented on the Web Site as a strawman for industry comments and input. Richard discussed significant dates given operators by OPS HQ:

- End of March 2003 Resolve of Implementation Issues
- June 2003 Development of Supplementary Guidance
- June 2004 Development of Consensus Standard on OQ
- Dec 17, 2005 Congressional Mandate
- Apr '03 – Jun '03 8 OQ Interstate Inspections
- Aug /03 CBT on OQ for every state/federal inspector

Mike Comstock, City of Mesa, expressed appreciation for being able to participate in this process and provide comments on the 13 issues. Daron Moore presented industry comments, emphasizing that pipeline safety is at the center of what OPS and industry are trying to do. The issue is how to get there. He reviewed the following:

1. Industry is going to address the 13 issues presented in San Antonio.
2. Industry will outline positions on each issue describing specifically where disagreements lie.
3. Industry believes the protocols should reflect where we agree at the conclusion of this meeting..
4. We are willing to entertain the topics outside the OQ Rule.
5. Industry views the protocols as the enforcement document and understands that OPS is willing to alter them unless outside the Rule. Industry believes some are outside the Rule and will explain.
6. Industry wants to engage OPS in discussing all protocols and thinks they have a viable, reasonable strategy (as presented on several occasions).
 - a. Industry will identify their stance on the 13 issues.
 - b. Industry will work diligently on protocols to meet OPS deadlines
 - c. Industry will begin work on a prescriptive, performance-based consensus national standard (key part of the long term strategy).
 - d. The interim strategy will involve inspections based on the protocols until they are amended.
 - e. To assist in drafting of the standard, industry has engaged in study by PRCI to compare our industry with others (Fed RR Admin, OSHA, US Coast Guard, NRC, DOT/OPS)
 - f. Several problems: If some final protocols remain outside Rule and industry does not see a safety or operating benefit, industry has no choice but to believe remaining protocols would be enforced. This puts industry in a precarious position and poses a great amount of operator risk. Industry wants to present solutions. They want to place those protocols outside the

Rule into something called a “discussion folder” during inspections when in the field. In this folder, there is no threat of enforcement actions. These would be a variety of process questions, but they would be well beyond the scope of the Rule. Where the process questions do not apply to pipeline safety, industry would like these placed outside the enforcement arena. In essence, the protocols would be considered the enforcement document. Industry choices would be limited also to safety within the Rule.

- i. Advantages to this approach:
 1. OPS and industry will have protocols within deadlines. Industry needs them to know what is expected of them as operators
 2. Protocols: Rule is performance-based, but will get more prescriptive. We need to face that squarely and agree with it. It will help states enormously in efforts to enforce and audit on this Rule. Protocols will give understandable basis.
 3. Amended Rule after standard is approved (June 2004) is a reasonable date and is our goal. That standard can lead to an amended rule allowing for prescriptive, performance-based path for operators to go forward.
- ii. Industry desires a set of protocols which outline OPS expectations for industry, states, contractors and stakeholders to assure pipeline safety and our compliance.
- iii. Industry will engage OPS in protocols, benchmarks, and criteria.

The 13 OQ issues were presented as follows:

1. Mike Comstock: O&M vs. New Construction: Recommend following definition:

Maintenance: Activities to maintain or restore an existing pipeline (in service or removed from service and planned to be restored to service) to operating condition. Maintenance excludes:

- Activities to establish a new pipeline facility
- Activities performed prior to tie-in or installation of materials and components on an existing pipeline

This addresses issue of work performed off the pipeline. This is a starting point; OPS needs to address and provide input.

2. Dan Cote: Treatment of Emergency Response

Recommended Language: Industry generally concurs that under ideal circumstances, qualified individuals should respond to emergencies. However, situations may arise where a non-OQ-qualified individual may be in a position to respond to an emergency in a more timely manner and thereby ensure the protection of people, property and the environment. In such instances, the Operator must have the discretion to make a prudent decision on how and who can respond to the emergency without any enforcement action.

When notified of an emergency situation, the Operator will respond with persons qualified to perform covered tasks in response to the notification. If the first person to arrive on site is not qualified to perform the necessary tasks, they may be remotely directed by a qualified individual to take initial action to protect persons, property and the environment prior to the arrival of a qualified individual.

