

affected transportation service. We request comment on what guidance, if any, should be given for determining which members of the shipping public are covered by the 20-day notice period.

We note that the notice requirement does not apply to a rate decrease, which a carrier may apply without notice. Similarly, it would not seem that the notice requirement should apply to, and hence delay, a change in service terms that is clearly beneficial to shippers. Our initial view is that it is not necessary to establish rules addressing how to determine whether a service change is clearly beneficial to shippers. Commenters may wish to address this issue.

The new regulations also need to address the publication requirement of new 49 U.S.C. 11101(d), which requires railroads to "publish, make available, and retain for public inspection [their] common carrier rates, schedule of rates, and other service terms," and any changes thereto, for the transportation of agricultural products (including grain, as defined in 7 U.S.C. 75, and all products thereof) and fertilizer. It should be noted that the publication requirement for these commodities is in addition to the disclosure and notification requirements of new subsections (b) and (c). This additional requirement reflects Congress' concern that broad dissemination of market information on a timely basis is particularly critical to the agricultural sector of the economy, given the seasonal nature of its transportation needs and the short time frame within which such needs must be met.

It would seem that the required publication could be provided by the rail carrier itself or by an agent (e.g., a publishing service or another rail carrier) acting at the rail carrier's direction. It would also seem that these publications would need to be made available to all interested persons, but that the rail carrier or its agent should be able to impose reasonable charges for such publications.³ We seek comment on how best to implement this provision. Again, we request input on how to interpret the requirement that publication of any proposed or actual changes be made promptly.

Finally, the new regulations should provide for the required information to be supplied either in writing or in electronic form. It would appear that the form chosen would depend upon the technical capacities of the carrier to

transmit, and of the requester to receive, the information.

Request for Comments

We invite all interested persons to comment and to offer suggestions for the new regulations. We encourage affected interest groups to discuss these new requirements with each other and to seek a mutually agreeable set of regulations that would meet the needs of all affected interests—both shipper and carrier, and both large and small.

Comments (an original and 10 copies) must be in writing, and are due on April 8, 1996.

We encourage any commenter that has the necessary technical wherewithal to submit its comments as computer data on a 3.5-inch floppy diskette formatted for WordPerfect 5.1, or formatted so that it can be readily converted into WordPerfect 5.1. Any such diskette submission (one diskette will be sufficient) should be in addition to the written submission (an original and 10 copies).

Small Entities

Because this is not a notice of proposed rulemaking within the meaning of the Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*), we need not conduct at this point an examination of impacts on small entities. We will certainly welcome, of course, any comments respecting whether regulations that commenters may suggest would have significant economic effects on any substantial number of small entities.

Environment

The issuance of this advance notice of proposed rulemaking will not significantly affect either the quality of the human environment or the conservation of energy resources. Furthermore, we would not expect that regulations suggested for implementing new 49 U.S.C. 11101 would significantly affect either the quality of the human environment or the conservation of energy resources. We certainly welcome, of course, any comments respecting whether suggested revisions would have any such effects.

Authority: 49 U.S.C. 721(a) and 11101.

Decided: February 29, 1996.

By the Board, Chairman Morgan, Vice Chairman Simmons, and Commissioner Owen.

Vernon A. Williams,
Secretary.

[FR Doc. 96-5515 Filed 3-7-96; 8:45 am]

BILLING CODE 4915-00-P

Research and Special Programs Administration

49 CFR Part 195

[Docket No. PS-144; Notice-1]

Risk-Based Alternative to the Pressure Testing Older Hazardous Liquid and Carbon Dioxide Pipelines

AGENCY: Research and Special Programs Administration (RSPA), DOT.

ACTION: Notice of public meeting.

SUMMARY: The Research and Special Programs Administration (RSPA) invites representatives of industry, state, and local government, and the public to an open meeting to discuss a proposal by the American Petroleum Institute (API) for a risk-based alternative to the pressure testing older hazardous liquid and carbon dioxide pipelines rule (see Attachment). The purpose of this meeting is to obtain public views before RSPA considers API's proposal.

DATES: The meeting will be held on March 25, 1996, from 1:00 p.m. to 5:00 p.m. Written comments, in duplicate, are due by April 15, 1996.

ADDRESSES: Interested persons should submit written comments in duplicate to Dockets Unit, room 8421, Research and Special Programs Administration, U.S. Department of Transportation, 400 Seventh Street, SW., Washington, DC 20590-0001.

