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DEPARTMENT OF TRANSPORTATION

Pipeline and Hazardous Materials Safety Administration

49 CFR Part 195

[Docket No. PHMSA-2025-1271]

RIN 2137-AG22

Pipeline Safety: Breakout Tank Inspection Rule

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

ACTION: Notice of proposed rulemaking (NPRM).

SUMMARY: Breakout tanks are used to "relieve surges in a hazardous liquid pipeline system" or to "receive and store hazardous liquid transported by a pipeline for reinjection and continued transportation by pipeline." American Petroleum Institute Standard 653 (API Std 653) sets industry standards for the inspection, repair, alteration, and reconstruction of aboveground storage tanks. PHMSA currently incorporates the 3rd edition of API Std 653 (issued December 2001) by reference into its regulations for breakout tanks. In this rulemaking, PHMSA is proposing to update its regulations for breakout tanks to incorporate the 5th edition of API Std 653 (issued November 2014) by reference. As a key part of this, PHMSA is proposing to authorize the use of risk-based inspection (RBI) procedures for establishing the inspection intervals of in-service breakout tanks.

DATES: Comments on this NPRM must be submitted by **[INSERT DATE 60 DAYS FROM DATE OF PUBLICATION]**. A public meeting of PHMSA's statutory advisory committees will be held on a date to be announced in the *Federal Register*.

ADDRESSES: You may submit comments by one of the following methods, identifying docket number PHMSA-2025-1271 on the top of the first page:

- Electronically at https://www.regulations.gov. Follow the "submit a comment" instructions.
- Mail and hand delivery to 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. Hand delivery is available to this address between 9:00 a.m. and 5:00 p.m., Monday through Friday (except Federal holidays). Include two copies if submitting by mail. To receive confirmation that PHMSA has received your comments, include a self-addressed stamped postcard.
- By fax to 1-202-493-2251.

Comments may be viewed at https://www.regulations.gov/docket/PHMSA-2025-1271. Comments are posted without changes or edits, including any personal information provided. DOT's privacy statement can be reviewed at https://www.dot.gov/privacy.

Confidential Business Information: 49 CFR 190.343 provides for the submission of Confidential Business Information (CBI) to PHMSA. If your comment contains commercial or financial information that is customarily treated as private and that you actually treat as private, you must clearly designate the submitted comments as CBI, by taking the following steps: (1) mark as "confidential" each page of the original document submission containing CBI; (2) along with the original document, send PHMSA a redacted copy of the original document with the CBI deleted; and (3) explain why the information you are submitting is CBI. Send submissions containing CBI to Sayler Palabrica at the contact information listed below. Any comment PHMSA receives that is not specifically designated as CBI will be placed in the public docket.

FOR FURTHER INFORMATION CONTACT: Sayler Palabrica, Standards and Rulemaking Division, by phone at 202-744-0825 or by e-mail at sayler.palabrica@dot.gov.

SUPPLEMENTARY INFORMATION:

I. Executive Summary

API Std 653 sets standards for the inspection, repair, alteration, and reconstruction of aboveground storage tanks. PHMSA currently incorporates the 3rd edition of API Std 653, as issued in December 2001 with addenda and errata through April 2008, by reference into its part 195 regulations for breakout tanks. Breakout tanks are tanks that operators use to "relieve surges in a hazardous liquid pipeline system" or to "receive and store hazardous liquid transported by a pipeline for reinjection and continued transportation by pipeline." (49 CFR 195.2).

In this rulemaking, PHMSA is proposing to update its part 195 regulations for breakout tanks to incorporate the 5th edition of API Std 653, as issued in November 2014 with addendums and errata through July 2025, by reference. PHMSA is also proposing to revise § 195.432 to authorize the use of RBI procedures for establishing the inspection intervals of in-service breakout tanks. PHMSA estimates that adopting this proposal will result in cost savings of between $24.5 to $125.7 million per year using a three percent discount rate or between $29.3 to $150.1 million per year using a seven percent discount rate.

II. Background

PHMSA's Federal safety standards at part 195 apply to breakout tanks. Breakout tanks are used by pipeline operators to "relieve surges in a hazardous liquid pipeline system" or to "receive and store hazardous liquid transported by a pipeline for reinjection and continued transportation by pipeline." (49 CFR 195.2). Breakout tanks are subject to certain specific requirements in part 195, including (1) § 195.205, which prescribes requirements for the repair, alteration, and reconstruction of in-service breakout tanks; (2) § 195.307, which prescribes requirements for pressure testing aboveground breakout tanks; and (3) § 195.432, which prescribes requirements for the inspection of in-service

breakout tanks. While not relevant to the proposals at issue in this proceeding, the general requirements in part 195 for pipeline systems and pipeline facilities also apply to breakout tanks, subject to a conflict preemption provision.[1]

PHMSA's regulations for breakout tanks date to the 1969 final rule that prescribed the original version of the part 195 regulations.[2] One of those regulations, codified at § 195.432, established requirements for the inspection of storage vessels. It stated that "[e]ach carrier shall, at intervals not exceeding 12 months, inspect each storage vessel (including atmospheric and pressure tanks)."[3]

In 1981, a PHMSA predecessor, the Research and Special Programs Administration (RSPA), issued a final rule recodifying the part 195 regulations to reflect the enactment of the Hazardous Liquid Pipeline Safety Act of 1979 (Pub. L. No. 96-129).[4] As part of the recodification, RSPA readopted the inspection requirements in § 195.432 and added a definition for the term "breakout tank."[5] The following year, RSPA issued another final rule adjusting the inspection interval in § 195.432 to provide operators with additional scheduling flexibility. Rather than requiring a fixed 12-month interval, RSPA amended § 195.432 to permit the inspection of breakout tanks "at intervals not exceeding 15 months, but at least once each calendar year."[6]

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[1] 49 CFR 195.1(c) "Breakout tanks that are subject to this part must comply with requirements that apply specifically to breakout tanks and, to the extent applicable, with requirements that apply to pipeline systems and pipeline facilities. If a conflict exists between a requirement that applies specifically to breakout tanks and a requirement that applies to pipeline systems or pipeline facilities, the requirement that applies specifically to breakout tanks prevails."

[2] *Requirements for Design, Construction, Operation, and Maintenance*, 34 FR 15473 (Oct. 4, 1969).

[3] 34 FR at 15482.