3. Dan Cote: Additional Covered Tasks

Industry agrees that over time additional covered tasks may be identified by the operator as a result of amendments to or addition of new regulations or safety issues related to changes in technology, equipment, operating practices and operations history. Operators should perform (and document) a periodic review to identify and determine if additions to the covered tasks are appropriate. On the specific issue of mechanized excavation, individuals responsible for excavations employed or contracted by the operator will be qualified in damage prevention task(s). (Running a backhoe will not be made a covered task.)

Dan stated that the term his company uses is “second party damage” where they or one of their agents hits their own facility. The key to the above is accepting responsibility for what we control.

Deb Haifleigh stated that they do address 3rd party through locating lines and marking, etc. Paul asked for details on what they are trying to do as far as monitoring, etc. The quality control is covered through that activity and varies. From an OQ perspective, industry’s position of monitoring is not embedded in the Rule and is not a requirement. Dan continued in terms of specifics, that’s one of those discussion items we may want to expand, but that he sees this as out of scope as far as OQ.

4. Kent Denney: Justification of Re-evaluation Intervals

Industry has initiated a study to investigate other regulatory agencies' practices for their personnel qualification requirements and gather applicable industry data. The study will compare the present OPS OQ requirements with those of the following industries:

- Petrochemical – Occupational Health & Safety Administration
- Railroads – Federal Railroad Administration
- Merchant Marine – Coast Guard
- Nuclear – Nuclear Regulatory Commission

One purpose of the study is to provide guidance for the pipeline operators to establish appropriate re-evaluation intervals.

Incidents & Accidents

Industry concurs it must be able to identify person(s) who performed covered tasks that may have contributed to an incident/accident. If an incident/accident occurred as a result of the performance of a covered task(s), the operator's investigation will include the review of the training, evaluation criteria, evaluation methods and re-evaluation intervals related to the task(s). Depending on the results of the investigation any corrective action may include all individuals who perform the covered task related to the incident/accident and not necessarily just the individual(s) who contributed to the incident/accident. The focus should be on qualifications related to the covered tasks that contributed to the incident/accident and not on the individual. (But we should be able to identify the individual involved in the incident.)

Performance Monitoring

The overwhelming majority of operators do not have systems (work management systems) in place to track and document who, what and where covered tasks were performed. The expense of putting such systems in place and the additional labor costs required to conduct such monitoring exceeds the perceived effect such monitoring may have on improving pipeline safety.

Requiring perpetual and systematic monitoring of the performance of the covered task implies that the operator's evaluation and qualification methods and practices are not effective. If industry conducts the evaluations with integrity and discipline and established effective re-evaluation intervals, there will not be a need for performance monitoring. The following provisions in the OQ Rule, the protocols and operator practices represent significant actions by operators to improve pipeline safety and confirm that formal systematic monitoring of the performance of the covered task is unwarranted.

- Operators ensure through disciplined evaluations that only qualified individuals perform covered tasks.
- Operators will conduct a periodic review of their OQ Program that may include:
 - o Review of the number of individuals who were re-evaluated due to performance contributing to an incident or for reasonable cause.
 - o Review of covered task list and determine the new need for any proposed revisions, additions, or deletions.
 - o Review of the evaluation methods to determine if the addition or deletion of certain evaluation methods are appropriate.
 - o Review and, where appropriate, modify requalification intervals.
 - o Review and assess effectiveness of the communication of change process.
 - o Conduct periodic reviews to ensure OQ programs are being implemented consistently and within established parameters.

5. Kent Denney: Reference to Training

Industry agrees that training is a component of producing qualified individuals, and that we are committed to work with OPS to develop a national consensus-based standard on the applicability of training in OQ.

6. Comstock: Inspection of the Approaches through which the Operator Expects to Achieve Improvement

Industry disagrees that the Rule requires (or even addresses) a continuous, mandated level of improvement. Further, without data, it is inappropriate for OPS to pre-judge the "anticipated appropriateness" of the industry's initial documented approaches. (Mike added that the word "improvement" signifies you're not quite there to us.)

Industry agrees to work with OPS to develop a national consensus-based standard to quantify the components of an effective program.

7. Dan Cote: Direct Observation of Non-qualified Individuals

Industry agrees to submit a specific list of covered tasks that may not be performed by an unqualified individual (e.g., tie-in welding). Industry will further develop guidance and criteria (this does not include establishing a fixed ratio for each covered task) for establishing the appropriate spans of control for tasks, based on the level of risk and complexity associated with those tasks.