The meeting will be held at the U.S. Department of Transportation, Nassif Building, 400 Seventh Street, SW, room 9230-34, Washington, DC. Non-federal employee visitors are admitted into DOT headquarters building through the southwest entrance at Seventh and E Streets, SW.

FOR FURTHER INFORMATION CONTACT: Mike Israni, (202) 366-4571, regarding the subject matter of this document, or the Dockets Unit (202) 366-5046, for copies of this notice, the attachment or other material referenced in this notice.

SUPPLEMENTARY INFORMATION: On June 7, 1994, RSPA issued a final rule (59 FR 29379) requiring the hydrostatic pressure testing of certain older hazardous liquid and carbon dioxide pipelines. On June 23, 1995, API filed a petition on behalf of many liquid pipeline operators expressing strong concerns about the pressure testing rule in its present form and proposing a risk-based alternative to the pressure testing rule. API argued that its proposal would allow operators to focus resources for a greater reduction in the overall risk from pipeline accidents. In addition, RSPA has received a few requests for waivers of compliance with the June 7, 1994, final rule.

³ Of course, to accommodate particular segments of the agricultural sector, it would seem that carriers could, at their discretion, continue to issue more narrowly focused publications as well.

RSPA wants to carefully evaluate the API proposal because RSPA has been working actively with the pipeline industry to develop a risk management framework for pipeline regulations. RSPA realizes that substantial planning is required before pressure testing of older pipelines. Operators need time to prepare pipeline systems for testing and to arrange for personnel and equipment to conduct the tests. System changes and actual testing must be coordinated with operations to minimize the impact on refineries, distributors, and users of the transported products. Also, operators need time to assure that testing is done safely, with the least environmental risk, and in accordance with applicable Federal and State regulations. Therefore, RSPA issued a notice (60 FR 54328; October 23, 1995) of an extension of the time for

compliance to allow for evaluation of the API petition.

On January 31, 1996, RSPA held a meeting with the representatives of API to explore technical details of the API's proposal. Main features of the API's risk-based proposal are as follows:

- (a) Highest priority is given to the highest risk facilities; lowest risk facilities are excepted;
- (b) Consequence factors such as location, product type, and release potential are taken into consideration when setting testing priorities;
- (c) Best available technology is applied to verify pipeline integrity; and
- (d) Timing of tests is based on risk.

It is important to note that current rule does not require any continuing effort to reassess the pipeline; however, under API's risk-based alternative, the operator may be obliged to reassess the risk classification on a continuing basis.

It should also be noted that in the API's risk-based proposal, there may be many pipelines that would not be hydrostatically tested. Those pipelines that pose the lowest risks would be excepted from testing. API's proposal provides for an alternative to hydrostatic testing in most cases where testing would be required. The alternative would be internal inspection using "smart pigs."

RSPA is concerned that the risk classifications in API's proposal do not specifically account for the probability of pipeline failures. RSPA is suggesting that this could be remedied by including consideration of the history of past failures for a particular pipeline system in the API proposal. The following versions of API Tables have been modified by RSPA to suggest such an approach.

TABLE 2.—RISK CLASSIFICATION

Hazard location indicator	Probability of failure indicator	Product/volume indicator	Risk classification
H	Any	Any combination	C
M	H	H/H	C
	M	Any combination	B
	L	L/L	A
L	H	H/H	B
	M	Any combination	B
	L	L/L	A

H=High, M=Moderate, L=Low.

TABLE 6.—PROBABILITY OF FAILURE INDICATORS (IN EACH HAZ. LOCATION)

Indicator	Failure history (Time-Dependent Defects)
H	Release >1000 bbls in last 5 years.
M	1 or more reportable incidents in last 5 years.
L	0 reportable incidents in last 5 years.

The API's proposal on risk-based alternative to the pressure testing rule is attached to this notice. RSPA is seeking