[4] *Transportation of Liquids by Pipeline*, 46 FR 38357 (July 27, 1981).

[5] 46 FR at 38358–59, 38372. For additional information about the development of PHMSA's breakout tank definition, *see Exxon Corp. v. U.S. Sec'y of Transp.*, 978 F. Supp. 946, 949–54 (E.D. Wash. 1997).

[6] *Transportation of Natural and Other Gas and Hazardous Liquids by Pipeline; Inspection and Test Intervals*, 47 FR 46850, 46852 (Oct. 21, 1982).

Nearly two decades later, in 1999, RSPA issued a final rule that substantially revised the part 195 regulations for breakout tanks.[7] The final rule incorporated 13 consensus industry standards by reference for the design, construction, testing, repair, alteration, and replacement of breakout tanks. One of those standards was the 2nd edition of API Std 653, which RSPA incorporated into an amended version of § 195.432 as an alternative to the annual calendar year inspection traditionally required.[8] Then, in 2010, PHMSA incorporated by reference the 3rd edition of API Std 653.[9] Because the 3rd edition was the first to include RBI procedures, this amendment had the effect of authorizing operators to perform RBI inspections under section 6.4 of API Std 653.

In 2015, PHMSA issued a final rule that, among other things, incorporated updated editions of certain referenced consensus industry standards and made other miscellaneous amendments to part 195. PHMSA retained the 3rd edition of API Std 653 in the final rule, which had been incorporated by reference in an earlier rulemaking proceeding,[10] but amended § 195.432 to prohibit the use of the RBI procedures authorized in that standard for determining alternative internal inspection intervals. PHMSA justified that prohibition by pointing to concerns with the RBI procedures in API Std 653, particularly use of certain discretionary language and provisions allowing an operator to exceed prescriptive limits on predicted bottom plate metal loss or extend the 20-year inspection interval.[11]

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[7] *Pipeline Safety: Adoption of Consensus Standards for Breakout Tanks*, 64 FR 15926 (Apr. 2, 1999).

[8] 64 FR at 15926, 15932.

[9] *Pipeline Safety: Periodic Updates of Regulatory References to Technical Standards and Miscellaneous Edits*, 75 FR 48593 (Aug. 11, 2010).

[10] *Pipeline Safety: Periodic Updates of Regulatory References to Technical Standards and Miscellaneous Amendments*, 80 FR 168, 171 (Jan. 1, 2015). PHMSA incorporated the 3rd edition of API Std 653 by reference in a 2010 final rule, which also made a minor editorial correction to align § 195.432 with the updated provisions in that standard. *Pipeline Safety: Periodic Updates of Regulatory References to Technical Standards and Miscellaneous Edits*,75 FR 48593, 48600, 48605 (Aug. 11, 2010).

[11] 80 FR at 171, 185.

PHMSA did not analyze separately the costs, benefits, or other impacts of prohibiting the use of the RBI procedures in API Std 653 in the final rule. Rather, PHMSA simply stated that it was "making non-substantive edits and clarifying regulatory language in certain provisions," and that "[s]ince these editorial changes are relatively minor, this rule would not require pipeline operators to undertake significant new pipeline safety initiatives and would have negligible cost implications."[12]

DOT and PHMSA recently asked interested stakeholders to submit ideas to support Presidential deregulatory and energy policy priorities. In April 2025, DOT published a request for information (RFI), titled *Ensuring Lawful Regulation; Reducing Regulation and Controlling Regulatory Costs*, 90 FR 14593 (Apr. 3, 2025), and PHMSA published an Advance Notice of Proposed Rulemaking (ANPRM) titled *Pipeline Safety: Mandatory Regulatory Reviews to Unleash American Energy and Improve Government Efficiency*, 90 FR 23660 (June 4, 2025). In response to the DOT RFI, API and the Liquid Energy Pipeline Association (LEPA) submitted a joint comment that included a request for PHMSA to update API Std 653 to the latest edition and authorize the use of RBI procedures.[13] In response to PHMSA's *Unleashing American Energy* ANPRM, an anonymous individual recommended that PHMSA update references to API Std 653 to the most recent version.[14]

On May 21, 2025, PHMSA published an ANPRM titled *Pipeline Safety: Repair Criteria for Hazardous Liquid and Gas Transmission Pipelines*, 90 FR 21715, which included a request for comment on the inspection requirements for breakout tanks. Several commenters addressed the breakout tank inspection requirements in responding to the ANPRM, including a joint comment from API, LEPA, GPA Midstream

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[12] 80 FR at 176.

[13] Associations, Comment, Docket ID DOT-OST-2025-0026-0874 (May 6, 2025).

[14] Anonymous, Comment, Docket ID PHMSA-2025-0050-0005 (June 9, 2025).

Association, and the American Fuel & Petrochemical Manufacturers (the Associations), and comments from the Colonial Pipeline Company, Enterprise Products Operating LLC, Marathon Pipe Line LLC, International-Matex Tank Terminals LLC, California Resources Corporation, and the Pipeline Safety Trust (PST). Commenters generally supported updating API Std 653 to the latest edition and authorizing the use of RBI procedures.[15] The Associations noted the U.S. Environmental Protection Agency does not restrict the use of RBI under the Spill Prevention, Control, and Countermeasures rules in 40 CFR part 112, and cited significant costs, environmental impacts, and worker safety hazards associated with unnecessary internal inspections of tanks. The Associations estimated quantified annual cost savings of $220 million based on an average assessment interval and described improved safety performance from operators that have applied RBI principles to plant piping at refineries and other facilities.[16] Individual operators provided similar comments on the costs and consequences of internal inspections and recommended allowing RBI procedures in accordance with recent editions of API Std 653.[17] PST supported extending the inspection intervals using RBI to mitigate risk to workers when preparing for and conducting inspections, but recommended additional robotic inspection conditions.[18]

III. Discussion

Consistent with the comments and policies described above, PHMSA proposes to revise § 195.3 to update references to API Std 653; to revise § 195.432 to authorize the

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[15] *E.g.*, California Resources Corp., Comment, PHMSA-2025-0019-0017, at 6–7 (July 21, 2025); International-Matex Tank Terminals LLC, Comment, Docket ID PHMSA-2025-0019-0026, at 2–3 (Aug. 1, 2025).