Industry does not agree that there should be a limit on the time an unqualified individual may perform a covered task if a qualified individual observes him. It is industry's view that the decision not to qualify an individual in a covered task, but to allow them to perform the work under the direction of a qualified person, is an economic decision outside the boundary of OQ. Further, industry believes that there is no safety basis for assigning arbitrary time limit provided this always takes place under the direction of a qualified individual.

Abnormal Operating Conditions

Industry agrees that, as operators, it is necessary for us to periodically evaluate events that occurs in the operation of our systems to identify new AOCS that may not currently be embedded in our OQ plans. Therefore, at a minimum, operators (either individually or in conjunction with industry associations) will periodically, and after each reportable incident (or accident), review the AOC list for completeness.

Industry also agrees that each operator's OQ plan should include provisions to identify, communicate, and incorporate (if necessary) new AOCs in its plan and disseminate it to people doing the work.

Paul Wood, Cyclo: The one difference is that we talked about near misses and you talked about reportable incidents. Is there anything to be learned from near misses that operators could go through in extracting information from problems that were near to causing an incident?

Dan: The near misses and concept are well outside the Rule. We are interested in discussing this with regulators. But how do you reach commonality for communicating and disseminating to industry? We see this as a discussion item well outside the scope of the Rule.

Deb: What tracking is done on near miss is inconsistent and there are a lot of inconsistencies on its definition and what is tracked.

Paul: So the discussion would be on a process.

Dan: My personal vote would be to have this one take a separate track.

Daron: There is a lot of room for viability on near misses, and we have tried in INGAA to build a super incident database and went 5-15 times further than what criteria exists for OPS now. Without regulatory impetus requiring it with a defined definition, I am not optimistic it can happen. It's right for discussion within the consensus standard...make definitions and incorporate into an amended Rule.

Deb: It's key that we look at cost and time to complete it along with the benefit that would be derived.

Comstock: From a small operator's standpoint, we have one or two-people crews who work on the system. How do they know what was nearly missed if they didn't know what was going on? Maybe if they had an AOC occur, we could go through training, etc.

Paul: You have narrowed the definition of "incidents or accidents" to reportable. Was there considerable discussion about that? Is there another dividing line?

Dan: Operators will "periodically" which means stand back and do an assessment. Between those periods of analysis, if an incident occurs, we will do an AOC review. A specific event can certainly be a trigger, but beyond that we will review on a periodic basis. We have captured both.

RES: What triggers periodic is an economic situation rather than safety.

Dave Waters: Do you see advantage in a shared list of AOCs?

Dan: I can see overlap, but I don't see common lists. There are a goodly number that can come together, but we want to be cautious about mandating a list. It must be operator specific.

Dave: I was talking about a list that might provide a means to see what they may have missed.

9. Kent Denney: Qualified Person's Contribution to Incidents (Issue Addressed in #4)

10. Amy Livingston: Acceptable Evaluation Methods (KSAs)

Industry agrees that on a task-by-task basis, a qualified individual may be required to possess one or all of the following: knowledge, skill or ability. We further agree that, on an individual task basis, required KSAs should be verified by one or more evaluations designed for that purpose.

An evaluation may be designed to address knowledge, skill or ability, or all three. For example, a performance evaluation designed to include orally administered knowledge items, can evaluate an individual's knowledge, skill and ability to perform a covered task. In this example:

- Knowledge is evaluated by administering predetermined knowledge items orally.
- Skill is evaluated by observing the identified performance steps and criteria, and
- Ability (mental and physical) is inherently evaluated as knowledge and skills are demonstrated.

As indicated in OQ Rule, evaluation may be completed by a number of methods. It is possible for an individual to demonstrate initial or continued qualification (subsequent evaluation) through a combination of knowledge evaluation and demonstrated performance on the job. The knowledge evaluation may be completed using a written, oral or computer-based testing, or other appropriate method. The skills and ability to perform may be demonstrated through the use of work history records, documented observations of performance on-the-job, or other evaluation methods that have been designed for this purpose. For example, an individual who reads test stations frequently has demonstrated through performance on-the-job the skill and ability to do so. Records that document this work history combined with a knowledge evaluation would be adequate to demonstrate continued qualification.

