

Section 5125(d)(1) requires that notice of an application for a preemption determination must be published in the **Federal Register**. *Id.* Following the receipt and consideration of written comments, RSPA publishes its determination in the **Federal Register**. See 49 CFR 107.209(d). A short period of time is allowed for filing of petitions for reconsideration. 49 C.F.R. 107.211. Any party to the proceeding may seek judicial review in a Federal district court. 49 U.S.C. 5125(f).

RSPA's authority to issue preemption determinations does not provide a means for review or appeal of State enforcement proceedings, nor does RSPA consider any of the State's procedural requirements applied in an enforcement proceedings. The filing of an application for a preemption determination does not operate to stay a State enforcement proceeding.

Preemption determinations do not address issues of preemption arising under the Commerce Clause of the Constitution or under statutes other than the Federal hazardous material transportation law unless it is necessary to do so in order to determine whether a requirement is authorized by another Federal law. A State, local or Indian tribe requirement is not authorized by another Federal law merely because it is not preempted by another Federal statute. *Colorado Pub. Util. Comm'n v. Harmon*, above, 951 F.2d at 1581 n.10.

In making preemption determinations under 49 U.S.C. 5125(d), RSPA is guided by the principles and policy set forth in Executive Order No. 12,612, entitled "Federalism" (52 FR 41685, Oct. 30, 1987). Section 4(a) of that Executive Order authorizes preemption of State laws only when a statute contains an express preemption provision, there is other firm and palpable evidence of Congressional intent to preempt, or the exercise of State authority directly conflicts with the exercise of Federal authority. Section 5125 contains express preemption provisions, which RSPA has implemented through its regulations.

III. Public Comment

Comments should be limited to whether Federal hazardous material transportation law preempts a requirement allegedly applied and enforced by PUCO, after January 1, 1991, for the use of a DOT specification cargo tank motor vehicle for the transportation of hypochlorite solutions containing more than 5% and less than 16% available chlorine. WECCO and TWC have not provided any evidence to indicate that PUCO enforces different requirements for the design,

construction, and certification of MC 312 specification cargo tank motor vehicles. In addition, allegations in the application relating to PUCO's procedures for holding hearings and assessing penalties are not subject to this proceeding.

Persons submitting comments should:

(1) Set forth in detail the manner in which PUCO applies and enforces requirements for transportation of hypochlorite solution with more than 5% but less than 16% available chlorine; and

(2) Specifically address whether PUCO has enforced a requirement concerning the packing of a hazardous material that is "not substantively the same as" the requirements in the HMR. Comments may also address the "dual compliance" and "obstacle" criteria described in Part II, above.

Persons intending to comment should review the standards and procedures governing RSPA's consideration of applications for preemption determinations, set forth at 49 CFR 107.201-107.211.

Issued in Washington, DC, on October 3, 1997.

Alan I. Roberts,

Associate Administrator for Hazardous Materials Safety.

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DEPARTMENT OF TRANSPORTATION

Research and Special Programs Administration (RSPA), DOT

[Docket No. PS-142; Notice 9]

Pipeline Safety: Remaining Candidates for the Pipeline Risk Management Demonstration Program

AGENCY: Office of Pipeline Safety, DOT.

ACTION: Notice.

SUMMARY: The Research and Special Programs Administration's (RSPA) Office of Pipeline Safety (OPS) has completed screening of twelve candidate companies for the Pipeline Risk Management Demonstration Program. OPS named and described the first three companies screened (Northwest Pipeline Corporation, Shell Pipe Line Corporation, Tennessee Gas Pipeline/East Tennessee Natural Gas) in a previous notice. The nine additional companies screened subsequent to that notice are: Chevron Pipe Line Company; CNG Transmission Corporation; Columbia Gas Transmission Corporation/Columbia Gulf Transmission Company; Duke Energy;

Florida Gas Transmission Company; Lakehead Pipeline Company; Mobil Pipe Line Company; Natural Gas Pipeline Company of America; and Phillips Pipe Line Company. OPS believes these companies' demonstration project proposals satisfy all eligibility criteria, based on a Letter of Intent (LOI) submitted by each company to OPS, a subsequent OPS screening, and an examination of each company's safety and environmental compliance record. Although this notice does not contain specific details of all project proposals, OPS believes the information provided in these companies' LOIs was sufficient to justify proceeding to the consultation process. Additional information, including further details of specific project proposals, will be provided in future **Federal Register** notices and other means of communication. This notice is based on information obtained very early in the process. It informs the public of which companies are interested in participating, the technologies to be explored, and the geographic areas demonstration projects may traverse. OPS invites public comment on any aspect of these companies' proposals.