[16] Associations, Comment, Docket ID PHMSA-2025-0019-0021, at 76–77 (July 21, 2025).

[17] *E.g.*, Colonial Pipeline Co., Comment, Docket ID PHMSA-2025-0019-0013, at 19–20 (July 21, 2025); Enterprise Products Operating LLC, Comment, Docket ID PHMSA-2025-0019-0015, at 8–9 (July 21, 2025); Marathon Pipe Line LLC, Comment, Docket ID PHMSA-2025-0019-0018, at 1–2 (July 21, 2025).

[18] PST, Comment, Docket ID PHMSA 2025-0019-0016, at 9 (July 21, 2025).

use of RBI procedures with upper limits on the alternative internal inspection intervals; and to make other conforming revisions to part 195.

A. Incorporation by Reference: Update API Std 653 from the 3rd edition to the 5th edition

PHMSA proposes to add API Standard 653, "Tank Inspection, Repair, Alteration, and Reconstruction," 5th edition, November 2014, (including addendum 1 (April 2018), addendum 2 (May 2020), addendum 3 (November 2023), errata 1 (March 2020), errata 2 (February 2025), and addendum 4 (July 2025)), to the list of incorporated-by-reference documents at § 195.3(b)(18). This updated edition would replace existing references to the 3rd edition of API Std 653, as issued in December 2001 with addenda and errata issued through April 2008.[19] After the incorporation, operators would be required to follow the specified requirements in the 5th edition of API Std 653 in complying with the requirements for the repair, alteration, and reconstruction of breakout tanks in §§ 195.205(b) and 195.307(d), and the periodic inspection requirements for atmospheric and low-pressure aboveground storage tanks in § 195.432 (addressed in section III.B below).

As noted in comments submitted by API and LEPA in responding to the *Repair Criteria* ANPRM, the 5th edition of API Std 653 has several revisions from the 3rd edition of API Std 653 to incorporate new or improved technologies and practices for inspection, examination, and repair of breakout tanks. PHMSA has preliminarily determined that these changes enhance safety, improve operational efficiency and flexibility, and improve clarity. Among the most comprehensive changes since the 3rd edition are the incorporation of new requirements in section 9.2.4 for door sheets cut out of the tank to provide temporary access to the interior of the tank. These new

[19] API Standard 653, *Tank Inspection, Repair, Alteration, and Reconstruction* (3rd ed. Dec. 2001). All references to the 3rd edition of API Std 653 in this document include addendum 1 (September 2003), addendum 2 (November 2005), addendum 3 (February 2008), and errata (April 2008).

requirements, which cover the design, temporary stiffening, inspection, and restoration of door plates ensure that the removal, reinstallation, or replacement of the door sheet does not compromise the integrity of the tank. Safety-enhancing changes include prohibiting door sheets from crossing vertical riveted and lap welded seams, special design and inspection requirements for door sheets that cross horizontal seams, and consideration for welds near riveted seams in order to prevent heat-related leakage.

Section 9.10.2.2 was also redrafted, covering requirements for installing new bearing plates supporting the weight of the tank roof when the tank bottom plate is replaced. The requirements are intended to minimize risks from wear and corrosion of the tank bottom from bearing plates. The 5th edition has introduced more specific design and material requirements for bearing plates based on whether the roof is steel or aluminum, which influences both wear and corrosion risk. This provides a higher level of safety for tanks with steel roofs while allowing more flexible design for those with lighter aluminum roofs unless there is evidence that certain designs would introduce corrosion threats. The guidelines for performing settlement analysis in Annex B were also overhauled in the 4th edition to adopt additional modern evaluation methods that PHMSA expects will improve operators' evaluation of settlement and the resulting strains it puts on tanks.

In addition to the more significant revisions affecting repair, alteration, and reconstruction, cumulative edits since the 3rd edition include a number of minor revisions and clarifications that enhance the legibility and enforceability of the standard. These include clarifications regarding as-built standards, adopting a definition for "reconstruction," and revising cross references to other sections or secondary references to be more specific. Similarly, revisions since the 3rd edition regarding the applicability of hydrostatic testing requirements in section 12.3 simplify its structure and provide more clarity regarding when hydrostatic testing for "major repairs or major alterations" is

required. In general, hydrostatic testing continues to be required for tanks that have been reconstructed, undergone major repairs or alterations, experienced certain operational changes, or been damaged.

B. Physical Inspection Requirements and Risk-Based Inspection (§ 195.432)

Section 195.432 references API Std 653 to define periodic inspection requirements for atmospheric and low-pressure steel above-ground breakout tanks. Section 6 of the 3rd edition of API Std 653 requires routine in-service inspections, external inspections, external ultrasonic thickness measurements of the tank shell, exterior cathodic protection surveys of the tank bottom (if applicable), and internal inspections of the tank bottom and shell. These inspections are intended to monitor the physical condition of the storage tank, particularly to measure the extent and rate of corrosion of the tank bottom and shell. The 3rd edition of API Std 653 also establishes a minimum frequency for these inspections, but the standard requires an operator to consider other factors when determining the inspection interval. The requirements for routine in-service inspections, external inspections, ultrasonic thickness inspections, and cathodic protection surveys are unchanged since the 3rd edition and would therefore not be affected by this proposed rule.

Internal inspections of in-service breakout tanks are the most consequential of the required physical inspections because the tank usually must be taken out of service and cleaned, and the interior of the tank must be accessed to perform the inspection. Section 6.4.2.1 of the 3rd edition of API Std 653 requires operators to determine the internal inspection interval when not applying RBI based on comparing measured corrosion growth rates against the minimum required bottom thickness in Table 6-1, but with a maximum internal inspection interval of 20 years, or 10 years when the corrosion growth rates are not known per section 6.4.2.2. While section 6.4.3 of the 3rd edition of API Std 653 provides for an alternative internal inspection interval based on RBI procedures that

allow an operator to extend the internal inspection interval beyond 20 years based on the result of the RBI analysis, § 195.432(b) prohibits the application of the RBI-based alternative inspection interval.

