



## DEPARTMENT OF TRANSPORTATION

### Pipeline and Hazardous Materials Safety Administration

#### 49 CFR Parts 192 and 195

[Docket No. PHMSA-2026-1533; Amdt. Nos. 192-168 and 195-122]

RIN 2137-AG37

#### Pipeline Safety: Standards Update – NACE SP0502

**ACTION:** Direct final rule (DFR); request for comments.

**AGENCY:** Pipeline and Hazardous Materials Safety Administration (PHMSA), Department of Transportation (DOT)

**SUMMARY:** This DFR amends PHMSA’s regulations to incorporate by reference an updated edition of industry standard NACE SP0502, Pipeline External Corrosion Direct Assessment Methodology. This updated standard will maintain or improve public safety, prevent regulatory confusion, reduce compliance burdens on stakeholders, and satisfy a mandate in the National Technology Transfer and Advancement Act (NTTAA) of 1995.

**DATES:** The DFR is effective January 1, 2027, unless adverse comments are received by

**[INSERT DATE 60 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL**

**REGISTER].** If adverse comments are received, notification will be published in the *Federal*

*Register* before the effective date withdrawing the rule and publishing a notice of proposed

rulemaking to provide an additional opportunity for public comment. Compliance after

**[INSERT DATE 60 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL**

**REGISTER]** is authorized. The incorporation by reference of certain material listed in this rule

is approved by the Director of the *Federal Register* as of January 1, 2027.

**ADDRESSES:** You may submit comments identified by the Docket Number PHMSA-2026-1533 using any of the following methods:

*E-Gov Web:* <https://www.regulations.gov>. This site allows the public to enter comments on any *Federal Register* notice issued by any agency. Follow the online instructions for submitting comments.

*Mail:* Docket Management System: U.S. Department of Transportation, 1200 New Jersey Avenue S.E., West Building Ground Floor, Room W12–140, Washington, D.C. 20590–0001.

Alternatively, hand delivery is available to this address between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays.

*Fax:* 1-202-493-2251.

For commenting instructions and additional information about commenting, see

SUPPLEMENTARY INFORMATION.

**FOR FURTHER INFORMATION CONTACT:** Alyssa Imam, Transportation Specialist, 1200 New Jersey Avenue, S.E. Washington, D.C. 20590, by phone at 202-738-3850 or e-mail at [alyssa.imam@dot.gov](mailto:alyssa.imam@dot.gov).

**SUPPLEMENTARY INFORMATION:**

**I. GENERAL DISCUSSION:**

Through this DFR, PHMSA is incorporating by reference an update to a voluntary, consensus industry technical standard already incorporated by reference within 49 CFR parts 192 and 195. Specifically, PHMSA is updating the referenced edition of industry standard NACE SP0502, Pipeline External Corrosion Direct Assessment Methodology to the 2025 edition (NACE SP0502).

NACE SP0502 covers the Association for Materials Protection and Performance (AMPP) external corrosion direct assessment (ECDA) process for buried onshore ferrous piping systems.

References to the 2025 edition of the standard will replace existing references in §§ 192.319(f); 192.461(h); 192.620(d); 192.923(b); 192.925(b); 192.931(d); 192.935(b); 192.939(a); and § 195.588(b) to ANSI/NACE SP0502-2010, “Pipeline External Corrosion Direct Assessment Methodology,” revised June 24, 2010.

This updated standard will maintain or improve public safety, prevent regulatory confusion, and reduce compliance burdens on stakeholders. The National Technology Transfer and Advancement Act (NTTAA) of 1995 (15 U.S.C. § 272 (note)) directs Federal agencies to, “when practical and consistent with applicable laws, use technical standards developed by voluntary consensus standard bodies instead of government-developed technical standards.” Consistent with that mandate, PHMSA incorporates more than 80 industry standards by reference into the Federal Pipeline Safety Regulations (49 CFR parts 190-199); however, many standards become outdated over time as new editions become available. 49 U.S.C. § 60102(l) directs PHMSA to update incorporated industry standards.

Updating this standard ensures better alignment of PHMSA’s regulations with innovations in operational and management practices, materials, testing, and technological advancements; enhances compliance by avoiding conflict between different versions of the same industry standards; and facilitates safety-focused allocation of resources by pipeline operators. PHMSA technical experts have evaluated the changes in the updated edition of NACE SP0502 and concluded it will either maintain or enhance the protection of public safety. These updates effectively mitigate safety gaps by incorporating innovations in equipment design, operational and maintenance practices, and testing, while addressing latent vulnerabilities that were historically unidentifiable due to the technical limitations of legacy data-gathering and monitoring capabilities. PHMSA further concludes that the direct final rule’s updated standard is technically feasible, reasonable, cost-effective, and practicable because of its respective anticipated commercial and public safety benefits; and because the benefits better support PHMSA’s safety priorities compared to alternatives, thereby justifying any associated compliance costs.