Comments: OPS requests that comments to this notice be submitted on or before December 9, 1997 so that OPS can give the comments full consideration before deciding whether to approve a company's proposal. However, comments on any aspect of the Demonstration Program, including the individual projects, will be accepted in the Docket throughout the 4-year demonstration period. Comments should be sent to the Dockets Facility, U.S. Department of Transportation, Plaza 401, 400 Seventh Street, SW, Washington, DC 20590-0001. Comments should identify the docket number (PS-142). Persons should submit the original document and one (1) copy. Persons wishing to receive confirmation of receipt of their comments must include a self-addressed stamped postcard. The Dockets Facility is located on the plaza level of the Nassif Building in Room 401, 400 Seventh Street, SW, Washington, DC. The Dockets Facility is open from 10:00 a.m. to 5:00 p.m., Monday through Friday, except on Federal holidays.

FOR FURTHER INFORMATION CONTACT: Eben Wyman, (202) 366-0918 regarding the subject matter of this notice. Contact the Dockets Unit, (202) 366-5046, for docket material.

SUPPLEMENTARY INFORMATION: Appendix A of the Requests for Applications for the Pipeline Risk Management

Demonstration Program (62 FR 14719; March 27, 1997) describes how OPS will receive, review, approve, monitor, modify, and terminate company risk management demonstration projects. This process established a July 25, 1997 deadline for companies considering participating in a demonstration project to have submitted a Letter of Intent to OPS. Based on Letters of Intent and additional screening considerations, OPS has chosen twelve candidate companies whose project proposals merit further consideration. OPS is entering into consultations with candidate companies to clarify and refine demonstration project provisions. OPS may approve up to ten demonstration projects. If OPS approves a project, OPS will issue an order and begin auditing project performance. OPS is limited to approving no more than ten projects for participation in the program.

OPS expects the projects, and the Demonstration Program itself, to evolve from lessons learned during the four-year demonstration period. OPS hopes to learn whether and in what form risk management should be incorporated into the Federal pipeline safety program on a permanent basis.

This document is consistent with the OPS Communications Plan (62 FR 43028), published in the **Federal Register** on August 11, 1997. OPS is requesting public input through all stages of the demonstration projects, beginning with receipt of the Letters of Intent. Specific benefits of public involvement in the Demonstration Program for OPS, industry, State and community representatives include:

- Exchange of information about specific and relevant local factors during the decision-making process that may not be known at the Federal or State level; and
- Feedback regarding the success of the Demonstration Program in accomplishing the goals for which it was designed.

OPS requests comments on safety, environmental, socioeconomic, land use, geographic and any other issues that relate to these demonstration project proposals. OPS is considering public input, as well as input from local, State, and other federal agencies, during its consultations with candidate companies to discuss demonstration project provisions. OPS will publish the final provisions for each project and allow for additional public comment before issuing a project approval order. OPS will continue to seek broadbased input on individual demonstration projects throughout the four-year demonstration period. OPS is engaging

in consultations with companies to achieve consensus on demonstration project provisions. If OPS and a company reach agreement, OPS will evaluate the company's formal proposal and approve those that offer the most benefits in testing risk management practices on pipelines.

There were many distinguishing features contained in the LOI's that attracted OPS to these proposals. Besides many geographic areas involved, the type of terrain that these proposals would be also very diverse. Proposals included marshlands, river crossings, mountains, diverse climates, diverse soil types, etc. Further, demonstration sites varied in population densities, and fall under all Class locations ranging from Class 1 to Class 4. Class locations are areas characterized by different population densities, and are how OPS regulates pipelines according to populations in areas where pipelines exist.

The following descriptions provide a brief, introductory summary of each company's demonstration project proposal. The information is derived from each company's LOI and from subsequent discussions between OPS and the company. More detailed information regarding the individual projects will be collected during the consultation process and carefully considered before a project is approved. The company descriptions are listed in alphabetical order.

1. Chevron Pipe Line Company (CPL): Chevron Pipe Line Company (CPL) is proposing to use all or a portion of its Northwest Products Pipeline System (NPPS) in the demonstration program. The NPPS consists of two, eight-inch products pipelines, one transporting all grades of gasoline, the other transporting distillates such as diesel and jet fuel. The 40-year old pipeline system transports a total of 72,000 barrels per day over 705 miles, traversing the states of Utah, Idaho, Oregon, and Washington. These states fall under the oversight of the OPS Western Region. The pipeline system begins at Chevron's Salt Lake City, Utah, refinery and terminates in Spokane, Washington. The pipeline crosses various terrains, including desert, farmland, mountains and several major river crossings. Most of the route is through low density population areas, with the exception of Salt Lake City and Boise, Idaho, where the population densities are moderate.