Based on PHMSA's review of improvements to the RBI procedures since the 3rd edition of API Std 653 and risk-assessment information provided in public comments, PHMSA proposes to revise § 195.432 to authorize the use of RBI for determining the internal inspection interval for breakout tanks in accordance with the 5th edition of API Std 653. When establishing an internal inspection interval, PHMSA proposes a maximum timeline of 20 years for performing an initial inspection and a maximum reinspection interval of 25 years.[20] Due to the high cost of performing internal inspections, this change will result in cost savings and increased uptime for breakout tanks. Doubling the time window for performing the initial inspection from the current 10-year limit will be particularly impactful. Additional safeguards are required in this proposal by PHMSA as a condition for the extended inspection interval to ensure appropriate pipeline safety.

While the potential impact of a tank bottom failure can be severe due to the large volume of product involved, the application of a robust RBI is intended to and should minimize the probability of failure.[21] Improvements in the 5th edition of API Std 653, including enhanced inspection and repair requirements, credits for installing tank safeguards, and more rigorous RBI requirements, reduce the probability and potential consequences of a release and improve the accuracy of operators' risk analyses. PHMSA is also proposing limits to the maximum inspection interval to further reduce risk.

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[20] PHMSA requests comment on these time periods and whether any new technologies may justify longer maximum timelines, with accompanying data.

[21] PHMSA is currently investigating an accident involving the estimated release of 9,000 barrels of gasoline through a manmade hole in the bottom of an aboveground storage tank in Aston, Pennsylvania. *See In the Matter of MIPC, LLC, a subsidiary of Monroe Energy, LLC*, CPF No. 1-2025-048-CAO. The preliminary results of PHMSA's investigation do not indicate that the interval for conducting an internal inspection of the tank caused or contributed to the accident.

API made significant improvements to the 5th edition of API Std 653 that address concerns raised by PHMSA during the 2015 rulemaking that prohibited the application of RBI. The requirements for establishing the frequency of internal inspections and RBI requirements in section 6.4 of the 5th edition of API Std 653 have been rewritten. These changes are supplemented by two standalone recommended practices, which PHMSA is not proposing to incorporate by reference but are referenced in the 5th edition of API Std 653. The first, API Recommended Practice 580 *Elements of a Risk-Based Inspection Program*, addresses mandatory elements of RBI procedures generally. The second, API Recommended Practice 581 *Risk-Based Inspection Methodology*, provides additional guidance on performing a semi-quantitative RBI.[22]

Collectively, the changes in the 5th edition of API Std 653 provide a more enforceable and rigorous standard with a clearer nexus between operator-defined performance targets, and inspection and maintenance decision-making. The RBI requirements in section 6.4.2.2.2 of API Std 653 now reference API RP 580 to define required elements of the operator's RBI analysis, and section 6.4.2.2.2.1 and 6.4.2.2.2.2 of the 5th edition of API Std 653 replaces the list of attributes that "should be considered" with 18 likelihood factors and 13 consequence factors that must be evaluated. RBI requirements in section 13 of API RP 580 and guidance in API RP 581 provide more information on how to use the risk evaluation in the RBI analysis to drive inspection and maintenance decision-making. Section 6.4.2.2.2 of the 5th edition of API Std 653 defines requirements for developing, reviewing, and updating an RBI analysis, including a requirement that the analysis be developed by subject matter experts knowledgeable in risk management and design construction and maintenance of storage tanks. Finally, section 6.4.2.2.2 requires an RBI analysis to be validated, ideally by a third party, and

[22] API, Recommended Practice 580, *Elements of a Risk-Based Inspection Program* (4th ed. Aug. 2023, Addendum 1 Mar. 2025) (API RP 580); API, Recommended Practice 581, *Risk-based Inspection Methodology*, (4th ed. Jan. 2023) (API RP 581).

reviewed at least once every 10 years or when changes to processes, equipment, or consequences warrant a review.

In addition to improving RBI procedures, the 5th edition restructures the inspection interval requirements to better distinguish when the initial inspection interval applies and when an operator can use an RBI approach to determine the appropriate subsequent internal inspections interval. For example, in section 6.4.2.1 of the 5th edition of API Std 653, newly installed tank bottoms are subject to a more stringent initial inspection interval. However, when an operator installs a new bottom on an existing tank, they may apply a longer inspection interval only permissible for subsequent inspections provided the operator satisfies all the conditions listed in section 6.4.2.1 (a) through (d). In comparison, section 6.4.2.2 of the 3rd edition broadly applies the initial inspection interval to tanks "when corrosion rates are not known and similar service experience is not available," a standard that is not as well-defined. PHMSA expects that more clearly defining when the more stringent initial inspection interval is and is not fit for purpose will enhance safety, provide regulatory certainty, and result in potential cost savings.

Section 6.4.2.1.1 of the 5th edition of API Std. 653 prescribes a maximum initial inspection interval of 20 years (or 30 years if a release prevention barrier is in place), it does not place a time limitation on subsequent inspection intervals if an operator is using an RBI approach. PHMSA is proposing a different approach.

The 5th edition of API Std 653 provides direction on selecting reliability targets via reference to API RP 580 and API RP 581 but does not define what those targets should be. The 5th edition of API Std 653 and API RP 580 also describe the requirements for performing a rigorous risk assessment, but do not prescribe reliability or total consequence targets that would anchor the selected inspection interval. In the absence of performance targets in the RBI procedures, PHMSA supports a reasonable maximum interval for initial and subsequent internal inspections. PHMSA proposes a maximum

inspection interval of 20 years for the initial inspection and 25 years for subsequent inspections. PHMSA proposes that these are reasonable maximum intervals as they reflect those that had been adopted into API Std 653 and applied by industry. The proposed limits correspond to the maximum initial inspection interval prescribed in the 5th edition of API Std 653 and the maximum interval for subsequent internal inspections for tanks without a release prevention barrier that appeared in section 6.4.2.2 of the 4th edition of API Std 653 prior to 2012.

Preventing a failure is the main objective of the internal inspection program, particularly for the initial inspection that establishes the corrosion rate. A release prevention barrier and leak detection system can mitigate the consequences of a tank leak but do not prevent a tank bottom failure from occurring. Releases into containment can still be consequential, and PHMSA expects operators to prevent product releases from occurring. While the proposal does not allow an operator to extend an inspection interval beyond the maximum interval based on the presence of a release prevention barrier, they may be considered as part of the RBI risk assessment for initial and subsequent inspections, and an operator may credit it as a tank safeguard in accordance with Table 6.1 in the 5th edition of API Std 653. PHMSA seeks comments on whether to set minimum standards for reliability or consequences as part of the RBI procedures within the regulations.