#### *Availability of Materials to Interested Parties*

Pursuant to section 24 of the Pipeline Safety, Regulatory Certainty, and Job Creation Act of 2011 (Pub. L. No. 112–90, codified at 49 U.S.C. § 60102(p)), “the Secretary may not issue a

regulation pursuant to this chapter that incorporates any documents or portions thereof unless the documents or portions thereof are made available to the public, free of charge.” The standard incorporated in this direct final rule is available from the following website:

<https://ibr.ansi.org/Standards/nace.aspx>. The material can also be obtained by interested parties through the applicable publisher contact information listed in §§ 192.7 and 195.3. Additional information regarding standards availability can be found at

<https://www.phmsa.dot.gov/standards-rulemaking/pipeline/standards-incorporated-reference>.

*Commenting Instructions:* Please include the docket number PHMSA-2026-1533 at the beginning of your comments. If you submit your comments by mail, submit two copies. If you wish to receive confirmation that PHMSA received your comments, include a self-addressed stamped postcard. Internet users may submit comments at <https://www.regulations.gov>.

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

*Privacy Act:* In accordance with 5 U.S.C. § 553(c), DOT solicits comments from the public to inform its rulemaking process. DOT posts these comments, without edit, including any personal information the commenter provides, to our docket at <https://www.regulations.gov>. You may review DOT’s Complete Privacy Act Statement by visiting <https://www.dot.gov/privacy>.

*Confidential Business Information:* Confidential Business Information (CBI) is commercial or financial information that is both customarily and actually treated as private by its owner. Under the Freedom of Information Act (FOIA, 5 U.S.C. § 552), CBI is exempt from public disclosure. It is important that you clearly designate the comments submitted as CBI if: your comments responsive to this document contain commercial or financial information that is customarily treated as private; you actually treat such information as private; and your comment is relevant or responsive to this notice. Pursuant to 49 CFR 190.343, you may ask PHMSA to provide confidential treatment to information you give to the agency by taking the following steps: (1)

mark each page of the original document submission containing CBI as “Confidential;” (2) send PHMSA, along with the original document, a second copy of the original document with the CBI deleted; and (3) explain why the information that you are submitting is CBI. Submissions containing CBI should be sent to Brianna Wilson, Standards and Rulemaking Division, Pipeline and Hazardous Materials Safety Administration (PHMSA), 2nd Floor, 1200 New Jersey Avenue S.E., Washington, D.C. 20590-0001, or by e-mail at [brianna.wilson@dot.gov](mailto:brianna.wilson@dot.gov). Any materials PHMSA receives that is not specifically designated as CBI will be placed in the public docket. *Docket:* For access to the docket to read background documents or comments received, go to <http://www.regulations.gov>. Follow the online instructions for accessing the docket. Alternatively, you may review the documents in person at the street address listed above.

## **II. REGULATORY ANALYSIS AND NOTICES:**

### *A. Legal Authority*

This direct final rule is published under the authority of the Secretary of Transportation set forth in the Federal Pipeline Safety Laws (49 U.S.C. § 60101 *et seq.*) and delegated to the PHMSA Administrator pursuant to 49 CFR 1.97. PHMSA has determined that this direct final rule—which updates an industry standard already incorporated by reference into its regulations—is unlikely to elicit significant adverse comment. *See* 49 U.S.C. § 60102(b)(6)(A). PHMSA similarly finds that publication of a proposed rulemaking on which comment is solicited would be “unnecessary” pursuant to section 553(b)(B) of the Administrative Procedure Act (5 U.S.C. § 551 *et seq.*) because this rulemaking merely adopts an updated version of an industry standard reflecting a broad consensus among affected industry stakeholders.