CPL conducted a risk assessment of the NPPS in April, 1997. The assessment identified areas requiring mitigation that CPL believed it would not have otherwise identified through

existing regulatory requirements. CPL found most of the existing regulations to be effective in reducing pipeline incidents, but also looked for opportunities to diverge from existing regulations and offer risk reduction alternatives that will add value. CPL is proposing a set of risk management procedures that consider the scope of the risks and would involve several employees throughout the company. CPL looks forward to a closer working relationship with pipeline regulatory agencies to allow for cost-effective alternatives that provide superior safety.

CPL's risk management coordinator and point-of-contact is Dave Feiglstock. He can be reached at Chevron Pipe Line Company, P.O. Box 6059, 4000 Executive Parkway, San Ramon, California, 94583-0959, or by calling (510) 842-6893.

2. CNG Transmission Corporation: CNG Transmission Corporation (CNGT) operates an interstate natural gas pipeline system consisting of 8,274 miles of transmission, storage, and gathering pipelines located in Maryland, New York, Ohio, West Virginia, Pennsylvania and Virginia. CNGT has identified 23 pipeline sections in all six states for its risk management demonstration project. These states fall under the OPS Central and Eastern Region.

CNGT proposes to apply risk control activities as an alternative to current pipeline safety requirements regarding maximum allowable operating pressure (MAOP) in various Class locations. These risk control activities include use of smart pigging, special aerial patrols, and remediation of anomalies, or defects that could affect the pipeline's integrity. CNGT also proposes to incorporate additional prevention and mitigation measures in its comprehensive demonstration project to reduce the risk of third party damage.

CNG's risk management coordinator and point-of-contact is Robert Fulton. He can be reached at CNG Transmission Corporation, 445 West Main Street, P.O. Box 2450, Clarksburg, West Virginia 26392-2450, or by calling (304) 623-8200.

3. Columbia Gas Transmission Corporation and Columbia Gulf Transmission Company (Columbia): The Columbia system includes 12,705 miles of pipeline operated by Columbia Gas Transmission and 3,856 miles of pipeline operated by Columbia Gulf Transmission. The Columbia Gas Transmission portion originates in the Appalachian production areas and transports gas to the Midwest and mid-Atlantic states. The Columbia Gulf portion originates in the Gulf Coast

production areas and transports gas to the Columbia Gas system. Both pipeline systems traverse a wide variety of terrain, including coastal plain, offshore, marsh, major river crossings, mountainous regions, and agricultural regions as well as some major population areas. The scope of the proposed project includes New York, Ohio, Pennsylvania, and Tennessee, and falls under OPS Central, Eastern, and Southern Region's responsibility.

Columbia will include most, if not all, of its pipeline system and phase in the implementation of risk control activities over the four-year demonstration period. For the initial phase of the project, Columbia proposes the following for its entire system:

- Modified inspection frequency for relief and regulator valves including capacity calculations;
- Modified inspection frequency for rectifier and test point inspection and detail survey;
- Modified class location change resulting in different inspection frequencies and time frame for action under certain circumstances;
- Use of hardness testing correlation to confirm pipe properties in lieu of lab analysis under certain conditions;
- Expanded use of alternative pipeline repair techniques including welding activities and composite sleeves; and
- Modified inspection frequency for valves and vaults.

Columbia also intends to include certain geographic or site-specific risk management activities including:

- Elimination of pipe replacement due only to class location changes under certain conditions in Tennessee, New York, Ohio, and Pennsylvania;
- Modification of MAOP under certain conditions in Ohio, Pennsylvania, and New York; and
- New design and construction techniques for their proposed Millennium Pipeline System.

OPS is interested in how Columbia approaches the maintenance program for older pipelines, and uses a management approach that integrates data collected across the organization.

Columbia's risk management coordinator and point-of-contact is John S. Zurcher. He can be reached at Columbia at 1700 MacCorkle Avenue, S.E., P.O. Box 1273, Charleston, West Virginia, 25325-1273, or by calling (304) 357-2669.

