RSPA-97-2095-20

U.S. DEPARTMENT OF TRANSPORTATION
RESEARCH AND SPECIAL PROGRAMS ADMINISTRATION

FINDING OF NO SIGNIFICANT IMPACT

FOR

PIPELINE SAFETY: ADOPTION OF INDUSTRY STANDARDS FOR BREAKOUT TANKS

This action has been thoroughly reviewed by the Research and Special Programs Administration and it has been determined, by the undersigned, that this project will have no significant impact on the human environment.

This finding of no significant impact is based on the attached environmental assessment (EA) prepared by the Research and Special Programs' Administration. The EA appropriately addresses the environmental issues and impacts of the proposed action, and provides sufficient evidence and analysis for determining that an environmental impact statement is not required.

Comments supporting or disagreeing with this decision may be submitted to RSPA for consideration. After evaluating the comments received, RSPA will make a final decision. No decision will be taken on the rulemaking for at least thirty (30) calendar days after the release of this Finding of No Significant Impact.

Mike Inman	Gen. Engineer	3/26/99
Environmental Reviewer	Title/Position	Date
Richard A. Huriaf	Manager, Regulations	3/26/99
Responsible Officer	Title/Position	Date

U.S. DEPARTMENT OF TRANSPORTATION
RESEARCH AND SPECIAL PROGRAMS ADMINISTRATION

ENVIRONMENTAL ASSESSMENT

PIPELINE SAFETY: ADOPTION OF BREAKOUT TANK STANDARDS

This Research and Special Programs Administration Environmental Assessment was prepared in accordance with Department of Transportation Order DOT 5610.1C and is in compliance with the National Environmental Policy Act of 1969 (Pub L-91-190) and the Council of Environmental Quality Regulations (November 29, 1978; 40 CFR 1500-1508).

This environmental assessment serves as a concise public document to briefly provide sufficient evidence and analysis for determining the need to prepare an environmental impact statement or a finding of no significant impact.

This environmental assessment concisely describes the proposed action, the need for the proposal and the alternatives, comparative analysis of the action and alternatives, a statement of environmental significance, and the lists the agencies and persons consulted during its preparation.

Prepared by:: for Marvin Fell, Project Officer — 3/26/99 Date

Approved by: Richard Huriaux, Manager, Regulations — 3/26/99 Date

U.S. DEPARTMENT OF TRANSPORTATION

RESEARCH AND SPECIAL PROGRAMS ADMINISTRATION

ENVIRONMENTAL ASSESSMENT

PIPELINE SAFETY: ADOPTION OF INDUSTRY STANDARDS

FOR BREAKOUT TANKS

DOCKET NO. RSPA-97-2095

Section 1. Description of the Proposed Action

This final rule would incorporate industry consensus standards for aboveground storage tanks into the regulations for the transportation of hazardous liquids by pipeline. This action would upgrade the pipeline safety regulations for breakout tanks to the level of industry standards currently applicable to other steel petroleum tanks at tank farms and refineries throughout the United States. The proposed incorporation of these industry standards would ensure the safety of breakout tanks used in the transportation of petroleum, petroleum products, and anhydrous ammonia.

Section 2. Need for the Proposed Action

There are at least 9,000 breakout tanks in the United States. This estimate is based on the "Above Ground Storage Tank Survey" conducted by the American Petroleum Institute (API). The April 1989 report estimated that 9,197 breakout tanks had a total capacity 556,183,000 barrels. Approximately 18% of the tanks had a capacity of more than 100,000 barrels and 71% were estimated to have been constructed since 1948.

The failure of a storage tank that was not in pipeline transportation provided an incentive to improve industry standards for above ground steel storage tanks. On January 2, 1988, at a barge terminal in Florfee, Pennsylvania, a newly recommissioned 120-foot diameter by 48 foot high storage stank suddenly collapsed and released 3.9 million gallons of diesel oil. Although the earthen dike contained most of the oil, 750,000 gallons were spilled into the Monongahela River and flowed into the Ohio River.

In response to this failure, the petroleum industry instituted a review of the industry and published standards applicable to above ground storage tanks. This review resulted in considerable updating of existing standards and the development of several new tank safety standards by the American Petroleum Institute.

The Federal pipeline safety regulations have not been revised to reflect the new industry standards. Instead, they remain limited in scope and too general to address many safety-related issues. RSPA recognizes the need to update the safety regulations for breakout tanks by incorporating by reference the API standards into Part 195. These industry standards have been largely adopted by breakout tank operators.

Section 3. Alternatives

Alternative 1 - No Action Alternative

This alternative is to do nothing and not adopt the industry standards. This was considered unacceptable. Although the vast majority of breakout tank operators have already adopted the API standards, a few current operators and future breakout tank operators may fail to adopt the API standards. This could create tank failure hazards and would not provide the public with an adequate margin of safety.

Alternative 2 - Adopt NFPA 59A

This is the accepted to alternative and is discussed in the body of this paper.

Section 4. The Affected Environment and Environmental Consequences of the Proposed Action

Between 1987 and 1996, operators of breakout tanks reported 152 accidents to RSPA. These accidents caused no deaths, three injuries to pipeline personnel, $12.4 in property damage, and the release of 154,000 barrels of petroleum products, of which 39,000 were not recovered. The adoption of the industry standards will lead to some reduction in the amount of oil spilled. Although there will be some reduction in the amount of oil spilled, RSPA regulations will, more importantly, reflect the tank safety practices that have been adopted by most of the pipeline industry. RSPA believes that the small reduction in oil spillage as a consequence of adoption of these: industry standards is not a significant improvement to the human environment under NEPA. Therefore, RSPA concludes that there is no need for an Environmental Impact Statement (EIS).

Section 5 .. List of Contacts

The Office of Pipeline Safety is required by 49 U.S.C. 60202 to seek the advice of the Technical Pipeline Safety Standards Committee on all proposed rules. The Committee has discussed the adoption of API breakout tank rules on two occasions, November 12, 1997 and May 6, 1998. The members of this committee were:

Michael P. Epperly	Vice President--Operations, Buckeye Pipe Line Company
Lois N. Epstein	Senior Engineer, Environmental Defense Fund
Michael R. Gonzalez	Director--Planning and Program Development, Southwest Research Institute
Howard William Greenup	Mayor, City of Fredericksburg
Denise Hamsher	Manager--Employees and External Communications, Lakehead Pipe Line Company
Kerri M. Howe	Principal, Atlantic Consultants
Chester Morris, Jr.	Joint Ventures Manager, Mobil Pipe Line Company
Lisa M. Parker,	President, Kenai Peninsula
Eric P. Serna	Chairman, New Mexico State Corporation Commission,
Jean E. Snider	Interagency Liaison--Hazardous Materials Response and Assessment, National Oceanic & Atmospheric Administration
Massoud Tahamtani	Assistant Director--Division of Energy Regulation, Virginia State Corporation Commission