11. Dan Cote: Extent of Documentation

Industry agrees operators need to demonstrate compliance with OQ Rule. Industry also agrees that the OQ rule requires that more than four (4) records be kept to demonstrate compliance, and these records may include:

- Identification of method used to establish CT list
- Operator's CT list
- Identification of persons qualified to perform CTs
- Evaluation method used to qualify individuals in the CTs
- Re-evaluation interval for each CT

The overwhelming majority of operators do not have systems (work mgmt systems) in place to track & document who, what and where covered tasks were performed. The expense of putting such systems in place and the additional labor costs required to conduct such monitoring exceeds the perceived effect such monitoring may have on improving pipeline safety.

Industry further proposes that the Industry Task Force and OPS work jointly to develop a standard list of records necessary to demonstrate compliance with the Rule.

12. Kent Denney: Noteworthy Practices

Though industry notes there is no requirement in the Rule to create an OQ best practice communications process, industry agrees that a voluntary practice of disseminating different methods of OQ compliance, requalification, documentation methodology, and other OQ practices to the industry has value. We further believe that industry associations are an appropriate method for identifying and disseminating best practices to similar operators.

Industry agrees that consensus standards are an appropriate method for establishing parameters for this voluntary noteworthy practice communication, and that these practices should also be among the methods the operator uses when considering revisions to the OQ plan. Industry also agrees to work with OPS to develop these specific standards.

13. Comstock: Acceptance Criteria for Small Oper

Industry agrees to work with OPS to develop the standards that will apply to small operators. Industry also believes an OQ document, similar to the “Pipeline Safety Guide for Small Operators,” would be an appropriate vehicle for communicating these standards.

Though it should be noted that this development process cannot take place until the outstanding issues and specific content of the protocols are resolved; and, until OPS further clarifies the level of flexibility, industry is willing to apply when inspecting small operators for compliance with the OQ Rule.

Mike Brazda, Association of Diving Contractors Int’l

Steve Brazda of the Association of Diving Contractors International reported their industry has also been dealing with the OQ Rule. He sees that industry and regulatory bodies have just as much concern in getting this Rule defined with criteria to go forward. He noted that as contractors, when it gets to their level, they’re dealing with up to 100 operators who have their own interpretations and criteria they are pushing. Mike stressed that they definitely need some direction and introduced Ross Saxon of the Association of Diving Contractors International, Inc.

Ross Saxon, Association of Diving Contractors Int’l (ADC)

Ross stated that DOT should be complimented for focusing on safety with respect to pipeline operations. However, he stated that the emphasis appears to have been misdirected from the ADC perspective. This Rule affects all ADC member companies wherever they are operating...inland, coastal or offshore. But the Rule does not reflect the reality or historical data related to the safety record of the commercial diving industry with respect to underwater pipeline activity. (Example: 1997 – 363 land based accidents / Since 1985 – 1 accident underwater). There is no anecdotal evidence to show that commercial diving operations conducted for inspection, maintenance, or repair of a pipeline has created a hazardous circumstance.

Section 563(a) of the Negotiated Rulemaking Act recommends that an agency consider whether:

- There is need for the Rule [not with respect to commercial diving activities] – no history of accidents involving underwater activity save 1 approximately 10 years ago.
- There is a limited number of identifiable interests [commercial diving never considered].
- These interests can be adequately represented by persons willing to negotiate in good faith to reach a consensus [commercial diving not represented].

He continued his presentation, stating that an agency of the Fed Government cannot establish or utilize a group of people in the interest of obtaining consensus advice or recommendation UNLESS THAT GROUP IS CHARTERED. Further, the intent of the RSPA in establishing the advisory committee was stated as follows:

“Our intent is to create a Federal advisory committee to:

- *Identify the issues involved in the rulemaking – [commercial diving was not discussed]*
- *Identify the interests affected by the rulemaking – [commercial diving was not discussed]*
- *Identify potential participants who will adequately represent those interests – [commercial diving participants were not sought]*
- *Ask for comment on the use of regulatory negotiation and on the identification of the issues, interests, procedures and participants – [comments were not solicited from the commercial diving industry]”*

(ADC was not represented in any discussion nor how the Rule affects Commercial Diving Companies.”

