

Pipeline MOA and Interagency Cooperation

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Abstract

This paper discusses and provides information about the Pipeline Memorandum of Agreement, MOA between Federal and State agencies that establish policies, guidelines and processes for the inspection of Federal and State offshore oil and gas pipelines. The paper discusses the need for and purpose of the pipeline MOA, the participants, and the formal process created to coordinate offshore oil and gas pipeline inspections, to establish inspections standards, frequency and exceptions if required. The benefits of the MOA as well as results will also be presented. Interagency cooperation regarding the decommissioning of offshore structures will be presented as an example of how everyone can benefit from interagency cooperation. The paper also discusses the formation of the Interagency Decommissioning Working Group, the purpose of the group and the results to date of the cooperation and coordination of the various Federal, State, and local agencies

Introduction

In the early 1990s the Federal Minerals Management Service, MMS, and other State, local and federal agencies became concerned about the condition of aging offshore oil and gas pipelines. Among the offshore facilities, pipelines are the greatest risk for a spill. In the spring of 1994, the MMS proposed to the California State Lands Commission, CSLC, a Pipeline Inspection Quality Improvement Team (PIQIT) to review existing federal and state pipeline inspection requirements and to compile guidelines for conducting external and internal pipeline surveys. The California Division of Oil and Gas and Geothermal Resources, CDOGGR, was added to the group at the first meeting in the spring of 1994. Soon thereafter the Federal Department of Transportation, DOT, and California State Fire Marshals office, CSFM, were added to the workgroup. This process continued until 1995 when a workshop was held and a proposal was floated to develop a Memorandum of Understanding, MOU, later changed to MOA, and formal process for coordination and cooperation for the inspection of pipelines that crossed lands where multiple agencies had jurisdiction called the Offshore California Pipeline Inspection Survey (OCPIS) Plan. The agencies that are signors to the MOA are CSLC, CDOGGR, MMS, DOT, and CSFM. This 42-page plan is used routinely and applied to all federal/ state oil and gas pipelines that cross multiple jurisdictions.

Pipeline Inspection Quality Improvement Team (PIQIT)

Participants in the initial meetings reviewed agency regulations, authorities and jurisdictions to determine the extent of all jurisdictions and to develop standards that would be compatible with the jurisdictions and regulations of all of the participating agencies. Meetings were held regularly to discuss jurisdiction and inspection criteria, standards, regulations and frequency of inspections. Consultants were brought in to provide expertise and background information for the workgroup. In addition to external inspections being considered, internal inspections were included in the working group's assignment. Industry representatives provided presentations on issues such as current line conditions, state of the art technology, standards applied for inspections in other parts of the world, smart pig results and reliability, and many other issues related to internal and external offshore oil and gas pipeline inspections. A list of all of the criteria considered for developing a standard and survey plan are shown in Table 1. The teams continued to work into 1995 and completed the following major milestones:

- Developed and published data about all
- Surveyed pipeline inspection technology
- Listed inspection criteria
- Created a Glossary of terminology
- Developed data of historic pipeline surveys and findings
- Developed pipeline inspection strategies
- Developed an umbrella pipeline inspection policy
- Formulated a survey inspection plan with minimum frequency of inspections established
- Recommend improvements to internal and external inspections
- Developed inspection process flowcharts and checklists
- Conducted Table Top Pipeline Evaluation exercises
- Developed pipeline inspection approval flowcharts

During a number of the meetings, representatives of Santa Barbara County Energy Division and Ventura County attended in order to provide expertise and feedback on policy issues related to Santa Barbara County and Ventura County offshore. A workshop was held in July 1995 to discuss the adequacy of the proposed inspection process, recommendations concerning internal and external inspections, and the checklist developed for pipeline inspections. Soon after the meeting, a proposal was presented to develop an MOA and formal process for establishing pipeline inspection criteria, pipeline inspection frequency, inspection checklist and a process for inspection approval, disapproval, and remedial action, if required.

The Offshore California Pipeline Inspection Survey (OCPIS) Plan

The OCPIS was developed by the PIQIT team to provide agencies with an analytical framework for assessing the present condition and inspection need of offshore pipelines as a necessary precursor to making informed decisions on the feasibility of operator's inspection plans, waiver requests and other related issues. The OCPIS contains guidelines for inspection of offshore oil and gas pipelines so that a common inspection standard, frequency, and pass fail criteria regardless of whether it was on state lands, federal lands, or other lands under other jurisdictions. Along with standards, the PIQIT also developed a process where inspections could be coordinated between agencies. One of the key elements of the OCPIS Plan is the emphasis placed on coordination between agencies that have regulatory jurisdiction over offshore pipelines. The OCPIS Plan underscores the importance of coordination between agencies early in the process to identify issues and concerns and develop consensus on regulatory actions.

The Plan was tested and refined during a simulated evaluation of Unocal's Dos Cuadras pipelines and the operator's request for a waiver of MMS inspection requirements. After testing the plan was published and implemented in December 1995. The OCPIS Plan is designed to:

- Provide regulators with a reasonable assessment of the inspection needs for individual pipelines;
- Permit operators to develop innovative inspection strategies that are tailored to the needs of individual lines based on established operational and environmental criteria unique to each;
- Improve the safety of offshore pipelines and reduce the risk of failure by requiring operators to conduct the most beneficial surveys based on the actual condition of the line;
- Afford industry an opportunity to reduce survey costs as a benefit of diligent and innovative inspection and maintenance.