Implementation, inspection, and enforcement of RBI procedures inherently relies more heavily on the engineering judgement of operators and Federal and State inspectors compared with the more prescriptive standards for determining an internal inspection interval based on corrosion rates. In the 1999 final rule that originally adopted API Std 653 and other consensus standards for breakout tanks, PHMSA discussed the role of engineering judgment in compliance and inspection of programs based on consensus standards. PHMSA noted that when a standard, specification, or code calls for the use of

engineering judgment, PHMSA will not object to the use of that judgment but will compare the judgment used by operators to make adequate risk-based decisions against what is reasonable under the circumstances.[23] Consistent with that intent, PHMSA retains the authority to inspect an operator's RBI analysis and tank inspection schedule. If PHMSA finds that an operator's procedures are unreasonable or inconsistent with sound engineering judgment or fails to provide an adequate minimum level of safety, PHMSA will take appropriate enforcement action.

PHMSA does not propose to adopt the PST recommendation to condition the use of RBI on periodic robotic inspection.[24] PHMSA recognizes the value that more frequent, but less invasive, inspections to measure corrosion between out-of-service inspections could provide to risk-based programs for managing breakout tanks. On-stream inspections may be especially valuable for establishing a corrosion growth rate early in the tank's lifecycle, provided the inspection includes an adequately large sample of the tank bottom. PHMSA encourages API to consider developing recommended practices for in-service robotic inspections and integrating data from such inspections in future editions of API Std 653. Meanwhile, PHMSA notes that an operator may use the special permit process under § 190.341 to evaluate the viability of on-stream inspection or other technologies as alternatives to the proposed inspection requirements and limitations, subject to PHMSA oversight.

C. Reporting

PHMSA proposes minor changes to hazardous liquid pipeline operators' annual report form (PHMSA Form F7000-1.1) and NPMS submission requirements to identify breakout tanks and operators that apply RBI. PHMSA will use this information to

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[23] *Pipeline Safety: Adoption of Consensus Standards for Breakout Tanks*, 64 FR 15926, 15929 (Apr. 2, 1999).

[24] PST, Comment, Docket ID PHMSA-2025-0019-0016, at 9.

measure the safety performance of breakout tanks using the alternative inspection interval. PHMSA also requires this information to plan Federal inspections since auditing RBI procedures involves different risks and skillsets than evaluating compliance using the more prescriptive internal inspection interval.

IV. Availability of Standards Incorporated by Reference

Pursuant to 49 U.S.C. § 60102(p), "the Secretary may not issue a regulation pursuant to this chapter that incorporates by reference any documents or portions thereof unless the documents or portions thereof are made available to the public, free of charge."[25] PHMSA has negotiated an agreement with API to make viewable copies of the 5th edition of API Std 653 available to the public at no cost during the proceedings for this rulemaking. The standard can be accessed at: https://publications.api.org/IBR-Documents-Under-Consideration.aspx. In addition, the material can be reasonably obtained by interested parties through the applicable publisher contact information listed in § 195.3 of the amendatory text in this document. Additional information regarding the availability of standards PHMSA incorporates by reference may be found at https://www.phmsa.dot.gov/standards-rulemaking/pipeline/standards-incorporated-reference.

V. Section-by-Section Analysis

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

Section 195.3 lists the documents incorporated by reference into part 195. PHMSA proposes to revise § 195.3(b)(18) to incorporate by reference the 5th edition of API Std 653 with addenda and errata issued through July 2025. This updated edition

[25] Pipeline Safety, Regulatory Certainty, and Job Creation Act of 2011, § 24 (Pub. L. No. 112-90).

would replace existing references to the 3rd edition of API Std 653 with addenda and errata issued through April 2008.

Upon incorporation, the 5th edition of API Std 653 will apply in the following contexts:

- Section 195.205(b): Defining requirements for the repair, alteration, or reconstruction of tanks designed for approximate atmospheric pressure, constructed of carbon and low alloy steel, welded or riveted, and non-refrigerated; and for tanks built to API Std 650 or API Std 12C.
- Section 195.307(d): Determining when repair, alteration, or reconstruction requires hydrostatic testing for steel atmospheric tanks designed for approximate atmospheric pressure, constructed of carbon and low alloy steel, welded or riveted, and non-refrigerated; and for tanks built to API Std 650 or API Std 12C built after October 2, 2000.
- Section 195.432(b): Physical inspection requirements for atmospheric and low-pressure steel above-ground breakout tanks.

The updates to the requirements for scheduling the internal inspection of breakout tanks, including revising § 195.432 to allow RBI, are the most consequential of these changes.

§ 195.49 Annual Report

PHMSA does not propose any amendments to § 195.49 but does propose revising part M of the hazardous liquid pipeline annual report form (PHMSA Form F7000-1.1) to include a count of tanks managed with RBI by volume category.

§ 195.61 National Pipeline Mapping System

PHMSA does not propose any amendments to the NPMS regulations at § 195.61. However, PHMSA proposes to require operators to identify if a breakout tank is managed with RBI when submitting geospatial information about the location of that tank.

§ 195.205 Repair, alteration and reconstruction of aboveground breakout tanks that have been in service.

Section 195.205 references API Std 653 for approved repair, alteration, and reconstruction procedures for breakout tanks built to API Std 650 or its predecessor API Standard 12C. Consistent with PHMSA's proposal to allow RBI, PHMSA proposes an editorial amendment to remove a parenthetical exclusion of RBI procedures. Since this section addresses repair methods rather than internal inspection intervals, reference to procedures for establishing periodic internal inspection intervals is not necessary regardless of the policy adopted in the final rule.

§ 195.432 Inspection of in-service breakout tanks

Section 195.432 requires operators to inspect in-service atmospheric and low-pressure steel above-ground breakout tanks physically in accordance with API Std 653. In addition to updating the edition of API Std 653 that is incorporated by reference in this section to the 5th edition, PHMSA proposes removing the prohibition on using RBI procedures to determine the interval for internal inspections of breakout tanks. PHMSA proposes allowing an operator to determine an internal inspection interval based on an RBI analysis carried out in accordance with the 5th edition of API Std 653, provided the operator retains records necessary to reproduce the analysis, including information for each required likelihood and consequence factor listed in API Std 653. In addition, PHMSA proposes a maximum internal inspection interval of 20 years for the initial inspection and 25 years for subsequent internal inspections.