### *B. Executive Order 12866*

E.O. 12866, *Regulatory Planning and Review*, as implemented by DOT Order 2100.6B (“Policies and Procedures for Rulemaking”) and DOT Order 2100.7 (“Ensuring Reliance upon Sound Economic Analysis in Department of Transportation Policies, Programs, and Activities”),

requires agencies to regulate in the “most cost-effective manner,” to make a “reasoned determination that the benefits of the intended regulation justify its costs,” and to develop regulations that “impose the least burden on society.” In arriving at those conclusions, E.O. 12866 requires that agencies should consider “both quantifiable measures . . . and qualitative measures of costs and benefits that are difficult to quantify” and “maximize net benefits . . . unless a statute requires another regulatory approach.” E.O. 12866 also requires that “agencies should assess all costs and benefits of available regulatory alternatives, including the alternative of not regulating.” DOT Order 2100.6B directs that PHMSA and other Operating Administrations must generally choose the “least costly regulatory alternative that achieves the relevant objectives” unless required by law or compelling safety need. DOT Order 2100.6B also specifies that regulations should generally “not be issued unless their benefits are expected to exceed their costs” except where required by law or compelling safety need. DOT Order 2100.7 requires that “all rulemaking activities shall be based on sound economic principles and analysis supported by rigorous cost-benefit requirement.”

E.O. 12866 and DOT Order 2100.6B also require that PHMSA submit “significant regulatory actions” to the Office of Information and Regulatory Affairs (OIRA) within the Executive Office of the President’s Office of Management and Budget (OMB) for review. This final rule is a not significant regulatory action pursuant to E.O. 12866; OMB also has not designated this rule as a “major rule” as defined by the Congressional Review Act (5 U.S.C. § 801 *et seq.*).

PHMSA has complied with the procedural and analytical requirements in E.O. 12866 as implemented by DOT Order 2100.6B and DOT Order 2100.7 and determined that this direct final rule may result in minimal cost savings by reducing regulatory burdens and regulatory uncertainty for pipeline facility operators. In general, updates to consensus industry standards are widely accepted and followed on a voluntary basis throughout most of the pipeline industry. PHMSA understands that most pipeline operators already purchase and voluntarily apply

industry standards—including the updated standard that is the subject of this rulemaking—within their ordinary business practices. Incorporation of the updated version of the standard referenced in this direct final rule will help ensure that the industry is not forced to incur the additional cost of complying with different versions of the same standard. The cost savings of this rulemaking could not be quantified.

Updating to a more recent edition of the industry standard will ensure better alignment of PHMSA’s regulations with innovations in operational and maintenance practices, equipment design, and testing. These updates address known safety risks, encourage facilities to invest in safety enhancing innovations, and improve public safety.

*C. Executive Orders 14192 and Executive Order 14219*

This direct final rule is considered a deregulatory action pursuant to E.O. 14192, *Unleashing Prosperity Through Deregulation*. PHMSA estimates that the total costs of the direct final rule on the regulated community will be less than zero. Nor do the regulatory amendments herein implicate any of the factors identified in section 2(a) of E.O. 14219, *Ensuring Lawful Governance and Implementing the President’s “Department of Government Efficiency” Deregulatory Initiative*, indicative that a regulation is “unlawful . . . [or] that undermine[s] the national interest.”

*D. Energy-Related Executive Orders 13211, 14154, and 14156*

The President has declared in E.O. 14156, *Declaring a National Energy Emergency*, a National emergency to address inadequate U.S. energy development production, transportation, refining, and generation capacity. Similarly, E.O. 14154, *Unleashing American Energy*, asserts a Federal policy to unleash American energy by ensuring access to abundant supplies of reliable, affordable energy from (inter alia) the removal of “undue burden[s]” on the identification, development, or use of domestic energy resources such as PHMSA-jurisdictional gasses and hazardous liquids. PHMSA finds this direct final rule is consistent with each of E.O. 14156 and E.O. 14154. The direct final rule will give affected pipeline operators the benefit of using the

updated standard to maintain or improve public safety, prevent regulatory confusion, and reduce compliance burdens on stakeholders. PHMSA therefore expects the regulatory amendments in this direct final rule will in turn increase national pipeline transportation capacity and improve pipeline operators' ability to provide abundant, reliable, affordable natural gas in response to residential, commercial, and industrial demand.

However, this direct final rule is not a "significant energy action" under E.O. 13211, *Actions Concerning Regulations That Significantly Affect Energy Supply, Distribution, or Use*, which requires Federal agencies to prepare a Statement of Energy Effects for any "significant energy action." Because this direct final rule is not a significant action under E.O. 12866, it will not have a significant adverse effect on supply, distribution, or energy use.