4. Duke Energy: Duke Energy (formerly PanEnergy Corporation) operates approximately 21,000 miles of interstate natural gas transmission pipelines within the United States. This pipeline system is composed of four

interstate pipeline operating companies: Panhandle Eastern Pipeline Company (6,600 miles), Texas Eastern Transmission Corporation (9,000 miles), Trunkline Gas Company (4,200 miles), and Algonquin Gas Transmission Company (1,100 miles). The system is composed of pipelines with diverse physical attributes, such as age, strength, and size, and operates in diverse geographic and demographic environments. The project would be conducted in Pennsylvania, and is under OPS Eastern Region's oversight.

Duke's proposal would be deployed in four phases. Each phase would be initiated contingent on a detailed explanation of the risk assessment and risk management programs that Duke uses on its pipelines and OPS's acceptance of the implementation of each phase. The first phase would involve the use of welding to repair external corrosion damage. Recent research work by the pipeline industry evaluated and tested this technique under simulated pipeline operating conditions, and developed criteria for safe operation. Duke proposes to use these criteria for repairs on the Texas Eastern system for anomalies detected during planned remediation work of the pipeline in Pennsylvania. The work would be restricted to specific, rural sections of pipeline on Line A. Line A is a 36-inch pipeline installed from the late 1970 through the early 1980's, which traverses the state of Pennsylvania west to east in parallel with two and sometimes three other Texas Eastern pipelines of varying ages.

Duke Energy's proposal is being considered because this company offers extensive experience with data collection and modeling for risk assessment, applied in a prioritized structure.

Duke Energy's risk management coordinator and point-of-contact is Andy Drake. He can be reached at Duke Energy Corporation, P.O. Box 1642, 5444 Westheimer Court, Houston, Texas 77056-1642, or by calling (713) 989-2311.

5. Florida Gas Transmission Company (FGTC): Florida Gas Transmission Company (FGTC), a wholly owned subsidiary of Citrus Corporation, operates a pipeline of approximately 5,051 miles with a capacity of 1.5 BCF/day. It transports natural gas from Texas to Florida. Citrus Corporation is jointly owned by an Enron Corp. subsidiary and Sonat Inc.

FGTC proposes a demonstration project involving a pipeline system operated by its Orlando Florida Team. The proposed test area includes a 379-mile network of pipelines ranging in

size from four-inch through 30-inch and in-age timeframes from one to 38 years, with numerous measurement and regulation stations, a range of population densities (from rural to highly metropolitan), and various geographic and soil conditions.

For the demonstration program, FGTC proposes to submit an application covering a wide range of alternative risk controls for:

- Modifying MAOP;
- Alternatives for class location changes; and
- Changes in inspection frequencies and methods.

This project is being considered for use of diverse elements in construction and operation practices.

FGTC's risk management coordinator and point-of-contact is Max Brown. He can be reached at Florida Gas Transmission Company, P.O. Box 1188, Houston, Texas 77251-1188, or by calling (713) 853-6161.

6. Lakehead Pipe Line Company: Lakehead Pipe Line Company (Lakehead) operates approximately 2,700 miles of liquid petroleum pipelines through seven Midwestern states. Lakehead intends to use a risk management approach for the control of potential longitudinal seam cracks and internal and external corrosion on the 34-inch segments of its Line 3 crude petroleum pipeline in North Dakota, Minnesota, and Wisconsin. Items to be considered in this project include:

- The use of advanced elastic wave in-line inspection methodology (in lieu of hydrostatic testing) to evaluate and mitigate the potential risk of a pipeline rupture resulting from long-seam crack propagation on certain submerged pipeline segments.
- The use of in-line inspection and advanced internal corrosion mitigation and monitoring techniques to reduce the potential risk of a pipeline rupture resulting from corrosion damage.
- Application of comprehensive risk management techniques to evaluate and mitigate problems associated with the integrity of tape coating on a large diameter pipeline.
- Identification of prescribed activities that may become redundant or unnecessary in view of the potentially more effective and significant measures employed above.

OPS sees benefit in Lakehead's exploration of techniques that may offer greater safety benefits than current requirements. Lakehead has also expressed an interest in developing new communications protocols with OPS.

Lakehead's risk management coordinator and point-of-contact is Richard Sandahl. He can be reached at

Lakehead Pipe Line Company, Lake Superior Place, 21 West Superior Street, Duluth, Minnesota 55802-2067, or by calling (218) 725-0102.

