



July 7, 2016

Mr. Alan Mayberry
Acting Associate Administrator for Pipeline Safety
Pipeline and Hazardous Materials Safety Administration
U.S. Department of Transportation
1200 New Jersey Avenue, S.E.
Washington, DC 20590

RE: Docket No. PHMSA-2011-0023; NOTICE OF PROPOSED RULEMAKING ON
NATURAL GAS TRANSMISSION PIPELINE SAFETY

Dear Mr. Mayberry:

The Northeast Gas Association (NGA) appreciates the opportunity to share its comments regarding the Notice of Proposed Rulemaking (NPRM), Pipeline Safety Docket No. PHMSA-2011-0023, Safety of Gas Transmission and Gathering Pipelines, issued by the Pipeline and Hazardous Materials Safety Administration (PHMSA) of the U.S. Department of Transportation. This letter and attachment, submitted on behalf of NGA's member distribution companies, addresses the proposals associated with this docket and the NPRM.

NGA is a regional trade association that focuses on education and training, technology research and development, operations, planning, and increasing public awareness of natural gas in the Northeast U.S. NGA represents natural gas distribution companies, transmission companies, liquefied natural gas importers and associate member companies. Its member companies provide natural gas service to 12.5 million customers in 9 states (CT, ME, MA, NH, NJ, NY, PA, RI, VT).

PHMSA note, "Among a number of topics in the rulemaking proposal, PHMSA is proposing to update integrity management (IM) requirements and to address issues related to non-IM requirements for natural gas transmission and gathering pipelines."

Of particular concern to NGA is how this NPRM may impact the relationship and ability of transmission pipelines to supply environmentally and energy beneficial natural gas to end-users through Local Distribution Company (LDC) pipeline systems. These end-users span from single family homeowners, subsidized housing, and small businesses to health care and educational facilities to larger end-users, such as power generation and various manufacturing operations.

NGA recognizes that among the primary drivers behind this current proposed rulemaking are the lessons-learned from the few, but significant, accidents and incidents investigated in the last decade by both PHMSA and the National Transportation Safety Bureau (NTSB). We would recommend that PHMSA publish advisory or informational notices that identify discovered issues from such events, along with any potential recommendations for prevention and best practices, as a way to minimize the need for future rulemaking.

We also note that PHMSA's State Partners, who are utility regulators with oversight in the regions that NGA serves, have promulgated some of the most stringent requirements found anywhere in this country to address various aspects of pipeline safety. They also conduct a plethora of both compliance inspections and, where necessary, enforcement actions. We note this not only to underscore the contributions of state regulatory agencies in maintaining and enhancing pipeline safety, but to highlight that the NPRM could impact this effort by inadvertently creating conflicting, unachievable, counterproductive, or economically adverse regulations.

The regions served by NGA depend on interstate and intrastate transmission pipeline deliveries of natural gas, as well as imported liquefied natural gas for supplemental fuel supply during peak-demand periods. These transmission lines serve as critical arteries to the various distribution systems. They are typically designed to operate at less than 30 percent of SYMS, with most bordering on operating at less than 20 percent of SYMS. Consequently, LDCs continually strive to keep all these systems safe and reliable for the public good. At the same time, LDCs must endeavor to balance this safety effort against potential cost impacts for consumers. We ask that PHMSA remain cognizant of this needed balance in their commendable efforts for enhancing pipeline safety and protecting the environment.

As NGA reviews and comments on the NPRM, we are concerned by the impacts that might likely result on distribution pipeline systems. There is no definitive statement within the context of the Part 192 regulation that alleviates in any way LDCs who could be operators of both a small mileage of transmission pipelines and a greater mileage of distribution pipelines. Without this consideration, LDCs could well be forced to shift their limited resources from addressing items such as leak-prone pipelines in a distribution system to focus on meeting compliance requirement specified in the NPRM.

With regards to retroactivity, PHMSA should maintain the Congressional mandate to not apply "design, installation, construction, initial inspection, or initial testing" to existing pipelines. This retroactivity should not apply to recordkeeping requirements given the fact that there have been changes or modifications in subsequent Part 192 editions. Instead, both the Congressional mandate and recordkeeping should be applicable to lines installed after the effective date of the final rule.

Finally, NGA recommends that the effective date of the final rule should be established as 3 years after the final rule is published. This recommendation is based on: PHMSA developing and providing 5 regional, 2-day, workshops with guidance materials; operators given opportunity to study, understand, analyze, and incorporate the final rule into their pipeline safety program; and, potentially, allowing Operators the opportunity to submit to PHMSA alternative approaches for achieving compliance.

Once again, NGA appreciates the opportunity to present comments and recommend guidance material that will promote both consistency and compliance with these proposed regulations. Our more detailed comments are found in the attached document. Representing pipeline safety stakeholders with extensive field experience resources, NGA looks forward to participating and contributing whenever possible and appropriate towards the Commission's regulatory endeavors.

Respectively submitted,

A handwritten signature in black ink that reads "Thomas M. Kiley". The signature is written in a cursive style with a large, sweeping initial 'T' and a long, horizontal flourish extending to the right.

Thomas M. Kiley
President & CEO
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