Since the deadlines for performing a new internal inspection have passed, and RBI would be authorized under the NPRM, PHMSA proposes to remove the regulations in § 195.432(b)(1) and (2).

VI. Regulatory Analyses and Notices

A. Regulatory Planning and Review –Executive Orders 12866 and 14192, DOT Orders 2100.6B and 2100.7, and the Pipeline Safety Laws

As required by Executive Order (E.O.) 12866 (*Regulatory Planning and Review*; 58 FR 51735 (Oct. 4, 1993)) and DOT Order 2100.6B (*Policies and Procedures for Rulemaking*), the Office of Information and Regulatory Affairs (OIRA) within the Executive Office of the President's Office of Management and Budget (OMB) has reviewed this proposed rule and determined that it is an economically significant regulatory action pursuant to E.O. 12866, along with being a "major rule" as defined by the Congressional Review Act (5 U.S.C. § 801 *et seq.*).[26] In addition, this is a deregulatory action under E.O. 14192 (*Unleashing Prosperity Through Deregulation*; 90 FR 9065 (Feb. 6, 2025)) and OMB guidance, including M-25-20.[27]

The Pipeline Safety Laws (49 U.S.C. § 60102(b)) require that PHMSA "prepare a risk assessment that…identifies the costs and benefits associated with a proposed regulatory change." E.O. 12866, as implemented by DOT Order 2100.6B and DOT Order 2100.7, 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."

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[26] This final rule does not 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*; 90 FR 10583 (Feb. 25, 2025)) indicative that a regulation is "unlawful . . . undermine[s] the national interest."

[27] *See* OMB, M-24-20, *Guidance Implementing Section 3 of E.O. 14192* (Mar. 26, 2025), available at: https://www.whitehouse.gov/wp-content/uploads/2025/02/M-25-20-Guidance-Implementing-Section-3-of-Executive-Order-14192-Titled-Unleashing-Prosperity-Through-Deregulation.pdf.

Consistent with 49 U.S.C. § 60102, E.O. 12866, and DOT Orders 2100.6B and 2100.7, PHMSA conducted a preliminary risk assessment of the economic impact of this proposed rule in a preliminary regulatory impact analysis (PRIA) that is available in the docket for this rulemaking. The PRIA details the costs, cost savings, and benefits of this proposed rule. PHMSA has determined the cost savings and benefits of the proposed rule justify any associated costs notwithstanding the uncertainties identified.

PHMSA expects this proposed rule will result in significant cost savings by reducing regulatory burdens and regulatory uncertainty for hazardous liquid pipeline operators by incorporating by reference the 5th edition of API Std 653 and authorizing RBI. At a seven percent discount rate, PHMSA estimates that reducing the frequency of initial and subsequent internal inspections of breakout tanks based on the results of an RBI analysis will save between $29.3 million to $150.1 million annually, or between $24.5 to $125.7 million annually using a three percent discount rate. PHMSA expects these cost savings also will result in reduced costs for the public, to whom hazardous liquid pipeline operators generally transfer a portion of their compliance costs. Those reduced costs to pipeline operators and the public are consistent with E.O. 14192, which establishes a Federal policy of alleviating “unnecessary regulatory burdens” by reducing compliance costs and reducing the risks from non-compliance with burdensome regulations.

In addition to those quantified cost savings, PHMSA expects this proposed rule will have non-quantified benefits to public safety and the environment arising from avoiding the environmental impacts and workplace safety risks associated with unnecessary internal inspections. In addition, PHMSA expects unquantified benefits to pipeline operators and their customers from reducing downtime of tank facilities required to perform internal tank inspections.

B. Energy-Related Executive Orders 13211, 14154, and 14156

The President has declared in E.O. 14156 (*Declaring a National Energy Emergency*; 90 FR 8353 (Jan. 29, 2025)) a national emergency to address the inadequate energy development, production, transportation, refining, and generation capacity of the United States. Similarly, E.O. 14154 (*Unleashing American Energy*; 90 FR 8353 (Jan. 29, 2025)) 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. PHMSA finds this proposed rule is consistent with each of E.O. 14156 and E.O. 14154. The proposed rule will give hazardous liquid pipeline operators the flexibility to establish internal inspection intervals based on a risk analysis. That increased regulatory flexibility will in turn increase the transportation capacity and reliability for petroleum and petroleum products, and improve hazardous liquid pipeline operators' ability to provide abundant, reliable, affordable energy products in response to consumer and industrial demand.

However, while this proposed rule is a significant action under E.O. 12866, it is not a "significant energy action" under E.O. 13211 (*Actions Concerning Regulations That Significantly Affect Energy Supply, Distribution, or Use*; 66 FR 28355 (May 22, 2001)). The proposal will not have a significant adverse effect on supply, distribution, or energy use, as further discussed in the PRIA.

C. Executive Order 13132: Federalism

PHMSA analyzed this proposed rule in accordance with the principles and criteria contained in E.O. 13132 (*Federalism*; 64 FR 43255 (Aug. 10, 1999)) and the Presidential Memorandum (*Preemption*; 74 FR 24693 (May 22, 2009)). While the proposed rule may operate to preempt some State requirements, it would 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 Federal Pipeline Safety Laws prohibits certain State safety regulation of interstate pipelines. Under 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. In that instance, the preemptive effect of the proposed rule would be limited to the minimum level necessary to achieve the objectives of the statutory authority under which the proposed rule is promulgated. Therefore, the consultation and funding requirements of E.O. 13132 do not apply.

D. Regulatory Flexibility Act

The Regulatory Flexibility Act (5 U.S.C. § 603) requires Federal agencies to consider the impact of their rules on small entities, to analyze alternatives that minimize those impacts, and to make their analyses available for public comment. Regulatory flexibility analysis is not required, however, where the agency head certifies that the rule, if promulgated, will not have a significant economic impact on a substantial number of small entities. DOT's implementing guidance—established consistent with E.O. 13272 (*Proper Consideration of Small Entities in Agency Rulemaking*; 67 FR 53461 (Aug. 16, 2002))—is available online at https://www.transportation.gov/regulations/rulemaking-requirements-concerning-small-entities.