In addition, nine recommendations, Appendix 1, were offered which enhanced the effectiveness of the MMS pipeline inspection program including the implementation of the OCPIS Plan.

Memorandum of Agreement, MOA

The MOA, Appendix 2, was prepared and developed from 1995-1998 and signed by all parties in 1998. During the time while an MOA was being developed, the agencies continued to meet under the PIQIT process and utilized the OCPIS Plan. In fact, most all pipelines that crossed multiple jurisdictions were subject to the OCPIS Plan and coordination between the various agencies involved. Since the implementation of the OCPIS and the MOA, coordination and cooperation between agencies has never been better and we believe that pipeline safety has

been improved. There has never been a spill from a pipeline that crossed state and federal offshore lands in California waters since the implementation of the OCPIS and MOA. A map of all pipelines crossing both state and federal offshore lands in California is shown in Appendix 3. Soon after the signing of the MOA in January, 1999 the MMS and CSLC staff met to implement OCPIS objective to develop a uniform pipeline inspection policy for each pipeline in federal and state waters. The inspection policy was unique for each pipeline because each of the pipelines had different ages, material, cathodic protection history, service history, length, size and environmental factors. Therefore it was necessary to develop a unique policy and program for each and every pipeline. Local agencies involved in pipeline monitoring and inspection were also invited to attend meetings and provide input into the process. Since then, until now, pipeline inspection policies have been developed for every state/federal joint pipeline and they are being applied on a routine basis.

Examples of cooperation

A good example of the cooperative work of the MMS, CSLC, DOGGR, CSFM and DOT is with the pipeline from Platform Ellen to shore in Long Beach, CA. That AERA pipeline was installed in 1981 and had never been smart pigged because of dents in the pipeline and build-up of paraffin and asphaltenes. In 2000, at the request of CSLC, the MMS rescinded the waiver granted to not require internal inspection of the 16-inch oil pipeline. AERA was very cooperative and developed a plan to repair the dents and clean the line. AERA spent month acquiring permits, working on locating the appropriate equipment and barges to repair the dents. Once the dents were repaired, months were spent trying to locate caliper and cleaning pigs. Many runs were made to caliper and clean the line. After several years of working to make the line pigable, AERA is now in a position to run the first smart pig in this line late this year or in early next year. It has been a long and difficult process, but by the CSLC and MMS working with AERA, the job got done and we will now be able to better access the condition of this long 16", 50,755' pipeline. Even though this was a long process because of the complications and technical difficulties, the agencies achieve their goals resulting in better environmental protection and Spill Prevention for California.

Another example is the pipeline running from platform Grace to shore. A rapid acceleration of the oil pipeline wall loss and the anomalies being located near shore, the 12"X10" oil pipeline was derated to 613 psi as shown by the ASME B31G calculation. There have been a number of these type actions taken jointly by all the agencies resulting in improved environmental protection and prevention of problems in the future.

Interagency Decommissioning Working Group (IDWG)

This working group is another example of multiple agencies coming together to work on a common problem. In this case the problem is to study ways in which offshore oil and gas facilities should be decommissioned. Decommissioning began in 1974 with the total removal of Phillips Platform Harry in state waters off Santa Barbara County. That was followed by five other projects between 1979 and 1994 in both state and federal waters. The largest decommissioning project in California waters to date began in 1992 with the removal of the four Chevron Platforms, Hazel, Heidi, Hilda and Hope, also called the "4-H Project". A one day workshop sponsored by the MMS and CSLC was held in March 1994 entitled "Abandonment and Removal of offshore Oil and Gas Activities" to discuss the removal of the four Chevron Platforms, which was completed in 1996. Soon after this first major decommissioning project in California waters the Interagency Decommissioning Working Group, IDWG, was formed. In 1996 there was a discussion at the post-decommissioning event between several state and federal agencies about the need to develop more information, policies and guidelines concerning the decommissioning of offshore oil and gas producing facilities. In September 1997 the CSLC hosted a Decommissioning Workshop to bring interested parties together to discuss decommissioning options and the need for further dialogue and research into the decommissioning issues. The first meeting of the IDWG was held in November 1997. The agencies included the MMS, CSLC, National Marine Fisheries Service (NMFS), Army Corp of Engineers (ACOE), California Coastal Commission (CCC), California Department of Fish and Game (CDFG), Santa Barbara County, and Ventura County. Later the U.S. Coast Guard was added. Others have been invited to participate in the meetings to include representatives of the oil and gas industry, environmental community, legislators and other interested parties.

The group has been meeting routinely since 1997. The purpose is to discuss future decommissioning projects. With many major decommissioning projects to be done offshore California, the agencies believe that an action plan needed to be developed. The goal of the action plan is to:

- Address decommissioning issues;
- Collect, share, and disseminate information with all interested parties;
- Promote dialogue and communications among all parties;
- Improve interagency planning and coordination in advance of future decommissioning projects.

By accomplishing the above, the agencies will be better able to consider, evaluate, and make decisions in a timely manner concerning future decommissioning projects for the benefit of the industry, agencies and public. There are a number of ongoing projects and investigations to develop more information. For more information please contact Marina Voskanian at the State Lands Commission Long Beach office.

I have presented some examples of the successful cooperation of state and federal agencies, some of which result in formal processes and agreements to improve spill prevention and environmental protection for the State. There are other examples of this cooperation that benefit the public, industry, government, wildlife, and environment by sharing information, reducing redundancy, building consensus reducing costs, and developing cost effective and efficient ways to protect jobs and people. Efficiencies provided by reduced duplication help everyone.