7. *Mobil Pipe Line Company*: Mobil Pipe Line Company (Mobil) currently owns approximately 5,409 miles of hazardous liquid pipeline in nine states. The proposed demonstration project will be conducted at Mobil's Patoka, Illinois, breakout tank facility in the OPS Central Region, and is intended to demonstrate Mobil's release prevention program. The prevention program uses an integrated system that includes proper equipment design, construction, operator training, operating procedures, periodic maintenance, periodic inspection, management controls, and management practices. Mobil proposes to use the Mobil Engineering Practices, elements of American Petroleum Institute standards, sound engineering judgment, management controls, sophisticated techniques called "multi-attribute" risk assessment scenarios, and risk management principles to validate and verify the integrity of its storage tanks. The project would also help demonstrate how these release prevention measures would work in conjunction with OPS's proposal to adopt multiple API Above Ground Storage Tank standards. Mobil's proposal offers a focus on challenges to tank integrity to provide special protection. Mobil's risk management coordinator and point-of-contact is Steve Streeter. He can be reached at Mobil Pipe Line Company, P.O. Box 900, Dallas, Texas 75221-0900, or by calling (703) 842-6189.

8. *Natural Gas Pipeline Company of America*: Natural Gas Pipeline Company of America (NGPL), a subsidiary of the MidCon Corporation, moves natural gas through 13,000 miles of pipeline and pipeline facilities in 14 different states. Approximately seventy percent of NGPL's cross country transmission pipelines were constructed in the last 50 years and are between 24 and 36 inches in diameter. The terrain in which these pipelines are located is relatively flat with predominantly lower stress clay, loam, and sandy soil. Population distribution within 220 yards of the pipeline is 92 percent Class 1, three percent Class 2, and five percent Class 3. This means that NGPL's pipeline exists predominantly in low-density population areas.

NGPL currently practices risk management in its normal operations and proposes to build on risk management programs by developing a more formal set of procedures in compliance with the requirements of the Risk Management Program Framework

(62 FR 14719) and Risk Management Program Standard. It proposes to apply risk management to the entire pipeline system traversing Iowa, Illinois, and Indiana, all of which operate under the oversight of OPS's Central Region office.

Company-wide issues that NGPL anticipates addressing include:

- Testing existing research by the Pipeline Research Committee for in-service surface weld repair of pipe body defects and cold field bending of pipe;
- Current drug testing frequency requirements;
- Third party damage prevention programs, including annual public awareness activities;
- Review record retention requirements;
- Evaluating shorted casing corrosion, over pressure protection and proof testing of new or existing pipelines using inert gas along with new technologies in corrosion minimization/identification; and
- Proof testing pipeline facilities using water or gas, design factor requirements for fabricated assemblies, meter facilities, and compressor facilities.

Site-specific issues in NGPL's proposal include:

- Pipe replacement or maximum allowable operating pressure (MAOP) reduction due to Class Location change;
- The design yield strength or wall thickness of pipe with an unknown strength;
- The design factor at different population areas in Class 1, 2 and 3 locations;
- Distance interval requirements for pipeline sectioning with block valves;
- Inspection intervals for rectifiers and other corrosion inspection test intervals;
- Surface rust on aboveground pipe and pipeline facilities; and
- Odorization in Class 3 areas and line patrol for different "Class" locations.

NGPL offers a very extensive range of alternatives in its proposal, and has shown considerable interest in working with OPS to choose these alternatives to address the most problematic areas.

NGPL's risk management coordinator and point-of-contact is Craig Howard. He can be reached at Natural Gas Pipeline of America, 701 East 22nd Street, Lombard, Illinois 60148-5072, or by calling (630) 691-3617.

9. *Phillips Pipe Line Company*: Phillip's risk management proposal encompasses its Sweeny-Pasadena system, which consists of a 12-inch and 18-inch refined products pipeline in Texas. These lines cross 60 miles of varied population densities in the Houston, Texas area.

Phillips is proposing a risk-based approach to all company and third-party excavation activities that occur on these pipelines to demonstrate that risk management practices can be effectively applied to improve safety through reduction of third party damage. Because third-party damage is the leading cause in pipeline failures, OPS looks forward to investigating these damage prevention practices to provide superior safety on the pipeline.

Currently, Phillips deploys planning and oversight resources based on regulatory requirements on an equal basis regardless of related risks. In its risk management application, the company would consider risk factors such as depth of cover, operating status, population, and environmental exposure, and equipment used. Phillips would demonstrate that applying risk management principles to these factors, as well as developing specific of performance measures, can be more effective in assuring the pipeline's safety than what is achieved by current regulations.

