



**Billing Code: 4910-60-W**

**DEPARTMENT OF TRANSPORTATION**

**PHMSA-2007-0038 ConocoPhillips Alaska, Inc.**

**PHMSA-2016-0072 Magellan Midstream Partners, L.P.**

**PHMSA-2016-0073 New Fortress Energy - Tico Development Partners, LLC**

**Pipeline Safety: Requests for Special Permit**

**AGENCY:** Pipeline and Hazardous Materials Safety Administration (PHMSA)

**ACTION:** Notice.

**SUMMARY:** Pursuant to the Federal pipeline safety laws, PHMSA is publishing this notice of three special permit requests we received from pipeline operators, seeking relief from compliance with certain requirements in the Federal pipeline safety regulations. This notice seeks public comments on the requests, including comments on any safety or environmental impacts. At the conclusion of the 30-day comment period, PHMSA will evaluate the requests and determine whether to grant or deny the special permits.

**DATES:** Submit any comments regarding these special permit requests by **[INSERT DATE 30 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER]**.

**ADDRESSES:** Comments should reference the docket number for the specific special permit request and may be submitted in the following ways:

- E-Gov Web Site: <http://www.Regulations.gov>. This site allows the public to enter comments on any Federal Register notice issued by any agency.
- Fax: 1-202-493-2251.
- Mail: Docket Management System: U.S. Department of Transportation, Docket

Operations, M-30, West Building Ground Floor, Room W12-140, 1200 New Jersey Avenue, SE, Washington, DC 20590.

- Hand Delivery: Docket Management System: U.S. Department of Transportation, Docket Operations, M-30, West Building Ground Floor, Room W12-140, 1200 New Jersey Avenue, SE, Washington, DC 20590, between 9:00 a.m. and 5:00 p.m., Monday through Friday, except Federal holidays.

Instructions: You should identify the docket number for the special permit request you are commenting on at the beginning of your comments. If you submit your comments by mail, please submit two copies. To receive confirmation that PHMSA has received your comments, please include a self-addressed stamped postcard. Internet users may submit comments at <http://www.Regulations.gov>.

Note: Comments are posted without changes or edits to <http://www.Regulations.gov>, including any personal information provided. There is a privacy statement published on <http://www.Regulations.gov>.

#### **FOR FURTHER INFORMATION CONTACT:**

**General:** Ms. Kay McIver by telephone at 202-366-0113, or e-mail at [kay.mciver@dot.gov](mailto:kay.mciver@dot.gov).

**Technical:** Mr. Steve Nanney by telephone at 713-628-7479, or e-mail at [Steve.Nanney@dot.gov](mailto:Steve.Nanney@dot.gov).

#### **SUPPLEMENTARY INFORMATION:**

PHMSA has received three special permit requests from pipeline operators seeking relief from compliance with certain Federal pipeline safety regulations. The requests include a technical analysis provided by the operator and has been filed at [www.Regulations.gov](http://www.Regulations.gov) under the assigned docket number. We invite interested persons to participate by reviewing these special permit requests at <http://www.Regulations.gov>, and by submitting written comments, data or other views. Please include any comments on potential environmental impacts that may result if these special permits are granted.

Before acting on these special permit requests, PHMSA will evaluate all comments received on or before the comment closing date. Comments will be evaluated after this date if it is possible to do so without incurring additional expense or delay. PHMSA will consider each relevant comment we receive in making our decision to grant or deny a request.

PHMSA has received the following special permit requests:

Docket Number	Requester	Regulation(s)	Nature of Special Permit
PHMSA-2007-0038	ConocoPhillips Alaska Inc. (CPAI)	49 CFR 192.481 and 195.583	To authorize ConocoPhillips Alaska Inc (CPAI), in its capacity as Operator of the Kuparuk Transportation Company and the Oliktok Pipeline Company, to meet its obligations under the regulations to monitor atmospheric corrosion on above ground pipelines.  The special permit request is for: the 9.2 miles of 18-inch diameter and 27.7 miles of 24-inch diameter Kuparuk Oil Pipeline

			<p>(Operator Identification (OPID): 10346) including Divert Tank "A"; 27.91 miles of 16-inch diameter Oliktok Gas Pipeline (OPID: 31341); and 34.6 miles of 14-inch diameter Alpine Oil Pipeline (OPID: 31552).</p> <p>CPAI changed operations as follows: switched from natural gas liquids transport to natural gas transport service and modified one pipeline to allow the special permit segment to be inspected by an in-line inspection (ILI) tool. CPAI requests the modification of the current special permit to continue to inspect areas "susceptible" to atmospheric corrosion for their non-piggable, insulated, regulated pipelines on the North Slope of Alaska. The modification will include additional regulations covering 49 CFR Part 192 for natural gas service.</p> <p>The Oliktok Pipeline (OPID: 31341) changed service from natural gas liquids to natural gas in 2014.</p> <p>The Kaparuk Pipeline (OPID: 10346) segment was modified in 2009 to allow ILI. All of these pipelines are being inspected by ILI tools on either a 2 or 3-year interval.</p>
PHMSA-2016-0072	Magellan Midstream Partners, L.P. (Magellan)	49 CFR 195.432	To authorize Magellan a special permit for variance from Federal regulations of 49 CFR 195.432, for a transitional staged breakout tank inspection schedule.

			<p>Magellan claims that the January 5, 2015, Rulemaking, “Periodic Updates of Regulatory References to Technical Standards and Miscellaneous Amendments” (80 FR 168), which removed Section 6.4.3 of API Standard 653, would significantly accelerate the inspection intervals of 553 of its 800 Breakout Tanks. These tanks are located in the States of: Colorado, Connecticut, Illinois, Iowa, Kansas, Minnesota, Missouri, Nebraska, North Dakota, Oklahoma, South Dakota, Texas, Wisconsin and Wyoming. Additionally the rule would require Magellan to accelerate inspections of approximately 100 tanks by January 5, 2017. Due to this requirement, Magellan expects it would experience significant logistical challenges in securing additional project personnel, qualified contractors, and reputable inspection services to oversee the accelerated tank inspections. Magellan proposes to use the transitional staged Breakout Tank inspection to provide an equivalent or higher level of pipeline integrity while leading to full and sustained compliance with the federal regulations.</p>
PHMSA-2016-0073	<p>New Fortress Energy</p> <p>TICO Development Partners (TICO), LLC</p>	49 CFR 193.2155(b)	<p>To authorize TICO a special permit for variance from Federal regulations of 49 CFR 193.2155(b) to operate a liquefied natural gas (LNG) tank over 3/5 of a mile south-southeast of the Space Coast</p>

		<p>Regional Airport in association with the construction of their future liquefaction, storage and transfer facility in Titusville, Florida. TICO proposes to locate the LNG Tank on part of a property measuring approximately 64 acres in a location that is over 3/5 of a mile south-southeast from the southern edge of Runway 18/36 at TIX (the Project Site). The Project Site and the surrounding area is zoned M-2, which allows for industrial and heavy industrial uses, and occupies an area planned for industrial development situated between TIX and an existing thermal power plant. The Project Site sits adjacent to the Florida East Coast Railway line and a natural gas pipeline located immediately east of the Project Site.</p>
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Issued in Washington, DC on September 7, 2016, under authority delegated in 49 CFR 1.97.

John A. Gale,

Director, Standards and Rulemaking.

[FR Doc. 2016-21865 Filed: 9/9/2016 8:45 am; Publication Date: 9/12/2016]