

Technical Advisory Group. Each of the future semi-annual meetings will be announced in the **Federal Register** at least two weeks prior to the meeting.

II. The Contract

The Battelle contract is a research and development contract to evaluate and develop in-line inspection technologies for detecting mechanical damage and cracking, such as stress-corrosion cracking (SCC), in natural gas transmission and hazardous liquid pipelines. Third-party mechanical damage is one of the largest causes of pipeline failure, but existing in-line inspection tools cannot always detect or accurately characterize the severity of some types of third-party damage that can threaten pipeline integrity. Although SCC is not very common on pipelines, it usually appears in high-stressed, low-population-density areas and only when a limited set of environmental conditions are met. Several attempts have been made to develop an in-line inspection tool for SCC, but there is no commercially successful tool on the market.

Under the contract, Battelle will evaluate and advance magnetic flux leakage (MFL) inspection technology for detecting mechanical damage and two electromagnetic technologies for detecting SCC. The focus is on MFL for mechanical damage because experience shows MFL can characterize some types of mechanical damage and can be successfully used for metal-loss corrosion under a wide variety of conditions. The focus for SCC is on electromagnetic technologies that can be used in conjunction with, or as a modification to, MFL tools. The technologies to be evaluated take advantage of the MFL magnetizer either by enhancing signals or using electrical currents that are generated by the passage of an inspection tool through a pipeline.

The contract includes two major tasks during the base two years of the contract. Task 1 is to evaluate existing MFL signal generation and analysis methods to establish a baseline from which today's tools can be evaluated and tomorrow's advances measured. Then, it will develop improvements to signal analysis methods and verify them through testing under realistic pipeline conditions. Finally, it will build an experience base and defect sets to generalize the results from individual tools and analysis methods to the full range of practical applications.

Task 2 is to evaluate two inspection technologies for detecting stress corrosion cracks. The focus in Task 2 is on electromagnetic techniques that have

been developed in recent years and that could be used on or as a modification to existing MFL tools. Three subtasks will evaluate velocity-induced remote-field techniques, remote-field eddy-current techniques, and external techniques for sizing stress corrosion cracks.

A Task 3 is presently being conducted in the option year to the contract. Task 3 is verifying the results from Tasks 1 and 2 by tests under realistic pipeline conditions. Task 3 is (1) extending the mechanical damage detection, signal decoupling, and sizing algorithms developed in the basic program to include the effects of pressure, (2) verifying the algorithms under pressurized conditions in GRI's 4,700 foot, 24-inch diameter Pipeline Simulation Facility (PSF) flow loop, and (3) evaluating the use of eddy-current techniques for characterizing cold working within mechanical damage.

A drawback of present pig technology is the lack of a reliable pig performance verification procedure that is generally accepted by the pipeline industry and RSPA. The experience gained by the pipeline industry and RSPA with the use of the PSF flow loop in this project will provide a framework to develop procedures for evaluating pig performance. Defect detection reliability is critical if instrumented pigging is to be used as an in-line inspection tool in pipeline industry risk management programs.

The ultimate benefits of the project could be more efficient and cost-effective operations, maintenance programs to monitor and enhance the safety of gas transmission and hazardous liquid pipelines. Pipeline companies will benefit from having access to inspection technologies for detecting critical mechanical damage and stress-corrosion cracks. Inspection tool vendors will benefit by understanding where improvements are beneficial and needed. These benefits will support RSPA's long-range objective of ensuring the safety and reliability of the gas transmission and hazardous liquid pipeline infrastructure.

Issued in Washington, DC on August 20, 1998.

Richard B. Felder,

Associate Administrator for Pipeline Safety.

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DEPARTMENT OF TRANSPORTATION

Surface Transportation Board

[STB Finance Docket No. 33642]

Kyle Railroad Company—Acquisition and Operation Exemption—Omaha Public Power District

Kyle Railroad Company (KR),¹ a Class III rail carrier, has filed a notice of exemption under 49 CFR 1150.41 to acquire pursuant to a rail transportation agreement and operate approximately 56.75 miles of rail line as indicated by KR in its notice, which is owned by Omaha Public Power District (OPPD),² between milepost 56.30 at Collegeview, and milepost 6.10 at Arbor in Lancaster and Otoe Counties, NE.³

The transaction was expected to be consummated on or shortly after August 4, 1998.

If the notice contains false or misleading information, the exemption is void *ab initio*. Petitions to revoke the exemption under 49 U.S.C. 10502(d) may be filed at any time. The filing of a petition to revoke will not automatically stay the transaction.

An original and 10 copies of all pleadings, referring to STB Finance Docket No. 33642, must be filed with the Surface Transportation Board, Office of the Secretary, Case Control Unit, 1925 K Street, NW, Washington, DC 20423-0001. In addition, one copy of each pleading must be served on Fritz R. Kahn, Suite 750 West, 1100 New York Avenue, NW, Washington, DC 20005-3954.

Board decisions and notices are available on our website at "WWW.STB.DOT.GOV."

Decided: August 18, 1998.

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

Vernon A. Williams,

Secretary.

[FR Doc. 98-22610 Filed 8-24-98; 8:45 am]

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¹ KR states that its projected revenues will not exceed those that would qualify it as a Class III rail carrier.

² See *Omaha Public Power District—Acquisition—The Burlington Northern and Santa Fe Railway Company*, STB Finance Docket No. 33447 (STB served Sept. 12, 1997).

³ On July 31, 1998, KR filed a petition for exemption in STB Finance Docket No. 33642 (Sub-No. 1), *Kyle Railroad Company—Acquisition and Operation Exemption—Omaha Public Power District*, wherein KR requests that the Board permit the proposed acquisition and operation of OPPD's rail line as described above to expire on December 31, 2003. That petition will be addressed by the Board in a separate decision.