

Preparing for a PSMS Regulation

Topics to be Covered Today

- Background of PSMS – (API RP 1173)
- Pros and Cons of a PSMS Mandate
- Mandate Drivers
- How Might a Mandate Look
- How to Prepare for a PSMS Mandate



Background - How did API RP 1173 Come to be?

- 2010 Marshal, MI incident = complete breakdown of safety and considered an organizational accident
- NTSB recommends API to form PSMS workgroup
- API publishes API RP 1173 in July 2015



What is a Pipeline Safety Management System?

- A framework of safety related practices that effectively manages risk
- Management Tools that reveal and manage risk, promote learning & continuously improve pipeline safety and integrity



Is PSMS (API RP1173) a Requirement?

No

- PSMS is totally voluntary.
- Industry associations and PHMSA all Support Voluntary Adoption
- Recent events (Merrimack Valley) have increased attention on PSMS, however
- Congress could mandate based on NTSB, Public Outcry or Political Support.
- One San Bruno Away

Should API RP1173 be a Requirement?

No

Why

- Most believe PSMS should be voluntary.
- Making PSMS mandatory will set the bar for compliance.
- Check the Box Mentality – Versus – Continuous Improvement (Form over Substance)
- Mandate could limit creative “Outside of the Box” thinking

Should API RP1173 be a Requirement?

Yes

Why

- Would increase number of Operators adopting PSMS
 - Stragglers
 - Strugglers
- Improve safety and move the needle towards zero incidents
- Provide uniform guidance for adoption
 - Small Operators
 - Contractors
- Satisfy political agendas

Drivers for a PSMS Mandate

- Significant Incident
- Public Outcry/Demand
- Political Push for Action
- NTSB Recommendation
- PHMSA/NAPSR
- PIPES ACT of 2020 - Study



How might a Mandate Look

- Incorporate by Reference (IBR)
- National Academy of Science – Designing Safety Regulations for High-Hazard Industries
 - Micro-Means – Prescriptive
 - Macro-Ends – General Duty
 - Micro-Ends – Performance Based
 - Macro-Means – Management Based

PHMSA Expectations

PHMSA Expects Operators:

- To know their system's risks and needs
- To demand excellence from their contractors.
- *Be 'aggressive' not 'passive and complacent'* in making safety improvements. Don't wait for new regulations.
- To prevent future accidents PHMSA expects companies to focus on continuous improvement and nurturing a good safety culture.

How to Prepare

- **Obtain Leadership Buy-In – A MUST**
- **Assign Responsibilities**
- **Complete Gap Analysis**
- **Perform Safety Culture Evaluation and Set Baseline Scores**
- **Document, Document, Document**
- **Continuous Improvement – Establish KPI's**

How to Prepare – (cont.)

Risk Management

- TIMP and DIMP
 - Know your system,
 - Identify Threats – Prevention and Mitigation
- Safety Culture
 - “See Something – Say Something” with Intentionality
- Governance
 - Reporting and Tracking
 - Develop Performance Measures for Continuous Improvement

How to Prepare- (cont.)

Involve Contractors



**“OPERATORS ARE
ONLY AS GOOD
AS THEIR WORST
CONTRACTOR.”**

Leadership and Management Commitment

Review of Design

Traceability

Safety Culture

Drawings and As-Built
Documentation

Compliance with
Specifications a&
Procedures

Management Review and
Continuous Improvement

Emergency Preparedness and Response

Damage Prevention & Directional Drilling

*Pipe Lowering &
Installation*

HOW CAN YOU ENGAGE YOUR CONTRACTORS IN PSMS ?

Verification of
Qualifications

Stakeholder Engagement

Project Initiation

*Pipe Handling and
Protection of
Materials*

**Risk
Management**

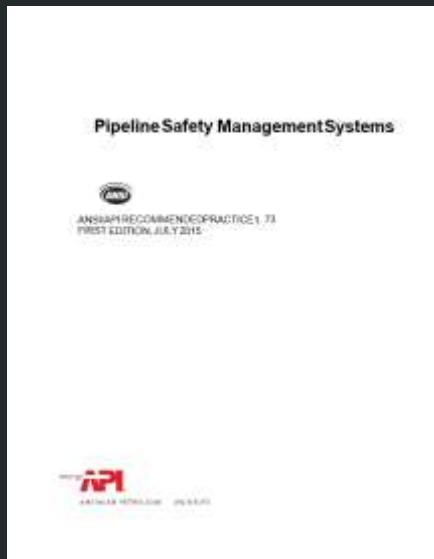
Safe Work Practices
and Monitoring
Performance

Lessons Learned

*Competence, Awareness
& Training (OQ)*

Documentation and
Recordkeeping

PIPELINE CONSTRUCTION SAFETY MANAGEMENT SYSTEMS



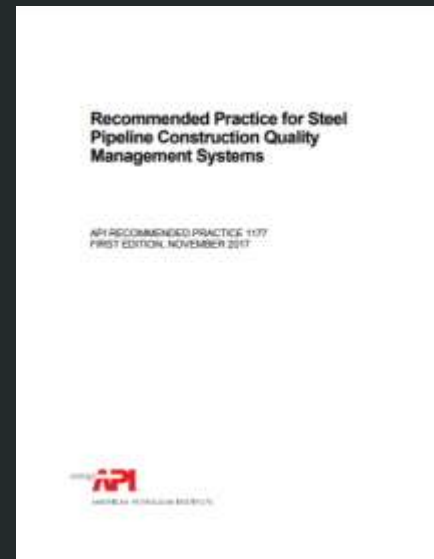
API RP-1173
July 2015

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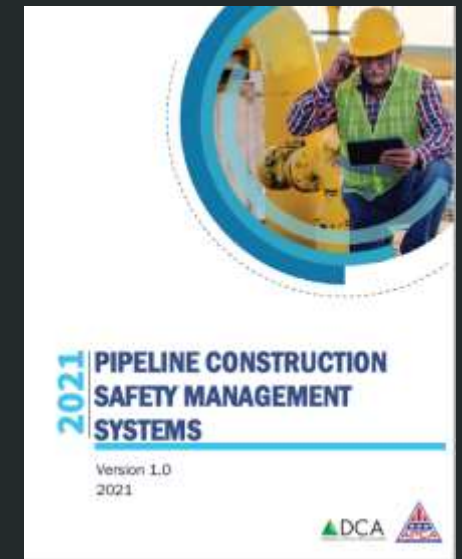
AGA White Paper
Nov. 2016

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API RP-1177
Nov. 2017

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DCA/APCA
PCSMS
April 2021

PIPELINE CONSTRUCTION SAFETY MANAGEMENT SYSTEMS

- API RP1173 Elements
 - Verification of Qualifications
 - Compliance with Specifications & Procedures
 - Review of Design Drawings and As-Built Documentation
 - Traceability
 - Safe Work Practices and Monitoring Performance
 - Pipe Handling and Protection of Materials
 - Directional Drilling
 - Project Initiation
 - Pipe Lowering/Installation
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LASTLY

- Don't wait for new regulations.
- Be aggressive, not passive or complacent
- Be intentional.



Any Questions?

If not, a simple nod of approval or thumbs up will do.



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Let's connect
on LinkedIn!



Thank You

