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Comments of Pipeline Safety Coalition
Regarding the Gas and Hazardous Liquids Pipelines Act

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On January 28, 2011, Pipeline Safety Coalition became a Pennsylvania based non profit whose mission statement is: "To gather and serve as a clearinghouse for factual, unbiased information; to increase public awareness and participation through education; to build partnerships with residents, safety advocates, government and industry; and to improve public, personal and environmental safety in pipeline issues."

Pipeline Safety Coalition's (PSC) Executive Director and Board of Directors have individually participated in pipeline safety issues and education across the nation for nearly a decade and have brought their collective expertise to this nonprofit. PSC recognizes the need for full stakeholder inclusion in crafting pipeline safety regulations, statewide and nationally, and respectfully submits the following comments.

PSC is encouraged by the signing of the Gas and Hazardous Liquids Pipelines Act (Pipeline Act), Act 127 of 2011, in its provision of authority to the Pennsylvania Public Utility Commission (Commission) to enforce Federal pipeline safety laws as they relate to non-public utility gas and hazardous liquids pipeline equipment and facilities within the Commonwealth of Pennsylvania.

PSC applauds designation of authorization to the Commission to create a comprehensive registry, or database, of all jurisdictional pipeline operators, the location of pipelines by class location and approximate aggregate miles of pipeline, and for this to be updated annually. It is unconscionable that nationally, and statewide, a database of aggregate miles of HCA pipes in Class 1,2,3,4 are currently unknown. Nor that the number of miles of Class 1 or 2 in the 19,004 miles of pipe that are identified nationally as being within an HCA is unknown. Funding of the creation of this registry through an annual assessment on pipeline operators should not only be considered a cost of doing business in Pennsylvania by Industry, but also a long overdue cost of integrity management protocol.

In the promulgation of enforcement regulations consistent with the Federal pipeline safety laws, PSC urges the Commission to actively participate and engage all stakeholders in US DOT PHMSA's ongoing rule making process as presented for recent comment in 49 CFR Part 192: Docket No. PHMSA-2011-0023] RIN 2137-AE72 in which PHMSA considers changes in regulations governing the safety of gas transmission pipelines. Areas of consideration most applicable include revision, strengthening and

expansion, particularly in integrity management (IM) requirements. A Marcellus Shale spurred expansion of Pennsylvania's infrastructure is occurring concurrent to an aging existing infrastructure; aging perhaps beyond life expectancy. The Commonwealth, and the Commission will be doubly impacted by this confluence and must be proactive in the PHMSA rule making process as relates specifically to Pennsylvania.

PSC respectfully observes the need to address changes to regulations governing the safety of gas transmission infrastructure as a whole to keep pace with the growth of technology, exploration and an aging infrastructure and in order to ensure personal, public and environmental safety. New technologies have produced new challenges. Regulatory change necessary to keep pace with changes in technology and to ensure safety must reflect the most current science and best management practices known to improve safety. Implicit are integrity management requirements, prescriptive language, and issues related to system integrity by strengthening and expanding non-IM requirements.

Pennsylvania is known nationally for its diversity of ecology. The seasonal changes in the mountainous regions of the soft spot of Marcellus Shale development also provide ecotourism income to Pennsylvania in skiing, hiking, fishing and hunting. The steep slopes, watersheds and farmlands of our near tropical rainforest springs and summers span to near arctic winters. Pennsylvanians and tourists pride this diversity of geography and climate, however this diversity is simply unfamiliar to an Industry accustomed to Texas and Wyoming exploration. Pennsylvania must mandate regulations that carry forth stewardship of the State's natural resources while supporting pipeline infrastructure safety.

According to the state Department of Environmental Protection, 1,386 deep gas wells operated in Pennsylvania in 2010, with permits issued for an additional 3,314. The year 2012 will product additional drilling permits. In view of an aging existing infrastructure, the new infrastructure development needed for existing wells and pending permits, Pipeline Safety Coalition supports:

The inclusion of Class One gathering lines under the Commission's authority:

1) Exclusion of Class One gathering lines is contrary to the stated intent of creating a comprehensive registry.

- 2) Rural demographics should not diminish safety considerations.
- 3) Pennsylvania should remove itself from the ill begotten partnership with Alaska as the only two states in the nation that do not regulate Class One gathering lines.
- 4) Exclusion of Class One gathering lines does not provide for safety in the advent of sprawl consistent with development of resources
- 5) Pennsylvania economy is supported by tourism in Class One areas. To delete authority by the Commission of these areas threatens lives. Imagine a camper pitching a tent without knowledge of a Class One gathering line in the Allegheny Forest and then starting a camp fire.
- 6) Class One gathering lines are located in outreaches of Pennsylvania's most environmentally sensitive areas, including Pennsylvania's extensive watersheds. The means by which a gathering line crosses these environmentally sensitive areas is now determined and controlled by the Industry, potentially endangering our natural resources.

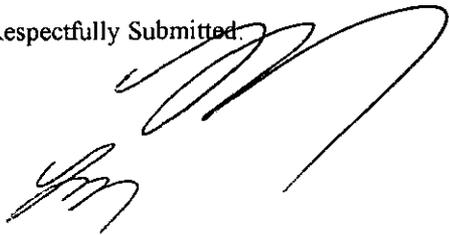
The creation of consistent regulatory authority

- 1) Regulation for the safety of natural gas pipelines that encompasses the entire transmission system, including gathering lines, with standard location data, current, comprehensive maps.
- 2) Standardized, comprehensive inspection of all natural gas pipelines, regardless of Class.
- 3) Site restoration regulations that require best management practices determined by inclusion of stakeholders at all levels and overseen by the State Conservation Districts.
- 4) Regulatory authority that provides maximum protection of public safety, health and the environment in all aspects of Marcellus Shale natural gas production, from drill pad to distribution, driven and created by *inclusive participation of representation of stakeholders*.
- 5) Consistent enforcement of regulations, fines and/or penalties for all natural gas operations, without exception, in order to promote best management practices that enhance safety.

- 6) Regulatory authority that ensures siting of natural gas pipelines by inclusive federal, state, regional, and local entities with regional considerations rather than a "one size fits all" process. In doing so, promote the development of a regional interstate compact for siting interstate pipelines.
- 7) Public, private and environmental safety mandated as the primary focus of siting rather than Industry cost analysis. A price tag cannot be put on the safety of the citizens and environment of the Commonwealth.
- 8) Consideration of ordinances/zoning regulations, where and when possible, for natural gas pipelines at the local level sited and designed to protect the public, prevent environmental degradation, and reflect community or county-wide land-use planning.

Act 127 of 2011 is an important first step as we move forward in improving pipeline safety for the Commonwealth. PSC recognizes there is still work to be done to promote the maximum protection of public health and the environment in the transmission of natural gas and welcomes the opportunity to participate in the process.

Respectfully Submitted,



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