PHMSA has considered the anticipated impact that this rule would have and certifies that, if adopted, it will not have a significant economic impact on a significant number of small entities. *See* 5 U.S.C. § 605. The proposal allows the use of RBI procedures to schedule initial and subsequent internal inspections within defined technical and safety limits under API Standard 653, while preserving existing compliance

pathways for operators that elect not to use RBI. The proposed rule's main impacts are cost savings resulting from additional flexibility to extend the interval between internal inspections where a risk assessment demonstrates that a longer interval is justified given safeguards in place. The cost savings and regulatory flexibility from the proposed rule equally will apply to all entities who may elect to use an RBI procedure and do not disproportionately affect small entities. *See* SBA, *How to Comply with the Regulatory Flexibility Act*, table 1 (Aug. 2017), available at: https://advocacy.sba.gov/wp-content/uploads/2019/06/How-to-Comply-with-the-RFA.pdf. The cost savings and regulatory flexibility from this proposed rule should reduce burdens on small entities, as with other operators, and PHMSA does not expect this proposed rule adversely to impact small entities. *See* DOT, *Rulemaking Requirements Concerning Small Entities* (May 18, 2012), available at: https://www.transportation.gov/regulations/rulemaking-requirements-concerning-small-entities. Moreover, use of the RBI approach that would be permitted by this rule remains elective by those small entities who choose it, and the rule does not impact an operator that does not wish to employ these procedures. Accordingly, a regulatory flexibility analysis was not prepared, though PHMSA is requesting comment on the certification.

E. Unfunded Mandates Reform Act of 1995 (UMRA)

UMRA (2 U.S.C. § 1501 *et seq.*) requires agencies to assess the effects of Federal regulatory actions on State, local, and Tribal governments, as well as the private sector. UMRA establishes a statutory threshold requiring additional analysis for mandates on the private sector of $100 million or more in 1996 dollars ($203 million in 2024 dollars) in any given year. As explained further in the PRIA, PHMSA does not expect that the proposed rule will impose unfunded mandates under the UMRA.

F. National Environmental Policy Act

The National Environmental Policy Act (NEPA, 42 U.S.C. § 4321 *et seq.*) requires that Federal agencies assess and consider the impacts of major Federal actions on the human and natural environment. PHMSA has prepared a draft environmental assessment (DEA) considering the reasonably foreseeable environmental impacts of the proposed rule. A copy is available in the docket for this rulemaking. PHMSA invites comments on the environmental impacts of this proposed rule. Following the public comment period, PHMSA will consider substantive comments before making a final determination. All comments received during this period will be addressed and included in the final NEPA document.

G. Executive Order 13175

PHMSA analyzed this proposed rule according to the principles and criteria in E.O. 13175 (*Consultation and Coordination with Indian Tribal Governments*; 65 FR 67249 (Nov. 9, 2000)) and DOT Order 5301.1A (*Department of Transportation Tribal Consultation Policies and Procedures*), which require agencies to assure meaningful and timely input from Tribal government representatives when developing 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 proposed rule and does not expect it will affect Tribal communities or Indian Tribal governments significantly or uniquely, such that the consultation requirements of E.O. 13175 and DOT Order 5301.1A do not apply. The proposed rulemaking's regulatory amendments have a broad, national scope and should not affect Tribal communities significantly or uniquely, much less impose substantial compliance costs on Native American Tribal governments or mandate Tribal action. Further, consultation with stakeholders was made available under E.O. 12866.

H. 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 interested members of the public and affected agencies have an opportunity to comment on information collection and recordkeeping requests. The following provisions of this rulemaking will result in minor changes to report forms and trigger recordkeeping requirements when an operator chooses to use RBI.

First, PHMSA proposes to revise the hazardous liquid pipeline annual report form (PHMSA Form F7000.1-1) to include a count of tanks managed under RBI. Second, PHMSA proposes to require the operator to identify if a breakout tank is managed under RBI when submitting geospatial information on breakout tanks to the National Pipeline Mapping System in accordance with § 195.61. Third, operators who elect to use an RBI would have to make and retain records documenting the risk assessment in accordance with the 5th edition of API Std 653.

PHMSA will submit information collection requests to OMB for approval based on the requirements in this rule. The following information is provided for each information collection request: (1) title of the information collection; (2) OMB control number; (3) current expiration date; (4) type of request; (5) abstract of the information collection activity; (6) description of affected public; (7) estimate of total annual reporting and recordkeeping burden; and (8) frequency of collection. Requests for a copy of these information collection requests should be directed to Angela Hill by e-mail at angela.hill@dot.gov.

The information collection burden is estimated as follows:

1. Title: Hazardous Liquid Pipeline Operator Annual Reports.

OMB Control Number: 2137-0614

Current Expiration Date: 03/31/2026

Type of Request: Revision

Abstract: This mandatory information collection requires the operators to submit data on the preceding year electronically by June 15th of each calendar year. This information is used by PHMSA to identify trends in hazardous liquid pipeline accidents and to identify operators who have poor safety records. PHMSA is revising the hazardous liquid pipeline annual report form (PHMSA Form F7000.1-1) to include a count of breakout tanks managed under RBI.

Affected Public: Owners and operators of hazardous liquid pipelines

Annual Reporting Burden:

Total Annual Responses: 950

Total Annual Burden Hours: 18,050

Frequency of Collection: Annually.

2. Title: National Pipeline Mapping Program

OMB Control Number: 2137-0596

Current Expiration Date: 3/31/2026

Type of Request: Revision

Abstract: The Pipeline Safety Improvement Act of 2002 (Pub. L. No. 107–355), 49 U.S.C. 60132, ‘‘National Pipeline Mapping System,’’ requires, the operator of a pipeline facility (except distribution lines and gathering lines) to provide information to PHMSA. Each operator is required to submit geospatial data appropriate for use in the National Pipeline Mapping System or data in a format that can be converted to geospatial data; the name and address of the person with primary operational control (to be known as its operator); and a means for a member of the public to contact the operator for additional information about the pipeline facilities it operates. This revision will require operators to identify if a

breakout tank is managed under RBI when submitting geospatial information on breakout tanks to the National Pipeline Mapping System in accordance with § 195.61. The new data elements will strengthen the effectiveness of PHMSA's risk rankings and evaluations, which are used as a factor in determining pipeline inspection priority and frequency; allow for more effective assistance to emergency responders by providing them with a more reliable, complete data set of pipelines and facilities; and provide better support to PHMSA's inspectors by supplying more accurate pipeline locations and additional pipeline-related geospatial data that can be linked to tabular data in PHMSA's inspection database.