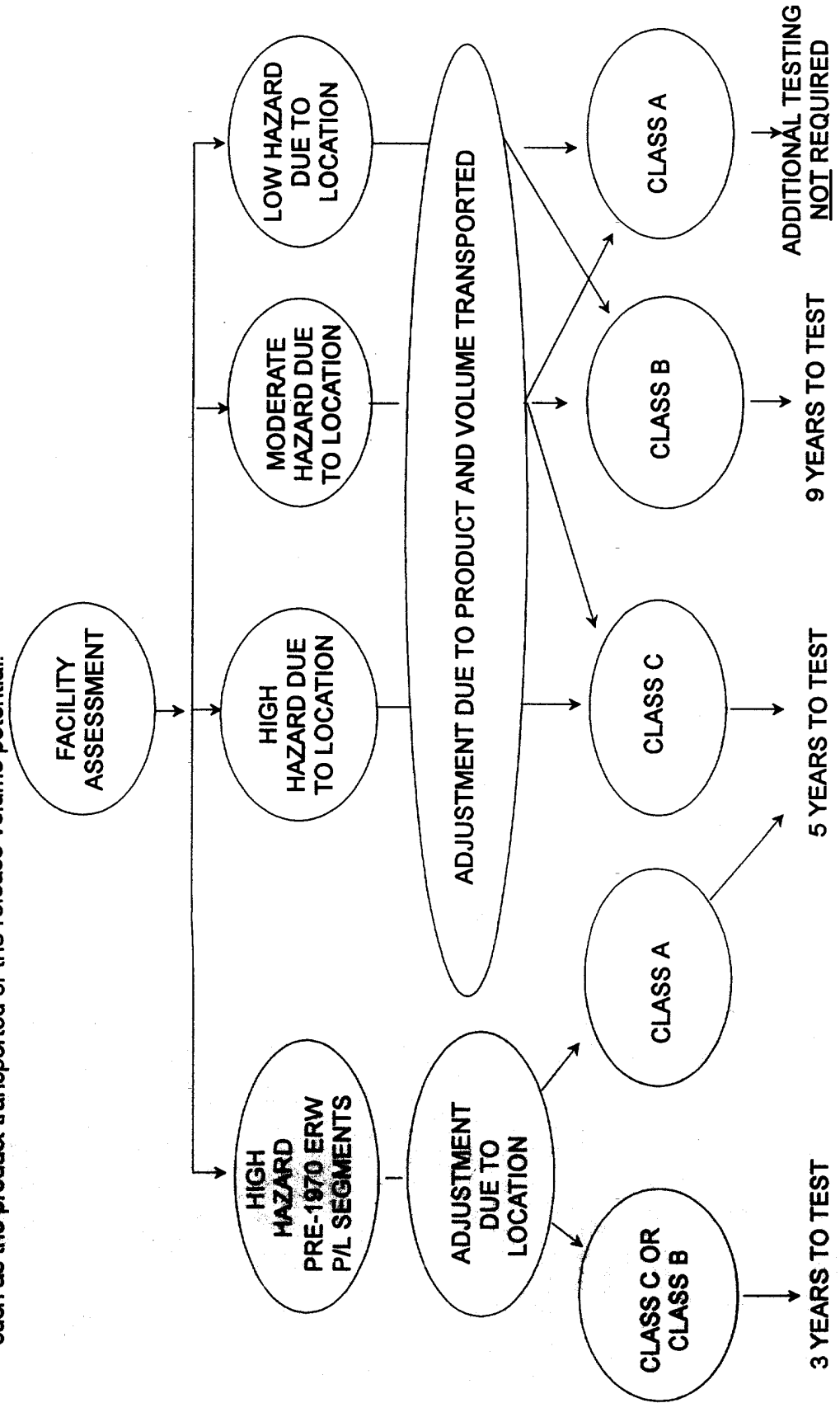
comment on any of the above-described matters.

Issued in Washington, D.C. on March 4, 1996.
Richard B. Felder,
Associate Administrator for Pipeline Safety.

BILLING CODE 4910-60-M

RISK-BASED ALTERNATIVE TO THE HYDROTEST RULE OVERVIEW

This risk-based alternative establishes test priorities based on the inherent risk of a given pipeline segment. The first step is to determine the classification based on the type of pipe or on the pipeline segment's proximity to populated (or, in the future, sensitive environmental) areas. Secondly, the classifications may then be adjusted based on other considerations, such as the product transported or the release volume potential.



API'S RISK-BASED ALTERNATIVE TO THE HYDROTEST RULE

Note: Italicized comments are included in order to help clarify the accompanying text of this proposed alternative to the Hydrotest Rule.