#### *E. Executive Order 13132: Federalism*

PHMSA analyzed this direct final rule in accordance with the principles and criteria contained in E.O. 13132, Federalism, and the Presidential Memorandum ("Preemption") published in the *Federal Register* on May 22, 2009. E.O. 13132 requires agencies to assure meaningful and timely input by State and local officials in the development of regulatory policies that may have "substantial direct effects on the States, on the relationship between the National Government and the States, or on the distribution of power and responsibilities among the various levels of government."

While the direct final rule may operate to preempt some State requirements, it will not impose any regulation that has substantial direct effects on the States, the relationship between the National Government and the States, or the distribution of power and responsibilities among the various levels of government. Section 60104(c) of the Federal Pipeline Safety Laws prohibits certain State safety regulation of interstate pipelines. Under the Federal Pipeline Safety Laws, States that have submitted a current certification under section 60105(a) can augment Federal pipeline safety requirements for intrastate pipelines regulated by PHMSA but may not approve safety requirements less stringent than those required by Federal law. A State may also regulate

an intrastate pipeline facility that PHMSA does not regulate. The preemptive effect of the regulatory amendments in this direct final rule is limited to the minimum level necessary to achieve the objectives of the Federal Pipeline Safety Laws. Therefore, the consultation and funding requirements of E.O. 13132 do not apply.

#### *F. Regulatory Flexibility Act*

The Regulatory Flexibility Act (RFA, 5 U.S.C. § 601 *et seq.*) requires Federal agencies to conduct a Final Regulatory Flexibility Analysis (FRFA) for a final rule subject to notice-and-comment rulemaking, unless the agency certifies that the rule will not have a significant economic impact on a substantial number of small entities. The RFA applies only to rules for which an agency is required to first publish a proposed rule (*see* 5 U.S.C. §§ 603(a) and 604(a)). PHMSA is not required to publish a notice of proposed rulemaking for this DFR, so the RFA does not apply. However, PHMSA expects no affected operators will face significant costs because the referenced standard is widely available for purchase at relatively low cost, most operators are already in compliance with the content of the referenced standard, and compliance costs for any remaining operators are expected to be negligible.

#### *G. Unfunded Mandates Reform Act of 1995*

The Unfunded Mandates Reform Act (UMRA, 2 U.S.C. § 1501 *et seq.*) requires agencies to assess the effects of Federal regulatory actions on State, local, and Tribal governments, and the private sector. For any proposed or direct final rule that includes a Federal mandate that may result in the expenditure by State, local, and Tribal governments, in the aggregate of \$100 million or more in 1996 dollars (\$203 million in 2024 dollars) in any given year, the agency must prepare, amongst other things, a written statement that qualitatively and quantitatively assesses the costs and benefits of the Federal mandate.

This direct final rule does not impose unfunded mandates under UMRA because it does not result in costs of \$100 million or more (in 1996 dollars) per year for either State, local, or Tribal governments, or to the private sector.

## *H. National Environmental Policy Act*

PHMSA has analyzed this rule pursuant to the National Environmental Policy Act (NEPA, 42 U.S.C. § 4321 *et seq.*) and has determined it is categorically excluded under 23 CFR 771.117(c)(20), which applies to the promulgation of rules, regulations, and directives. Under section 9 of DOT Order 5610.1D (“DOT’s Procedures for Considering Environmental Impacts”), PHMSA may apply a categorical exclusion established in another Operating Administration’s procedures. PHMSA followed the requirements outlined in DOT Order 5610.1D to apply a categorical exclusion issued by the Federal Highway Administration (FHWA) to this deregulatory action. PHMSA does not anticipate any adverse environmental impacts from this rule, and PHMSA has determined no unusual circumstances are present under 23 CFR 771.117(b). PHMSA’s Categorical Exclusion Determination memo for this action is available on PHMSA’s website.<sup>1</sup>

### *I. Executive Order 13175*

PHMSA analyzed this direct final rule according to the principles and criteria in E.O. 13175, *Consultation and Coordination with Indian Tribal Governments*, and DOT Order 5301.1A (“Department of Transportation Tribal Consultation Policies and Procedures”). E.O. 13175 requires agencies to assure meaningful and timely input from Tribal government representatives in the development of rules that significantly or uniquely affect Tribal communities by imposing “substantial direct compliance costs” or “substantial direct effects” on such communities or the relationship or distribution of power between the Federal Government and Tribes.