Ross stated that the following were tentatively identified as representing interests that are likely to be significantly affected by the Rule:

- Small pipeline operators
- Large pipeline operators
- State pipeline safety representatives
- Representatives of other interested federal agencies
- Public environmental organizations
- Other interested public organizations
- Representatives of labor unions
- RSPA Office of Pipeline Safety

(Again, commercial diving was not included. It was not included in the list of organizations identified by RSPA nor was it represented on the RSPA Negotiated Rulemaking Advisory Committee.)

Ross noted that this Rule affects commercial diving companies in many different ways:

- Poses the question of how many persons must be qualified?
- Who furnishes the materials necessary to satisfy Rule requirements?
- What are training parameters?
- What are costs involved and how recouped? The economic impact of the Rule on the commercial diving community is approximately \$437.5Million.
- Will ALL operators accept an industry developed plan as being acceptable?

Ross stated that their goal is to promote and foster safety through communication and education throughout the commercial diving and underwater industry. This has been facilitated through development of consensus standards now used as a bible throughout government and industry, and has even become regulatory law in several foreign nations with others now considering such action [new 5th Ed. To become American National Standard (ANSI)] and is subject to annual review for change action.

He clarified stating that ADC's intent is:

1. To officially object to application of the Rule to underwater pipeline related activity.
2. To develop an ADC consensus standard plan [ADC 12] for compliance by all ADC member companies engaged in pipeline related activity.
3. To support implementation of an integrated plan for training, monitoring and qualification of ADC commercial diving personnel.
4. To identify covered tasks as required by 49 CFR Parts 192 and 195.
5. Developed as consensus of ADC members.
6. In cooperation with OQSG for development of systematic plan in satisfaction of 49 CFR requirements.
7. ADC Commercial Diver Certification cards to reflect level of qualification related to defined tasks.
8. All ADC member companies engaged in pipeline operations must follow a plan that meets or exceeds defined requirements from whatever source may be approved.

Public Comments on Industry’s Presentation (Above) on the 13 Issues:

Tom Jones	<p>1. Timeframes: When will protocols be finished? April</p> <p>What are timeframes for public meetings? Mar 25-27 AZ Apr 22-24 GA May 20-22 DC Additional meetings after finalization of protocols will be for additional discussion and clarification. If they aren't needed, we will cancel.</p>
	<p>2. Item #3 - Identification of additional CT's – I don't recall industry's position addressing the 4-part test even one time. I wouldn't object to criteria used to determine CTs being changed, but the words used in the write up actually were: "...excavation was a significant enough task that it should be included." My concern is if we take the 4-part test and make it a <u>5-part test and a safety issue</u>. What I have difficulty with is that if we have a 4-part test, I'm not sure if it's an all-inclusive test. Either expand the 4-part test to include everything. "Significant" is too subjective. The target is still moving too much.</p> <p>Sanders: This is something new out of the Dec 17 law. We are working on a definition and there may be need for supplementary rulemaking to address this issue. There were some issues put on the table that would not pass the "RED FACE" test and it would provide an opportunity for us to address those things.</p> <p>Darren: It's industry's goal to have the protocols used during inspections be definitive enough that operators know what's expected of them and states know what's expected of them during inspections. As they stand now, I'm not sure where the target is.</p>
	<p>3. Item #4 – Justification of Reevaluation Intervals – Until everyone understands the formula and uses it the same way, this appears to be nothing more than an exercise that satisfies someone – maybe Congress.</p> <p>Darren: Part of the comparative analysis that PRCI is conducting is comparing some of the intervals with other industries. It describes those other agencies .. what their timetables are to help define frequency intervals based on the best data on hand.</p>
	<p>4. Training Definition: What difference does it make how we train our employees when it's the evaluation and qualification that matters?</p> <p>Sanders: I think we agree with you. Training is a means to an end. We heard during RegNeg some operators were considering only hiring qualified people.</p> <p>Kent: The standard will be on when and why an individual is trained, but not how. The regulators would concur and a supplemental rule would reference that document. Same as API 1104 or ASME, there are tons of references in 192 and 195 that reference industry standards.</p> <p>Dan: There should be processes that we can identify for developing those standards to acquire the skills.</p> <p>Sanders: Based on PowerPoint presentations given, there was a slide for industry to take advantage of the records and tracking you were doing. We also think industry should consider establishing some type of testing out program and all of this is on the table for consideration.</p>
	<p>5. Item #8 – AOCs – (Deb Haifleigh) There are a # of different near misses that could lead to the exact same AOC. If we make it mandatory that we address near misses and examine every one of them to determine if they might lead to an AOC, we could be developing a process (time & \$) for little benefit. We won't have expanded our AOC, and won't have benefited as far as OQ is concerned...it's just exercise. We identify AOCs before they even exist, but I'm not sure formal processes are always beneficial.</p>