Risk-Based Hydrotest Rule

All previously grandfathered Class B and Class C pipeline segments, and Class A pipeline segments containing "High Hazard" pre-1970 ERW pipe shall either:

1. Show that a past pressure test has been completed. (Proof of a past pressure test has been demonstrated when records can be (recording charts, logs, applicable test specifications, employee or inspector log books or other company or project records made

at the time of the test and which result directly from that test), the preponderance of which substantiates a successfully completed past test at 125% of the maximum operation pressure); or

2. Re-establish a maximum operating pressure at 80% of the highest operating pressure to which the pipeline was subjected for more than four or more continuous hours, which can be demonstrated by recording charts or logs made at the time the operations were conducted; or

3. Re-establish a maximum operating pressure in accordance with Subpart E—Pressure Testing and Table 1.

All previously grandfathered Class A pipeline segments that do not contain "High Hazard" pre-1970 ERW pipe and

non-HVL pipelines which operate at less than 20% of SMYS are excepted from the above requirements. See Tables 2-5 for definitions of Class A, B, and C facilities. For the purposes of this rule, all pipeline segments containing "High Hazard" pre-1970 ERW pipe and considered a Class C or B facility shall be treated as the top priority for testing because of the higher risk which may exist due to susceptibility to longitudinal seam failures.

In all cases, operators should periodically review their facilities in order to reassess the classification which has been designated. Pipeline failures, changes in the characteristics of the pipeline route, or changes in service should all trigger a reassessment of the originally designated classification.

API's Risk-Based Alternative to the Hydrotest Rule

****Comment:** The following Table defines 4 levels of test requirements depending on the inherent risk of a given pipeline segment. The overall risk classification is determined based on the type of pipe involved, the facility's location, the product transported, and the relative volume of flow as determined from Tables 2-5.**

TABLE 1.—TEST REQUIREMENTS—MAINLINE SEGMENTS OUTSIDE OF TERMINALS, STATIONS, AND TANK FARMS

Pipeline Segment	Classification	Test deadline ¹	Test medium
"High Hazard" Pre-70 Pipeline Segments. ²	Class C or B	3 yrs ³	Water only.
	Class A	5 yrs ³	Water only.
All Other Pipeline Segments	Class C	5 yrs ⁴	Water only.
	Class B	9 yrs ⁴	Water/Liq. ⁵
	Class A	Additional pressure testing not required.	

¹ If operational experience indicates a history of past failures for a particular pipeline system, failure causes shall be reviewed to determine whether the timing of the pressure test should be accelerated.

² All pre-1970 ERW pipeline segments may not require testing. All pre-1970 ERW pipe is not subject to the same susceptibility to longitudinal seam failures. In determining which ERW pipeline segments should be included in this category, operators should consider such factors as: the seam-related leak history of the pipe and pipe manufacturing information as available, which may include the pipe steel's mechanical properties, including fracture toughness; the manufacturing process and controls related to seam properties, including whether the ERW process was high-frequency or low-frequency, whether the weld seam was heat treated, whether the seam was inspected, the test pressure and duration during mill hydrotest; the cleanliness and quality control of the steel-making process; and, other factors pertinent to seam properties and quality.

³ For those pipeline operators with extensive mileage of pre-1970 ERW pipe, any waiver requests for timing relief should be supported by an assessment of hazards in accordance with location, product, and volume considerations consistent with Tables 3, 4, and 5.

⁴ A magnetic flux leakage or ultrasonic internal inspection survey may be utilized as an alternative to hydrotesting where leak history and operating experience do not indicate leaks caused by longitudinal cracks or seam failure.

⁵ Pressure tests utilizing a hydrocarbon liquid may be conducted, but only with a liquid which does not vaporize rapidly.

API's Risk-Based Alternative to the Hydrotest Rule

****Comment:** Using LOCATION, PRODUCT, and VOLUME "Indicators" from Tables 3, 4 and 5, the overall risk classification of a given pipeline or pipeline segment can be established from Table 2. The LOCATION Indicator is the primary factor which determines overall risk, with the PRODUCT and VOLUME Indicators used to adjust to a higher or lower overall risk classification per the following table.**

TABLE 2.—FACILITY CLASSIFICATION—PIPELINE SEGMENTS

Location indicator	Product/Volume Indicators	Classification
H	Any combination	Class C.
	H/H	Class C.
M	All other combinations	Class B.
	L/L	Class A.
L	H/H	Class B.
	All other combinations	Class A.

Note: For Location and Product/Volume Indicators, see Tables 3, 4 and 5.