PHMSA assessed the impact of the direct final rule and determined that it will not significantly or uniquely affect Tribal communities or Indian Tribal governments. The rulemaking’s regulatory amendments have a broad, national scope; therefore, this direct final

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<sup>1</sup> DOT, *Implementing Procedures*, <https://www.phmsa.dot.gov/planning-and-analytics/environmental-analysis-and-compliance/implementing-procedures>.

rule will not significantly or uniquely affect Tribal communities, much less impose substantial compliance costs on Native American Tribal governments or mandate Tribal action. For these reasons, PHMSA has concluded that the funding and consultation requirements of E.O. 13175 and DOT Order 5301.1A do not apply.

*J. Paperwork Reduction Act*

The Paperwork Reduction Act (44 U.S.C. § 3501 *et seq.*) and its implementing regulations at 5 CFR 1320.8(d) requires that PHMSA provide interested members of the public and affected agencies with an opportunity to comment on information collection and recordkeeping requests. This rulemaking will not create, amend, or rescind any existing information collections.

*K. Executive Order 13609 and International Trade Analysis*

E.O. 13609, *Promoting International Regulatory Cooperation*, requires agencies to consider whether the impacts associated with significant variations between domestic and international regulatory approaches are unnecessary or may impair the ability of American business to export and compete internationally. In meeting shared challenges involving health, safety, labor, security, environmental, and other issues, international regulatory cooperation can identify approaches that are at least as protective as those that are or would be adopted in the absence of such cooperation. International regulatory cooperation can also reduce, eliminate, or prevent unnecessary differences in regulatory requirements.

Similarly, the Trade Agreements Act of 1979 (Pub. L. No. 96-39), as amended by the Uruguay Round Agreements Act (Pub. L. No. 103-465), prohibits Federal agencies from establishing any standards or engaging in related activities that create unnecessary obstacles to the foreign commerce of the United States. For purposes of these requirements, Federal agencies may participate in the establishment of international standards, so long as the standards have a legitimate domestic objective, such as providing for safety, and do not operate to exclude imports

that meet this objective. The statute also requires consideration of international standards and, where appropriate, that they be the basis for U.S. standards.

PHMSA engages with international standards setting bodies to protect the safety of the American public. PHMSA has assessed the effects of the direct final rule and has determined that its regulatory amendments will not cause unnecessary obstacles to foreign trade.

*L. Cybersecurity and Executive Order 14028*

E.O. 14028, *Improving the Nation's Cybersecurity*, directed the Federal Government to improve its efforts to identify, deter, and respond to “persistent and increasingly sophisticated malicious cyber campaigns.” PHMSA has considered the effects of the direct final rule and has determined that its regulatory amendments will not materially affect the cybersecurity risk profile for pipeline facilities.

**List of Subjects**

**49 CFR Part 192**

Incorporation by reference, Natural gas, Pipeline safety.

**49 CFR Part 195**

Anhydrous ammonia, Carbon dioxide, Incorporation by reference, Petroleum, Pipeline safety.

For the reasons set forth above, PHMSA amends 49 CFR parts 192 and 195 as follows:

**PART 192—TRANSPORTATION OF NATURAL AND OTHER GAS BY PIPELINE:  
MINIMUM FEDERAL SAFETY STANDARDS**

1. The authority citation for part 192 continues to read as follows:

Authority: 30 U.S.C. 185(w)(3), 49 U.S.C. 5103, 60101 *et seq.*, and 49 CFR 1.97.

2. In § 192.7, revise paragraph (e)(1) to read as follows:

**§ 192.7 What documents are incorporated by reference partly or wholly in this part?**

\* \* \* \* \*  
(e) \* \* \*

(1) NACE SP0502-2025, Pipeline External Corrosion Direct Assessment Methodology, revised April 28, 2025, (NACE SP0502); IBR approved for §§ 192.319(f); 192.461(h); 192.620(d); 192.923(b); 192.925(b); 192.931(d); 192.935(b); 192.939(a).

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## **PART 195 – TRANSPORTATION OF HAZARDOUS LIQUIDS BY PIPELINE**

3. The authority citation for part 195 continues to read as follows:

Authority: 30 U.S.C. 185(w)(3), 49 U.S.C. 5103, 60101 *et seq.*, and 49 CFR 1.97.

4. In § 195.3, revise paragraph (e)(4) to read as follows:

### **§ 195.3 What documents are incorporated by reference partly or wholly in this part?**

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(e) \* \* \*

(4) NACE SP0502-2025, Pipeline External Corrosion Direct Assessment Methodology, revised April 28, 2025, (NACE SP0502); IBR approved for § 195.588(b).

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Issued in Washington, D.C., on April 22, 2026, under the authority delegated in 49 CFR 1.97.

**Paul J. Roberti,**

*Administrator.*

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