

Resolution on Pipeline Safety Collaborative

WHEREAS, the National Association of Regulatory Utility Commissioners (NARUC) and its members have long focused on pipeline safety, led by the Committee on Gas (established in 1964), the Staff Subcommittee on Pipeline Safety (established in 1982), the Task Force on Pipeline Safety (established in 2011), and the Subcommittee on Pipeline Safety (established in 2013); *and*

WHEREAS, NARUC and the Committee on Gas maintain and encourage a strong relationship with the U.S. Department of Transportation's Pipeline and Hazardous Materials Safety Administration (PHMSA), which is essential to ensure that State and federal safety regulators work closely on pipeline safety; *and*

WHEREAS, NARUC and the Committee on Gas also maintain and value a close working relationship with the National Association of Pipeline Safety Representatives (NAPSR), a national organization representing the State pipeline inspection workforce throughout the country; *and*

WHEREAS, More than two million miles of natural gas distribution pipelines crisscross the United States, connecting homes and businesses with one of America's most important energy resources; in fact, State utility commissions and State inspectors have direct safety authority over 2.1 million of the approximately 2.5 million miles of pipelines in the United States; these pipelines are the safest, most reliable, and cost-effective way to transport this essential fuel across the country and are primarily regulated by State utility commissions; *and*

WHEREAS, More than one hundred thousand natural gas transmission pipelines, representing approximately thirty-five percent of the transmission pipelines in the United States, are regulated by State Utility Commissions; these pipelines are an integral component of the gas supply infrastructure that supplies distribution systems, power production facilities, and other energy consumers; *and*

WHEREAS, NARUC's mission is to serve the public interest by improving the quality and effectiveness of public utility regulation; NARUC members regulate the retail rates and services of electric, gas, water, and telephone utilities; NARUC members are obligated under the laws of our respective States to assure the establishment and maintenance of such utility services as may be required by the public convenience and necessity and to ensure that such services are provided under rates and subject to terms and conditions of service that are just, reasonable, and non-discriminatory; *and*

WHEREAS, NARUC, the Committee on Gas, and NAPSR have historically supported a collaborative working relationship with PHMSA, focused on the appropriate enhancements necessary to ensure the integrity and reliability of the natural gas system; *and*

WHEREAS, A notable example of the collaborative working relationship includes NARUC and NAPSR members' active service on three PHMSA advisory committees mandated by law; Section 60115 of Title 49 of the United States Code, requires the establishment and prescribes the duties of two of these PHMSA advisory committees; formally named the Technical Pipeline Safety Standards Committee (TPSSC), commonly known as the Gas Pipeline Advisory Committee, and

the Technical Hazardous Liquid Pipeline Safety Standards Committee (THLPSSC), commonly known as the Liquid Pipeline Advisory Committee (LPAC); (collectively, the Pipeline Advisory Committees); the third PHMSA advisory committee is the Voluntary Information-Sharing System (VIS) Working Group established in accordance with Section 10 of the Protecting our Infrastructure of Pipelines and Enhancing Safety (PIPES) Act of 2016 (Public Law 114-183), the Federal Advisory Committee Act (FACA) of 1972 (5 U.S.C., App. 2, as amended), and 41 CFR 102-3.50(a); *and*

WHEREAS, NARUC's General Counsel filed comments in 2016 related to the Notice of Proposed Rulemaking, PHMSA-2011-0023, *Pipeline Safety: Safety of Gas Transmission and Gathering Pipelines*; among other things, NARUC comments detailed that for the nation's State economic utility regulators, ensuring safe, reliable, and affordable utility service *are* our highest priorities, and that any final rule should provide an appropriate degree of flexibility for State implementation efforts and provide a clear understanding of the costs; *and*