Risk-Based Alternative to the Hydrotest Rule

****Comment:** Tables 4 and 5 are used to establish the PRODUCT and VOLUME Indicators used in Table 2. The PRODUCT Indicator is selected from Table 4 as H, M, or L based on the acute and chronic hazards associated with

the product transported. The VOLUME Indicator is selected from Table 5 as H, M, or L based on the nominal diameter of the pipeline.**

TABLE 4.—PRODUCT INDICATORS

Indicator	Considerations	Product examples
H	Highly volatile and flammable	Propane, butane, NGL, ammonia.
	Highly toxic	Benzene, high H ₂ S content crude oils.
M	Flammable—flashpoint<100F	Gasoline, JP4, low flashpoint crude oils.
L	Non-flammable—flashpoint 100+F	Diesel, fuel, oil, kerosene, JP5, most crude oils.
	Highly volatile and non-flammable/non-toxic	CO ₂

Considerations: The degree of acute and chronic toxicity to humans, wildlife, and aquatic life; reactivity; and, volatility, flammability and water solubility determine the Product Indicator. CERCLA RQ (Reportable Quantity) values can be used as an indication of chronic toxicity. NPA health factors can be used for rating acute hazards.

TABLE 5.—VOLUME INDICATORS

Indicator	Line size
H	≥18"
M	10"–16" nominal diameters.
L	≤8" nominal diameter.

API'S Risk-Based Alternative to The Hydrotest Rule

****Comment:** Table 3 is used to establish the LOCATION indicator used in Table 2. Based on the population (and possibly, in the future, environmental) characteristics associated with a pipeline facility's location, a LOCATION Indicator of H, M or L is selected. *Please note that the identification of those areas which are unusually sensitive to environmental damage (which will affect these LOCATION Indicators) is currently being addressed by OPS. These deliberations will determine the final characterizations of Environment LOCATION Indicators.*

TABLE 3.—LOCATION INDICATORS—PIPELINE SEGMENTS

Indicator	Population ¹	Environment
H	Non-rural areas	Currently, only population (rural or non-rural) will determine the LOCATION indicator. Once a definition of "unusually sensitive areas" has been established, the higher of the Population or Environment Indicator will determine the overall LOCATION Indicator.
M	See above.
L	Rural areas	See above.

¹Pipeline segments transporting highly volatile or toxic products should consider the effects of potential vapor migration.

[FR Doc. 96-5489 Filed 3-7-96; 8:45 am]

BILLING CODE 4910-60-M

Surface Transportation Board

49 CFR Part 1312

[Ex Parte No. MC-211]

Revisions of Tariff Regulations—Indexes

AGENCY: Surface Transportation Board (Board).¹

¹The ICC Termination Act of 1995, Pub. L. No. 104-88, 109 Stat. 803 (ICCTA), which was enacted on December 29, 1995, and took effect on January 1, 1996, abolished the Interstate Commerce Commission (ICC) and transferred certain functions and proceedings to the Board. Section 204(b)(1) of the Act provides, in general, that proceedings pending before the ICC on the effective date of that legislation shall be decided under the law in effect prior to January 1, 1996, insofar as they involve functions retained by the Act. Although the motor carrier tariff filing provisions were sharply curtailed in the ICCTA and in prior legislation, they were not entirely repealed. Therefore, this pending

ACTION: Withdrawal of Proposed Rule.

SUMMARY: The Board is withdrawing a proposed rule regarding the indexing of tariffs because intervening legislation has made the rule unnecessary.

DATES: The withdrawal is made on March 8, 1996.

FOR FURTHER INFORMATION CONTACT: Michael L. Martin, (202) 927-6033; [TDD for the hearing impaired: (202) 927-5721.]

SUPPLEMENTARY INFORMATION: In a Notice of Proposed Rulemaking published at 58 FR 42277 (August 9,

proceeding is not being terminated pursuant to the provisions of section 204(b)(3) of the ICCTA, which calls for termination of cases that involve functions eliminated by the ICCTA. Rather, as a proceeding that was pending with the ICC prior to January 1, 1996, it is governed by the law in effect prior to January 1, 1996.

1993), the ICC proposed a rule to require tariffs to contain indexes, unless the information in the tariff is arranged in a pattern readily discernible to tariff users. The proceeding was initiated in part in response to a directive contained in a Senate report,² and in part in recognition of the burdens associated with using tariffs that could contain well over 100,000 unindexed pages.

Most, if not all, of the large, unindexed tariffs were discount tariffs that were filed by individual motor common carriers. However, the Trucking Industry Regulatory Reform

²Senate Report No. 102-351, dated July 30, 1992, accompanying the U.S. Department of Transportation and Related Agencies Appropriations Bill, 1993.