<p>Frank Mantell Fugro Chance Inc.</p>	<p>6. I've listened to how the Rule has come down and where you're headed, and as a contractor to the industry, we have attempted to meet your requirements. In some instances, they've not been identified. In other instances, we've been told exactly what's expected. One of our companies is a land based company and falls directly under this regulation. We were directed to send our people through a training course at a certain school and where they will be tested and qualified. We found out they didn't know anything on survey, but it was based on OPS standards which we didn't know anything about. One of the parts had 2 questions and we had to pass each part by 70%. 3 of our guys got 1 of the questions right, and failed. We argued, and they reversed their stance and said we passed. My problem is that we are being directed by different companies and in the long run they also want us to post our names as "qualified" on a Web Site. We are not going to do that because we lose people that way. If you want their name, you'll meet them on the job. We'll provide the list when you say we're qualified. The whole process is unfair.</p>
<p>Steve Brazda ADC</p>	<p>7. At the end of day when protocols and standards are final, are we contractors going to be able to say to operators that we have very high safety standards and present one set of tasks/procedures that will make El Paso, Duke, and Shell all happy? The price tag keeps going up, so will we have to modify on an individual company basis?</p> <p>Deb: We are not unsympathetic to your concern. The problem is we must have a program to audit each contractor's plan.</p> <p>Byron Ables: We know there must be commonality for CT lists. We are all in agreement that it will take a while to get there.</p> <p>Dan Cote: Keep in mind that a consensus standard is our vehicle to get where you said you want us to be...recognizing commonality of understanding. The beauty of standards is that they narrow the field.</p>
<p>Ross Saxon ADC</p>	<p>8. We're looking at safety and earlier we've only had 1 accident since '75. In our industry we have had 1 fatality over the last 15 years and it is a very safe industry. Why must we be audited and follow a procedure?</p> <p>Deb: If it passes the 4-part test, we don't have an option. Our industry overall has one of the best safety records of any industry out there.</p> <p>Ross: More importantly, we need an understanding of why the Rule exists in the 1st place.</p> <p>Byron: We also need to realize from an Operator's standpoint, you're not being held liable. The operator is the liable party and needs to show due diligence to OPS. When you're doing something, we must answer the questions...validate that what you're telling us is what's happening.</p> <p>Sanders: Suggested need as an industry to address issues associated with divers and report back to operators.</p>

<p style="text-align: center;">Michelle Snyder Exxon Mobil Pipeline</p>	<p>9. Of the 8 inspections, will they be both state and federal? They will be interstate (Federal). The biggest ones.</p> <p>Will the states across the board use the same protocols? Rex Evans: Our intention would be to follow the same guidelines. There may be some slight interpretation differences bearing on our state situations.</p> <p>Will each state have authority if they're going to use the same protocol being developed here? Rex: This will be tied to that. We intend for across the board purposes to use the same one.</p> <p>Will the states use NARIs as well as the Feds? Rex: I don't think that was the intention.</p> <p>Will there be a compliance or enforcement tool used? Rick Marini: As far as enforcement, we still have our other methods of enforcing.</p> <p>Will the states follow something similar to NARI? Warren: The sate enforcement processes are all different depending on economics of the states.</p> <p>Has here been discussion on how long NARIS will be used? Sanders: None at this time.</p> <p>During discussion on CTs and excavation, areas of concern of liquid operators, when using excavation, being clear as to what types. Some have to do with O&M and others don't. If this is an issue, can we identify what type such as when excavating to protect lines not necessary for OQ but for damage prevention or one call processes? Sanders: If outside the scope of Subpart G, check our list of strawman definitions. From these meetings and discussions, we keep seeing terms thrown out there, but they're often used inconsistently. We must refine them and ask for input and comment.</p> <p>Regarding additional records to demonstrate compliance, if they're not part of our written plan but available, will this be ok? Bob Brown: We would recommend you put it in your written plan. You may not be there next year or sometime in the future, and it needs to be maintained in your records.</p> <p>What can we expect from OPS in response to industry's comments? Sanders: Our response will be recorded and published on a number of Web Sites and we will work toward answers to those. Early on you asked us to pull FAQs off the Web. We see the opportunity that we may want to put something back up to answer these questions. Some can be combined into one issue and will be addressed that way possibly.</p>
<p style="text-align: center;">Rod Buehl Labor-Local Union</p>	<p>10. As a worker on the pipelines, there are so many plans out there and nothing is standardized to take from one job to another. There needs to be something for the worker traveling from one company to another. We've tried to keep records at schools.</p>
<p style="text-align: center;">Jim Hunter IBW</p>	<p>11. On the idea of national standards, we are supportive and think they are necessary. Many companies don't know what to do with the OQ program and have gone to schools and are being signed off on things their company doesn't have simply because they bought an off the shelf OQ plan. Training is essential. Problem we have is you can say that, but if the words aren't there ... there must be some way of documenting that training.</p>
<p style="text-align: center;">Phil Bennet AGA</p>	<p>12. The OPS docket is open for comment at public meetings. We will talk to OPS legal counsel about posting questions and comments. Regarding 3rd party: They ask questions about expansion of the Rule. In some jurisdictions (PA and OH) under their state constitutions, plumbers are required to work on and maintain service lines. The question is since they have no contractual obligations to work on the service lines, how can the OQ Rule be expanded when that work was never in the Rule for plumbers the operators had no control over? Sanders: By the service line definition, we determine jurisdiction on the distribution stuff. That's how plumbers get involved in CTs.</p>