Phillip's risk management coordinator and point-of-contact is L.J. Schmitz. He can be reached at Phillips Pipe Line Company, 370 AB, Bartlesville, OK 74004, or by calling (918) 661-4814.

This concludes the nine demonstration summaries. For your convenience, we are providing the summaries of the three companies that were screened earlier in the process.

Appendix—Excerpt from the **Federal Register** Notice, "Candidates for the Pipeline Risk Management Demonstration Program" (62 FR 40135; July 25, 1997), which described the three projects screened earlier. The only change in this section is that the Point-of-Contact for Northwest Pipeline's proposed demonstration project has changed since this notice was published. This updates the previous language.

SUPPLEMENTARY INFORMATION: OPS has previously screened the following three candidates, and has determined that they meet the criteria for participating with OPS in consultations about their proposals: Northwest Pipeline Corporation, Shell Pipe Line Corporation, and Tennessee Gas Pipeline Corporation/East Tennessee Natural Gas Company.

1. *Northwest Pipeline Corporation (Northwest)*: Northwest operates approximately 3,900 miles of interstate natural gas transmission line running through six western states, with endpoints at Ingacio, Colorado and the Canadian border at Sumas, Washington.

The pipeline traverses the densely populated regions of western

Washington and Oregon through the agricultural areas of eastern Oregon, Washington and Idaho into the isolated areas of southwest Wyoming, Utah and Colorado. The route covers a variety of terrains from mountains to deserts, crossing numerous rivers and lakes, encountering very moderate to very extreme climates, and crossing national parks, Indian nations, wilderness areas, and habitats of numerous threatened and some endangered species.

While Northwest proposes to apply a risk management approach to its entire system, the company plans to limit regulatory exemptions to specified locations on the pipeline.

OPS is interested in entering into consultations with Northwest because its risk management program has the potential to:

- Explore means of assessing and addressing risks presented by a pipeline in rugged terrain susceptible to land movement;
- Investigate the risk-reduction benefits of certain new technologies; and
- Investigate new means of industry/government partnering to conduct cooperative pipeline research.

The proposed Northwest demonstration project also has the potential to help OPS examine the benefits of risk management as a regulatory alternative under a variety of conditions because of the following distinguishing features:

- A location with diverse geographic features (the demonstration site traverses six western states: Washington, Oregon, Idaho, Wyoming, Utah, and Colorado);
- The identification of land movement as a significant risk issue for Northwest; and
- The opportunity to explore various regulatory approaches, from item-by-item approvals to approvals of risk-based decision processes.

Northwest's risk management program coordinator and point-of-contact is Deonne Hootman. She can be reached at Northwest Pipeline Corporation, P.O. Box 58900, Salt Lake City, UT, 84158-8800, or by calling (801) 584-6874.

2. *Shell Pipe Line Corporation (SPLC)*: SPLC operates nearly 8,000 miles of pipelines, transporting over 4.0 million barrels of oil, oil products, and carbon dioxide daily and employing over 700 people in 16 states.

SPLC is proposing portions of two separate interstate pipeline systems with different yet very distinct risk characteristics as its demonstration project: one transporting ethylene, a flammable, highly volatile liquid (HVL)

that becomes a slightly lighter-than-air gas when released to the atmosphere, and which, under certain conditions, could form an explosive vapor cloud until diluted/dispersed; the second transporting carbon dioxide, a non-flammable, inert, non-toxic liquid that becomes a heavier-than-air gas when released to the atmosphere, and which, under certain conditions, could become an asphyxiation hazard until diluted/dispersed. Both ethylene, a hazardous liquid, and carbon dioxide must comply with Part 195 of the Code of Federal Regulations.

The first part of SPLC's proposed demonstration project consists of nearly its entire Texas-Louisiana 12" Ethylene Pipeline System (approximately 205 miles of 250 miles), which transports chemical-grade ethylene between Shell Oil Products Company's Deer Park (Texas) Manufacturing Complex and its Napoleonville (Louisiana) transfer facility. Ethylene is a chemical feed stock which is used in the manufacture of plastics, antifreeze, detergents and other consumer products. This proposed test area addresses risks concerning the operation of a 12 inch, HVL pipeline (and related facilities) at pressures between 1000 and 1400 psig, in the proximity to, and sometimes traversing, five areas with large and growing industrial/residential populations. SPLC has been the operator of the pipeline since its construction in 1979.

