

**Office of Field Operations
Cargo Security and Control
July, 2015**

COAC Pipeline Working Group

Action Required: Information Only

Issue: Development of regulations, policy, uniformity and automation for petroleum and natural gas pipeline operations

Executive Summary:

The movement of petroleum and natural gas products through pipelines presents unique challenges to CBP. Lack of specific regulations in 19 CFR, unique infrastructure for measuring and monitoring and limited automation to date has resulted in an inconsistent, location by location approach to the industry by CBP. Additionally, each pipeline operator uses company specific documentation for importations, movement of shipments and accounting procedures.

Background:

- CBP has collaborated with industry stakeholders at the national level for several years to address industry's concerns over a lack of consistency in reporting requirements for pipeline crude oil and natural gas pipeline importations, movements, and processing procedures.
- An internal working group was established made up of various CBP components to identify a framework for the development of regulations, national policy and automation to address pipeline uniformity issues for pipeline shipments.
- The framework was established based on CBP business practices and regulations for other modes of transportation to facilitate training, processes and automation development.
- The internal working group has submitted the framework to OFO management for review and approval.

Moving Forward:

- An action plan with timelines will be developed to ensure proper project management;
- With the establishment of the CBP framework for regulation and procedures, an industry group can be engaged to identify a path forward for development of regulation, standard operating procedures and automation requirements.
- Results of the COAC Pipeline Working Group will ensure establishment of procedures consistent with other modes of transport, provide an audit trail for pipeline movements, and ensure that the proper amount of duties and taxes are accounted for.