

# Farm Taps Update

7/15/20

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# Overview

- Background
- Farm tap-related efforts
  - Exercise of enforcement discretion
  - Proposed farm tap FAQs
  - Gas Regulatory Reform Rule
- Questions



# What is a Farm Tap?

- A pipeline used to deliver gas to a customer along a transmission, gathering, or production pipeline.
- Typically, but not always located in rural areas (Class 1)
- Commonly included as a condition of ROW agreements with landowners
- “Free Gas”



# Unique considerations

- Source pressure can be much higher than typical distribution system.
- The source line may not be regulated.
- The source line is typically not odorized.
- Often operated by firms other than distribution companies.
- Significant portions of the farm tap may be owned and maintained by the customer

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BEFORE  
DRIVING  
HANDLE  
THE LINE  
1-800-22  
HANDLE  
THE LINE

TEMP COMP  
CU. FT. @ 60°F

0855014

# Background

- Farm tap is not a regulatory classification in 49 CFR
- PHMSA's long-standing determination is that a "farm tap" often meets the definition of a gas distribution service line.
- Operators of service lines must meet the requirements applicable to distribution service lines.



# Background

- The OQ rule (March 23, 2019; 84 FR 11253) excepted farm taps from DIMP and instead required periodic inspection of farm tap regulators in § 192.740
- Intended to avoid applying DIMP to transmission and gathering line operators and mitigate over-pressure risk
- Distribution operators with farm tap assets suggested PHMSA allow a choice of either DIMP or § 192.740
- Gathering and production operators objected to application of part 192 to farm taps

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# Recent and ongoing actions

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U.S. Department of Transportation  
Pipeline and Hazardous Materials  
Safety Administration

To Protect People and the Environment From the Risks of  
Hazardous Materials Transportation





# Exercise of Enforcement Direction

- Announcement of Enforcement Discretion Regarding Farm Taps published 3/26/2019 ([84 FR 11253](#)).
- PHMSA will not take enforcement action related to § 192740 provided operators include farm taps in their DIMP and should continuously monitor farm taps for heightened levels of risk.
- PHMSA issued an NPRM proposing to codify this policy on June 9, 2020.

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# Proposed Farm Taps FAQs

- Notice seeking comment on draft farm taps FAQs published in the Federal Register 4/20/20 ([80 FR 21820](#))
- Docket [PHMSA-2019-0131](#)
- 20 proposed FAQs related to the requirements for farm taps
- Comment period closed 6/19/20
- 13 unique comments as of 6/26/20
- Final action: Post final FAQs on the Agency web page and publish an FR notice.

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# Proposed Farm Tap FAQ Topics

- Exercise of Enforcement Discretion.
- Where the distribution line in a farm tap starts and stops.
- Applicable requirements for farm taps.
- Specific guidance for:
  - Annual and incident reporting
  - Operations and maintenance
  - § 192.740 testing procedures
  - Excess flow valve placement
  - Customer-owned service line notification



# Gas Pipeline Regulatory Reform NPRM (2137-AF36)

- NPRM with various regulatory reform provisions for gas pipelines.
- Published June 9, 2020 ([85 FR 35240](#))
- Comments close August 10, 2020
- Docket [PHMSA-2018-0046](#)
- Farm tap proposals
  - Farm taps connected to transmission and regulated gathering may comply with either DIMP or § 192.740
  - Farm taps connected to unregulated gathering and production lines excepted from both requirements



# Questions?