Gary Cowden Columbia Gas	<p>13. When will people talk <i>across</i> the table instead of <i>through</i> the table? Sanders: As soon as we've talked to OPS Legal and have gotten a little more direction. We'll know from a regulatory standpoint where we would be stepping over the line. We are being told to continue the inspection process. Sanders advised that OQ Team plans to work together with industry, associations and the ADC to develop the consensus standard and toward pipeline safety.</p>
Tom Jones Shell	<p>14. Tom Jones expressed some frustration and confusion because he thought OPS would provide a more thorough discussion on the 13 items. He thought he would leave San Antonio with more definitive information, but feels the same thing has happened here. He stated that he needs to take more information back for his program and possible inspection in April, and he wanted to avoid any NARIs! Sanders: We are governed by certain aspects as far as what we can or can't do, i.e. group sessions, public meetings, etc.</p>

The OQ Team took a short break to confer and discuss what information can be provided tomorrow before the audience leaves. Sanders will confer with OPS Legal Counsel. Since there was an opportunity for Industry to meet again today to generate their material, OPS will avail themselves of the same opportunity. Sanders stated that this is an intricate process and he don't envision reaching any concrete answers other than putting some of the concerns on the table. They will be posted on the Web also. Regulators and Industry will meet again tomorrow morning (just as today) (8:30 – 11:30 AM) and returned with comments at the Public Meeting at 1:00 PM. SGA will also post the issues on their Web Site as soon as possible; hardcopies will be provided tomorrow morning.