The second part of SPLC's proposed demonstration project consists of the northwestern half (approximately 260 miles) of its Cortez 30" Carbon Dioxide Pipeline System which transports merchantable-grade carbon dioxide from Cortez, Colorado across New Mexico to Denver City, Texas (the demonstration segment terminates near Albuquerque, New Mexico). This carbon dioxide, in turn, is then used for tertiary oil recovery in the Denver City area. This proposed test area will assess the risks surrounding the operation of a 30-inch, carbon dioxide pipeline (and related facilities) at pressures between 1300 and 2200 psig, where it operates in proximity to five areas with small and growing residential populations. SPLC has been the operator of the pipeline since its construction in 1983.

For the test area included in the demonstration program, SPLC proposes a comprehensive risk management program that will assess all hazards and risks associated with operation of these pipelines.

OPS is interested in entering into consultations with SPLC because its risk management program has the potential to:

- Explore resource reallocation from lower-risk carbon dioxide pipeline to higher-risk ethylene;
- Evaluate the effect on public safety and environmental protection caused by resource reallocation within an individual pipeline system, based on the constantly changing set of internal (i.e. pressure) and external (i.e. population) conditions; and
- Employ the risk management communications initiative to improve third-party damage prevention and emergency response coordination.

The proposed SPLC demonstration project also has the potential to help OPS examine the benefits of risk management as a regulatory alternative under a variety of conditions because of the following distinguishing features:

- The commodities (ethylene and carbon dioxide);
- The location (the demonstration sites cross several southwestern states, including Colorado, New Mexico, Texas, and Louisiana);
- Technical/regulatory issues (SPLC is considering operating a section of the carbon dioxide pipeline at a higher pressure than is currently allowed by the regulations); and
- Policy issues (the allocation of resources between high and low risk pipelines, and between high and low risk sections on the same pipeline).

Fred Fischer, Manager, Technical Operations Support, leads SPLC's designated Risk Management team and serves as the central information contact for the program. He can be reached at Shell Pipe Line Corporation, Two Shell Plaza, P.O. Box 2648, Houston, Texas, 77252, or by calling 713-241-0461.

3. *Tennessee Gas Pipeline Corporation/East Tennessee Natural Gas Company (Tennessee/East Tennessee)*: Tennessee/East Tennessee are subsidiaries of El Paso Natural Gas Company of Houston, Texas. Tennessee Gas operates a total of 14,574 miles of both onshore and offshore pipeline, while East Tennessee Natural Gas operates 1,149 miles of onshore pipeline.

Tennessee/East Tennessee proposes to apply a risk management approach to its entire system. The company proposes modifying or eliminating compressor station relief valve testing and inspection under certain conditions, extending from 18 months to 24 months the time it is allowed to confirm or revise maximum allowable operating pressure due to class location changes, reducing the inspection frequency under certain conditions of certain emergency valves and regulators, and using new design criteria for increased system efficiency.

Tennessee/East Tennessee has also specified locations in western Pennsylvania, central Tennessee, and offshore Louisiana where it proposes altering maximum allowable operating pressure to suit local conditions.

The company believes superior safety can be achieved by enhanced damage prevention, increased patrolling, the use of internal inspection tools, and the reallocation of funds to re-habilitation projects on its higher risk pipeline segments.

OPS is interested in entering into consultations with Tennessee/East Tennessee because its risk management program has the potential to:

- Provide examples of data collection and analysis tools for supporting risk management; and
- Provide examples of how companies can use risk management to re-allocate resources to re-habilitation projects and other high value safety activities.

The proposed Tennessee/East Tennessee demonstration project also has the potential to help OPS examine the benefits of risk management as a regulatory alternative under a variety of conditions because of the following distinguishing features:

- Consideration of worker safety as well as public safety in risk assessment;
- Examination of the risk control potential of a number of existing regulations;
- The use of risk-based arguments for establishing MAOP; and
- The breadth of the demonstration site (which includes four OPS regions: Southern, Eastern, Central, and Southwest; and 17 states).

Tennessee/East Tennessee's risk management program coordinator and point-of-contact is Daron Moore. He can be reached at Tennessee Gas Pipeline Company, P.O. Box 2511, Houston, TX, 77252-2511, or by calling (713) 757-4023.

Issued in Washington, DC, on October 6, 1997.

Richard B. Felder,

Associate Administrator for Pipeline Safety.

