



SAFETY ADVISORY 2011-01

January 17, 2011



RECORDS REQUIREMENTS FOR PIPELINES

The British Columbia Oil and Gas Commission (the Commission) has followed with interest the investigation into the tragic failure of a pipeline in San Bruno, California on September 9, 2010. The Commission's interest in this event is to review any findings or regulatory actions taken which may enhance pipeline safety in British Columbia.

On September 9, 2010, a 30-inch-diameter natural gas transmission pipeline owned and operated by Pacific Gas and Electric Company (PG&E) ruptured in San Bruno, California. The rupture occurred in a residential area killing eight people, injuring many more, and causing substantial property damage.

On January 4, 2011, the Pipeline and Hazardous Materials Safety Administration (PHMSA) issued an Advisory Bulletin to remind operators of gas and hazardous liquid pipeline facilities in the United States of their responsibilities to perform detailed threat and risk analyses that integrate accurate data and information from their entire pipeline system, especially when calculating Maximum Operating Pressure, and to utilize these risk analyses in the identification of appropriate assessment methods, and preventive and mitigative measures. The full Advisory Bulletin can be accessed from the PHMSA website at:

<http://www.phmsa.dot.gov/home>.

The preliminary investigation findings from this tragic event indicate that the pipeline operator's material records may have been incomplete and/or incorrect and that a reliance on this information to calculate maximum operating pressure may have contributed to the failure.

REQUIREMENT

Pipeline Permit Holders in British Columbia must meet the requirements of the Pipeline and Liquefied Natural Gas Facility Regulation which mandates that pipelines be designed, constructed, operated and maintained in accordance with CSA Z662-07 Oil and Gas Pipeline Systems (CSA Z662). The Regulation further mandates that Permit Holders have integrity management programs which meet the requirements of Annex N of CSA Z662.

**For oil and gas incidents and emergencies, please contact the Commission at:
1-800-663-3456 (24 hours).**

In light of the San Bruno incident, the Commission reminds Pipeline Permit Holders that they must develop and maintain records of materials used within their pipeline system as part of their permanent records as per clause 5.7.1 of CSA Z662:

5.7.1 *The standards or specifications of the pipe, components, and bolting materials used in the construction of pipeline systems shall be recorded, and such records shall be retained as part of the permanent records of the pipeline system. The identity of the material shall be verified prior to its use.*

The Commission notes that the transfer of mandatory records must take place during any transfer of ownership of a pipeline or the elements of a pipeline system.

The Commission recognizes that over time records may become damaged or lost due to causes beyond the Permit Holder's control. In such instances, the Commission expects that Permit Holders will have plans and programs in place for the management of their pipeline system in the absence of these records as well as programs for reestablishment of the records. Such a program should be part of a Permit Holders Safety and Loss Management System as required by clause 10.2 of CSA Z662.

Should you have any questions regarding this Safety Advisory, please contact:

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