WHEREAS, Other examples of NARUC and NAPSRS activities on pipeline safety include NARUC members testifying on behalf of NARUC before the U.S. House of Representatives on pipeline safety, including most recently on the Protecting Our Infrastructure of Pipelines and Enhancing Safety (PIPES) Act of 2016 (Public Law 114-183); NARUC's Committee on Gas routinely dedicating panels and resolutions during meetings related to PHMSA, pipeline safety, and the importance of engagement with PHMSA; NAPSRS co-sponsoring a Pipeline Integrity Verification Process Workshop in August 2013 with PHMSA (Integrity Verification is a critical element for the safety of gas transmission lines); and NAPSRS, is also releasing an exhaustive compendium of State pipeline safety programs that exceed the minimum federal standards States must meet to receive funding from PHMSA; *and*

WHEREAS, There is a recognition that, with federal mandates affecting State pipeline safety programs, there is an increasing need for resources to maintain State pipeline safety programs and ensure access to timely and appropriate pipeline safety training; moreover, ensuring adequate and appropriate funding for States through the Federal Pipeline Safety Program is vital for State inspection activities that ensure the safety of existing pipeline facilities and new pipeline infrastructure and construction projects; these funds form the foundation of the federal-State partnership that makes it possible to carry out the necessary inspection and enforcement work in connection with pipeline systems owned or operated by gas distribution, transmission, and hazardous liquid companies in the U.S.; *and*

WHEREAS, The aforementioned activities, among other things, showcase that since the first Pipeline Safety Act was signed into law in 1968, NARUC, the Committee on Gas and its Subcommittee on Pipeline Safety, along with NAPSRS, have been active in working with PHMSA to carry out the nation's pipeline safety program; in fact, State pipeline safety personnel represent the bulk of the State/Federal inspection workforce and State inspectors are the "first line of defense" at the community level to promote pipeline safety, underground utility damage prevention, and public education and awareness regarding pipelines; *and*

WHEREAS, NARUC has consistently encouraged its members to reach out and engage all stakeholders including PHMSA, NAPSRS, industry, State and local officials, and the general public

in thoughtful, carefully examined processes about pipeline safety and integrity management programs; *and*

WHEREAS, Many States and distribution utilities are currently undergoing a myriad of innovative pipeline replacement programs to replace aging pipe for both distribution and transmission pipelines, which can present a multitude of implementation challenges and impacts on the public; *and*

WHEREAS, A number of pipeline safety rulemaking initiatives and implementation matters, including those that are a direct result of the PIPES Act of 2016, are currently before PHMSA; *and*

WHEREAS, Ensuring pipeline safety is about more than just pressure testing, replacement and cost recovery; it is also about effective communication, enforcement, risk sharing, adequate resources (including funding and training), recognition of the need for flexibility based upon considerations that each State is different and the needs and financial circumstances of each utility system are unique, and establishing a long-range strategic plan that ensures a safe and reliable gas pipeline system; *and now, therefore be it*

RESOLVED, That the Board of Directors of the National Association of Regulatory Utility Commissioners, convened at its 2017 Winter Committee Meetings in Washington, D.C., strongly encourages continued collaborative efforts among all stakeholders, but specifically seeks to ensure continued engagement through a formal deliberative pipeline safety collaborative between NARUC, NAPS R and PHMSA; *and be it further*

RESOLVED, That such formal deliberative process is desired so that NARUC members will be able to have a more proactive, detailed, and collaborative engagement with PHMSA and NAPS R; *and be it further*

RESOLVED, That NARUC supports PHMSA's collaborative endeavors that respect the role of States to accomplish our shared responsibilities as pipeline safety stewards; *and be it further*

RESOLVED, That PHMSA's ongoing rulemaking initiatives and other safety issues and concerns, would benefit from discussion and exchange of views with NARUC and NAPS R; *and be it further*

RESOLVED, That it is in the interests of the customers of the natural gas industry and the residents of the communities in which natural gas lines exist, as well as the general public, that a formal collaborative be established with PHMSA, NARUC, and NAPS R members and Staff; *and it be further*

RESOLVED, That such formal collaborative pertaining to pipeline safety issues and concerns under the auspices of NARUC and consisting of representatives from NARUC's Executive Committee, Committee on Gas, Subcommittee on Pipeline Safety and their respective Staff Committees, NAPS R and PHMSA Administrator, and his/her designee(s) shall be established.

Sponsored by the Committee on Gas
Adopted by the NARUC Board of Directors on February 15, 2017