Affected Public: Owners and operators of gas transmission pipeline systems

Annual Reporting Burden:

Total Annual Responses: 1,346

Total Annual Burden Hours: 162,208

Frequency of Collection: Annual

3. Title: Transportation of Hazardous Liquids by Pipeline: Record keeping and Accident Reporting

OMB Control Number: 2137-0047

Current Expiration Date: 04/30/2026

Type of Request: Revision

Abstract: This mandatory information collection covers the recordkeeping requirements and the collection of accident data from operators of hazardous liquid and carbon dioxide pipelines. Part 195 requires hazardous liquid operators to file an accident report as soon as practicable, but not later than 30 days after discovery of the accident on form "PHMSA F 7000-1" whenever there is a reportable accident. § 195.52 requires operators of hazardous liquid and carbon

dioxide pipeline systems to make immediate telephonic or online notice to the National Response Center (NRC) in the event of a reportable accident. PHMSA proposes to require operators who elect to use an RBI to make and retain records documenting the risk assessment in accordance with the 5th edition of API Std 653. PHMSA estimates that operators of 211 breakout tanks will elect to use RBI procedures, with operators needing approximately 480 hours to develop a plan for each tank. The 5th edition of API Std 653 requires operators to review and approve these plans at least once every 10 years, or when warranted by process, equipment, or consequence changes. PHMSA estimates that three operators per year will spend one hour reviewing RBI plans. Accordingly, PHMSA is revising the recordkeeping burden of this information collection to account for this added burden.

Affected Public: Operators of hazardous liquid and carbon dioxide pipeline facilities

Annual Reporting and Recordkeeping Burden:

Estimated number of responses: 1,860

Estimated annual burden hours: 155,060 hours

Frequency of Collection: On occasion

Comments on these information collections are invited on: (a) the need for the proposed collection of information for the proper performance of the functions of the agency; (b) ways to enhance the quality, utility, and clarity of the information to be collected; (c) ways to minimize the burden of information collection on those who are to respond, including the use of appropriate automated, electronic, mechanical, or other technological collection techniques; and (d) the accuracy of the agency's estimate of the burden of the revised collection of information. Send comments to the Office of Management and Budget, Office of Information and Regulatory Affairs, Attn: Desk

Officer for the Department of Transportation, 725 17th Street N.W., Washington, D.C. 20503. Submitted comments on or before **[INSERT DATE 60 DAYS FROM DATE OF PUBLICATION]**.

I. Executive Order 13609 and International Trade Analysis

E.O. 13609 (*Promoting International Regulatory Cooperation*; 77 FR 26413 (May 4, 2012)) 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. Similarly, the Trade Agreements Act of 1979 (Pub. L. No. 96-39, as amended by 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. The statute also requires consideration of international standards and, where appropriate, that they be the basis for U.S. standards. While PHMSA engages with international standards setting bodies to protect the safety of the American public, PHMSA has determined that the proposed regulatory amendments will not cause unnecessary obstacles to foreign trade.

J. Cybersecurity and Executive Order 14028

E.O. 14028 (*Improving the Nation's Cybersecurity*; 86 FR 26633 (May 17, 2021)) directs 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 proposed rule and expects that its regulatory amendments would not affect materially the cybersecurity risk profile for pipeline facilities or require pipeline operators to generate new security-sensitive records. This rule provides an additional option that pipeline operators may choose to schedule internal inspections for breakout tanks. Ultimately operators can adopt or decline this option. It is highly likely

that operators electing it are already familiar with operation and maintenance plan requirements and have evaluated their cybersecurity risks.

Further, operators are encouraged to consult ongoing efforts by the Transportation Security Administration to strengthen cybersecurity and resiliency in the pipeline sector, and review cybersecurity guidance for pipeline operators issued by the Cybersecurity & Infrastructure Security Agency and the Pipeline Cybersecurity Initiative, which conduct ongoing activities to address cybersecurity risks to U.S. pipeline infrastructure. This guidance is available at www.cisa.gov/uscert/ncas/alerts.

List of Subjects in 49 CFR part 195

Energy, Incorporation by reference, Petroleum, Pipeline Safety.

In consideration of the foregoing, PHMSA proposes to amend 49 CFR part 195 as follows:

PART 195—TRANSPORTATION OF HAZARDOUS LIQUIDS BY PIPELINE

1. 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.

2. In § 195.3 republish the introductory text of paragraph (b) and revise paragraph (b)(18) to read as follows:

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

* * * * *

(b) American Petroleum Institute (API), 200 Massachusetts Avenue N.W., Suite 1100, Washington, D.C. 20001-5571; phone: 202-682-8000; website: www.api.org/.

* * * * *

(18) API Standard 653, Tank Inspection, Repair, Alteration, and Reconstruction, 5th edition, November 2014, (including addendum 1 (April 2018), addendum 2 (May

2020), addendum 3 (November 2023), errata 1 (March 2020), errata 2 (February 2025), and addendum 4 (July 2025), (API Std 653); IBR approved for §§ 195.205(b), 195.307(d), and 195.432(b).

* * * * *

§ 195.205 [AMENDED].

3. Amend §195.205(b)(1) by removing the phrase "(except section 6.4.3)".

4. Revise § 195.432(b) to read as follows:

§ 195.432 Inspection of in-service breakout tanks.

* * * * *

(b) Each operator must inspect the physical integrity of in-service atmospheric and low-pressure steel above-ground breakout tanks according to API Std 653 (incorporated by reference, *see* § 195.3). In order to use Risk Based Inspection (RBI) procedures in API Std 653, the operator must make and retain records for all of the likelihood and consequence factors listed in section 6.4.2.2.2.1 and 6.4.2.2.2.2 of API Std 653 and other data used in the RBI assessment. The internal inspection intervals established under 6.4.2 of API Std 653 may not exceed 20 years for the initial inspection and 25 years for subsequent internal inspections. If structural conditions prevent access to the tank bottom, its integrity may be assessed according to a plan included in the operations and maintenance manual under § 195.402(c)(3).

* * * * *

Issued in Washington, D.C. on May 29, 2026 under authority delegated in 49 CFR 1.97.

Linda Daugherty,
Acting Associate Administrator for Pipeline Safety.

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