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DEPARTMENT OF TRANSPORTATION

Surface Transportation Board

[STB Docket No. AB-77 (Sub-No. 10X)]

Bangor & Aroostook Railroad Company—Abandonment Exemption—in Aroostook County, ME

Bangor & Aroostook Railroad Company (Applicant) has filed a notice

of exemption under 49 CFR 1152 Subpart F—*Exempt Abandonments* to abandon a 5.66-mile line of railroad on the Fort Fairfield Branch from milepost F-13.00 to the end of the branch at milepost F-18.66, in the Town of Fort Fairfield, in Aroostook County, ME. The line traverses United States Postal Service Zip Code 04742.

Applicant has certified that: (1) No local traffic has moved over the line for at least 2 years; (2) there is no overhead traffic moving over the line; (3) no formal complaint filed by a user of rail service on the line (or by a state or local government entity acting on behalf of such user) regarding cessation of service over the line either is pending with the Surface Transportation Board (Board) or with any U.S. District Court or has been decided in favor of complainant within the 2-year period; and (4) the requirements at 49 CFR 1105.7 (environmental reports), 49 CFR 1105.8 (historic reports), 49 CFR 1105.11 (transmittal letter), 49 CFR 1105.12 (newspaper publication), and 49 CFR 1152.50(d)(1) (notice to governmental agencies) have been met.

As a condition to this exemption, any employee adversely affected by the abandonment shall be protected under *Oregon Short Line R.Co.—Abandonment—Goshen*, 360 I.C.C. 91 (1979). To address whether this condition adequately protects affected employees, a petition for partial revocation under 49 U.S.C. 10502(d) must be filed. Provided no formal expression of intent to file an offer of financial assistance (OFA) has been received, this exemption will be effective on November 9, 1997, unless stayed pending reconsideration. Petitions to stay that do not involve environmental issues,¹ formal expressions of intent to file an OFA under 49 CFR 1152.27(c)(2),² and trail use/rail banking requests under 49 CFR 1152.29 must be filed by October 20, 1997. Petitions to reopen or requests for public use conditions under 49 CFR 1152.28 must be filed by October 30, 1997, with: Surface Transportation Board, Office of the Secretary, Case

¹ The Board will grant a stay if an informed decision on environmental issues (whether raised by a party or by the Board's Section of Environmental Analysis in its independent investigation) cannot be made before the exemption's effective date. See *Exemption of Out-of-Service Rail Lines*, 5 I.C.C.2d 377 (1989). Any request for a stay should be filed as soon as possible so that the Board may take appropriate action before the exemption's effective date.

² Each offer of financial assistance must be accompanied by the filing fee, which currently is set at \$900. See 49 CFR 1002.2(f)(25).

Control Unit, 1925 K Street, N.W., Washington, DC 20423.

A copy of any petition filed with the Board should be sent to applicant's representative: Sebastian Ferrer, Esquire, Gollatz, Griffin & Ewing, P.C., 213 W. Miner Street, P. O. Box 796, West Chester, PA 19381-0796.

If the verified notice contains false or misleading information, the exemption is void *ab initio*.

Applicant has filed an environmental report which addresses the abandonment's effects, if any, on the environment and historic resources. The Section of Environmental Analysis (SEA) will issue an environmental assessment (EA) by October 15, 1997. Interested persons may obtain a copy of the EA by writing to SEA (Room 500, Surface Transportation Board, Washington, DC 20423) or by calling SEA, at (202) 565-1545. Comments on environmental and historic preservation matters must be filed within 15 days after the EA becomes available to the public.

Environmental, historic preservation, public use, or trail use/rail banking conditions will be imposed, where appropriate, in a subsequent decision.

Pursuant to the provisions of 49 CFR 1152.29(e)(2), Applicant shall file a notice of consummation with the Board to signify that it has exercised the authority granted and fully abandoned the line. If consummation has not been effected by Applicant's filing of a notice of consummation by October 10, 1998, and there are no legal or regulatory barriers to consummation, the authority to abandon will automatically expire.

Decided: October 6, 1997.

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

Vernon A. Williams,

Secretary.

[FR Doc. 97-27026 Filed 10-9-97; 8:45 am]

BILLING CODE 4915-00-P

DEPARTMENT OF TRANSPORTATION

Surface Transportation Board

[STB Docket No. AB-290 (Sub-No. 191X)]

Interstate Railroad Company—Abandonment Exemption—in Wise County, VA

Interstate Railroad Company (Interstate) has filed a notice of exemption under 49 CFR 1152 Subpart F—*Exempt Abandonments* to abandon a 2.6-mile line of its railroad between milepost D-0.0 at Dorchester Junction and milepost D-2.6 at Dorchester, in Wise County, VA. The line traverses