The petroleum pipeline industry has undertaken a voluntary environmental performance tracking initiative, recording detailed information about spills and releases, their causes and consequences.

The pipeline members of the American Petroleum Institute and the Association of Oil Pipe Lines believe that tracking and learning from spills will improve performance, thus demonstrating the industry's firm commitment to safety and environmental protection by its results.

This is one of a series of fact sheets about the Pipeline Performance Tracking System, "PPTS," its evolution and its lessons.

PPTS OPERATOR ADVISORY:

ASSETS INCLUDED IN PPTS REPORTING

Background

The Data Mining Team is providing this advisory to clarify what assets should be included in PPTS reports: All spills? Only spills on PHMSA-regulated assets? Any pipeline system spills? Spills on assets owned, but not operated by the company? How does reporting a non-PHMSA terminal asset help the industry and how does this affect my performance comparison to companies with only pipeline assets? This advisory details exactly what should be reported to assist PPTS participants in reporting quality data.

PPTS was formed to drive toward the goal of error-free and spill-free operations. To achieve this goal, release and infrastructure information is gathered and analyzed for trends to identify improvement opportunities.

Pipeline operators also operate non-pipeline facilities. We learn from the performance record of all of the assets we operate whether pipelines, truck terminals, or tank farms. The assets may be regulated by PHMSA, EPA, or a state. While different regulatory requirements exist for PHMSA-regulated tanks versus EPA-regulated tanks, the product should stay *in the tank* just the same! Any differences in performance may indicate a need to change practices to improve the performance of all categories of assets we operate (pipeline or non-pipeline, PHMSA or non-PHMSA).

Operator and Operator of Record

Other than the demarcation points listed below, PPTS participants report on all those assets for which they are the operator regardless of PHMSA regulations. "Operator" means just that—the company runs day-to-day activities including operation of product movement.

Some pipeline companies manage the compliance of PHMSA-regulated assets that are actually operated by, for example, a parent company. In this case, participants report on all assets for which they are the "operator of record." "Operator of record" means that PHMSA recognizes the pipeline company as responsible for the compliance of the asset, even if the pipeline company does not operate the asset.

Below, we have included several written examples to illustrate what should be reported and what should not be reported. If in doubt, seek guidance from your PPTS contact or Bukky Adefemi at the API (adefemia@api.org).

Demarcation of PPTS Reportability

While we can learn from all spills, PPTS coverage stops at the line where other modes of transport—truck, marine, or rail—starts or ends (for incoming shipments).

Terminals

For terminals you operate, there are specific demarcation points at which reporting ceases:

- At a ***truck rack***, the first valve underneath the canopy marks the point where PPTS reporting stops. Pumps, tanks, or any assets leading up to that first valve should be included in PPTS reporting. Everything after that valve toward the truck rack is not included.

- For ***dock loading operations***, everything on the landside of the Coast Guard valve should be reported. Everything from the Coast Guard valve to the dock should be excluded.

- For ***rail loading operations***, the first valve at the loading platform should be the cut off point. All of the piping and pumps, etc. located before that valve should be included in PPTS reports.

Also, use the same demarcation points to report any terminal assets where you are the "operator of record."

Refineries

Similarly, on the refinery side, report on assets for which you are the operator, or for assets subject to PHMSA regulation, "operator of record."

Examples

For illustration purposes, ABC Pipeline is a PPTS participant and is the pipeline division of ABC Petroleum.

Situation #1

ABC Pipeline operates a truck loading terminal where assets include a PHMSA-regulated pipeline system, a PHMSA-regulated relief tank, non-PHMSA-regulated station piping and tankage, and ultimately a truck loading rack. A release of 5 gallons or more from anywhere in this terminal, up to the first valve under the truck rack canopy, should be reported to PPTS. The distinction is that it does not matter to PPTS whether the release occurred on non-PHMSA-regulated equipment, the fact that ABC Pipeline operates this terminal makes releases up to the first valve under the truck rack canopy reportable to PPTS.

Situation #2

ABC Pipeline operates an interstate pipeline that delivers to a refinery that is operated by ABC Petroleum. ABC Petroleum operates everything inside the fence, but ABC Pipeline's pipeline requires relief tankage that falls under PHMSA regulations. ABC Pipeline is the operator of record of this piping and relief tankage, so the PHMSA-regulated piping and tankage should be reported to PPTS via ABC Pipeline.

Situation #3

ABC Petroleum refinery operates a product pipeline that is PHMSA-regulated. ABC Pipeline manages the compliance of this system and is the operator of record with PHMSA. Therefore, ABC Pipeline should include it in its PPTS reporting.

Performance Comparisons

Because some PPTS participants operate and thus are reporting on facilities and assets that fall outside of PHMSA regulation and others do not, operators have expressed concern that their performance as shown in the annual performance comparisons does not fairly represent their record relative to similarly situated companies. To address this concern, we will make available a comparison based on PHMSA-regulated assets alone. The default comparison will still be based on all reported assets, but for a modest fee, an operator will be able to obtain a second, PHMSA-only, set of charts.

This comparison will use the survey question, "Was or will a DOT 7000-1 report be submitted?" It is thus of new importance that this field be filled in accurately for each release.