Public Meeting Attendees

1. Richard Sanders, TSI	2. Mike Grubb, SGA	3. Jerry Gann, Center Point
4. Thomas Baker, Center Point	5. David Harris, Center Point	6. Gerry Adkins, OK Natural Gas
7. Robert Brink, William Gas Pipeline	8. Gary McLean, Greenville Utilities	9. Dean Marquart, VECO
10. Rita Jean Ayers, Southern CA Gas	11. Rich Huhn, CMS Panhandle	12. Dalan Bayham, Project Consulting Svc.
13. Mark Cline, Marathon Ashland Pipeline	14. Jose Alvarado, Center Point	15. George Bronson, Winfield, KS Gas Util.
16. Marlene Breitenbach, TEPPCO	17. James Mika, TEPPCO	18. Phil Bennett, AGA
19. Larry Fuller, Center Point	20. Darrel Caldwell, Omega Alliance	21. Chris McLaren, OPS Southwest Region
22. Dave Waters, Cyclo/OPS	23. Bob Brown, OPS Southwest Region	24. Glenn Tong, NAPSR
25. Rick Marini, NAPSR	26. Rex Evans, NAPSR	27. Ronald Passmore, NYS DPS
28. Bob Holter, Contractor	29. Jim Hunter, IBEW	30. Mark Peterson, Global Industry
31. Rich Mueller, Dynegy	32. Joey Rockett, Enogex	33. Ron Wiest, MN OPS
34. Ross Saxon, ADC	35. Michael Crick, Valero Energy Corp.	36. Mike Comstock, City of Mesa, AZ
37. Frank Mantell, Fugro Chance, Inc.	38. Pete Netterville, Zaval-Tex	39. Lewis Vallette, EOTT Liquids
40. Criss Huckins, Conoco Phillips	41. Rodney Begnand, Huntsman	42. Vicky Livings, Huntsman
43. Charles Carter, EOTT Energy	44. Larry Abraham, BP Pipelines, N.A.	45. Laura Hughes, LECET
46. Rick Gulstad, Alliance Pipeline	47. Mark Becker, Conoco Phillips	48. David Lindow, Dynegy
49. Paul Wood, Cyclo/OPS	50. Rod Seeley, OPS Southwest Region	51. Robert Bertrand, CITGO
52. Jack Adams, Gulf South Pipeline	53. Paul Biancardi, Duke Energy	54. Chuck Knecht, Conoco Phillips
55. John Haddow, OPS Western Region	56. Daryl Walter, Global Divers/ADC	57. Tim Kasprzyk, TECO Peoples Gas
58. John Patton, LBI	59. Jim Wilson, NCRA-Jayhawk Pipeline	60. Lynn Tessner, OPS Southern Region
61. Tom Jones, Shell Pipeline	62. Wade Guerin, Plains All American	63. Debbie Ristig, Center Point Energy
64. Ted Kelley, Prayair Inc.	65. Stacy Trevino, RCP	66. Bill Byrd, RCP
67. D.C. Winans, LHPC, LLC	68. Michelle Snider, Exxon Mobil Pipeline	69. Jerry Barrios, Atmos
70. Larry Miller, Port of Houston Authority	71. Kevin Krisko, Heath Consultants	72. Travis Besier, ONCOR
73. Steve Barker, L.E. Bell Construction Co.	74. Jon Herrea, Epic Divers/ADC	75. Phil Miller, Stolt/ADC
76. David Born, Texas Railroad Commission	77. Jeff Patterson, ORVD	78. Angela Serrano, NM PSC
79. Jose Valenciano, Atmos Energy – TX	80. G. Tom Fortner, RSPA/OPS HQ – DC	81. Travis Trahan, CDI
82. Steve Brazda, CDI	83. Paul Sanchez, RSPA/OPS HQ – DC	84. Warren Miller, OPS Central Region
85. Rod Ewell, NWLETT	86. Dean Bearden, Alyeska Pipeline	87. Jeff Streit, Alyeska Pipeline
88. Emily Stark, Alyeska Pipeline	89. Sue Freeman, Terasen Pipelines	90. Ron Haggerty, Duke Energy
91. Robert Smith, AGL Resources	92. Steve Bittel, Atmos Energy	93. Tom Pendleton, Center Point Energy
94. Merlin Moseman, CNGG (Enron)	95. Daron Moore, El Paso Corporation	96. Bob Renegar, ONEOK Gas Transp., LLC
97. Deb Haifleigh, KOCH Pipeline	98. Sue Guidry, Dynegy Midstream	99. Kent Duhon, Dynegy Midstream
100. Byron Ables, Colonial Pipeline	101. Dan Cote, Bay State Gas	102. Charles Duff, Benton Eqpt. & Constr.
103. Kevin Graham, Veriforce	104. Tony Scott, OQSG	105. Robert Supple, OQSG
106. Wes Dunbar, ONEOK Inc.	107. Derek Perkins, El Paso Field Services	108. John Locantro, Shell Gas
109. Jerry Gann, Center Point	110. Doug Olden, Universal Compression	111. Warren Etheridge, SSCC-P
112. Warren Fusilier, EOTT Energy	113. Jeff Patterson, Oak Ridge Utility District	114. Gayle Stevens, HPL
115. Bob Lukens, Great Lakes Gas Trans.	116. Jack Adams, Gulf South Pipeline	117. Don Griffin, AL Gas Corporation
118. Neil Marks, X-ray Inspection	119. Charles Ely, ACTT	120. Lanny Cargile, Center Point
121. Thomas Baker, Center Point	122. Johnny Russell, NCCER	123. Can Shea, Genesis
124. Kent Denney, Duke Energy	125. Gary Cowden, Columbia Gas Trans.	126. Sharon Webb, TSI