Presentation to the Michigan Petroleum Task Force

Carl Weimer, Executive Director
Pipeline Safety Trust.
The Pipeline Safety Trust
Who we are and where we came from?

We are the only national non-profit organization that focuses on pipeline safety issues from a public interest view.
How we came into being

“... there’s going to be a Trust that’s going to be funded as part of today’s sentencing. With $4,000,000 ... they’ve nowhere near the lobbying potential of the oil industry. It’s not even David and Goliath. It’s more like Bambi and Godzilla. You’ve heard people today that are going to spend their lives trying to make this right, and they should be listened to. No industry polices itself very well... you need outside people, and these are going to be the people so pay attention to them.”

The Honorable Barbara Rothstein
United States District Judge
At Olympic Pipe Line Co Sentencing
What we do?

• Changed federal pipeline safety regulations
• Provide increased access to pipeline safety information – website, conference, listservs
• Provide a “public interest” voice to pipeline safety processes and at a variety of meetings
• Serve as the public voice to the media looking into pipeline safety incidents and rules
• Partner with groups trying to move pipeline safety forward.
• Provide technical assistance to impacted communities
Our Core Belief - The Connected Path to Greater Pipeline Safety

Regulators

Pipeline Operators

The Public & Local Government
Pipeline Safety Indicators

Nationwide Hazardous Liquid Pipeline Significant Incidents

Michigan Significant Hazardous Liquid Pipeline Incidents
Pipeline Safety Indicators

Cause Breakdown - Nationwide Hazardous Liquid Significant Incidents - 2010 - 2014

- ALL OTHER CAUSES: 6%
- CORROSION: 3%
- EXCAVATION DAMAGE: 6%
- INCORRECT OPERATION: 25%
- MATERIAL/WELD/EQUIP FAILURE: 8%
- NATURAL FORCE DAMAGE: 11%
- OTHER OUTSIDE FORCE DAMAGE: 41%

689 Incidents

Cause Breakdown - Hazardous Liquid Significant Incidents - 2010-2014

- INCORRECT OPERATION: 25%
- MATERIAL/WELD/EQUIP FAILURE: 75%

12 incidents
Things the state could do to increase pipeline safety

- Seek certification from PHMSA to allow Michigan to regulate, inspect and enforce the rules related to intrastate Hazardous Liquid Pipelines

- Seek an agreement with PHMSA to allow Michigan to inspect interstate Hazardous Liquid Pipelines

- Pay for such added authority with a fee on pipeline operators, like other states do, so taxpayers do not have to carry this burden.
3280.2 miles of Hazardous Liquid Pipelines in Michigan

Hazardous Liquid Pipelines in Michigan 2013

<table>
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<th>Commodity</th>
<th>Calendar Year</th>
<th>Interstate Miles</th>
<th>Intrastate Miles</th>
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Will the Federal Regulators Protect Us?

""There is nowhere today the sense that the Office of Pipeline Safety (OPS) is in charge.... or that its regulations, its inspections, its assets, its staffing, and its spirit, are adequate to the task."

James Hall, Chairman
National Transportation Safety Board
Before the Association of Oil Pipe Lines - 12/1/99
Will the Federal Regulators Protect Us?

“We ultimately determined the cause of the accident was a flawed pipe, flawed operation and flawed oversight.

It is important to have a strong safety system, and it is not up to just the operator of the pipeline to ensure that, it is also up to the regulator. You cannot place blind trust in an operator that doesn’t deserve that trust. You have got to trust but verify.”
# INCIDENTS per 1,000 MILES OF HL PIPELINE BY DECADE OF PIPE INSTALLED – PHMSA Data

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<th>Decade</th>
<th>1920s</th>
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Things the state could do to increase pipeline safety

Pass better rules regarding the approval and siting of hazardous liquid pipelines and intrastate natural gas pipelines that include:

- whether there is a need for a proposed pipeline,
- whether there is a benefit for the people of Michigan, and
- specific criteria for route selection and landowner protections
Things the state could do to increase pipeline safety

Use existing state authority and encourage local governments to use their authorities where appropriate to strengthen pipeline safety.

• State authority in agreements such as those under the Great Lakes Submerged Lands Act.

• Local government authority under planning and zoning laws such as those endorsed by PHMSA and the industry under the Pipelines and Informed Planning Alliance

http://primis.phmsa.dot.gov/comm/pipa/LandUsePlanning.htm
Major Concerns

Most pipelines were put in rural areas
But now growth is encroaching on many pipelines
Different types of development near pipelines
Things the state could do to increase pipeline safety

Take on authority for review of Spill Response Plans to allow greater public transparency and involvement, and increased readiness and oversight.

8 States Already Do This
Major Concerns

NTSB Findings for causes to Marshall Michigan spill made clear:

“The inadequacy of Enbridge's facility response plan to ensure adequate training of the first responders and sufficient emergency response resources allocated to respond to a worst-case release.”

“PHMSA's inadequate review and approval of Enbridge's facility response plan”

“Inadequate regulatory requirements for facility response plans under 49 CFR 194.115, which do not mandate the amount of resources or recovery capacity required for a worst-case discharge”
Things the state could do to increase pipeline safety

Greater transparency, public involvement and advocacy to increase pipeline safety.

- Upgrade state websites to include easy to find information so citizens, local government, and legislators can see for themselves what is occurring.

- Form a multi-stakeholder Governor appointed pipeline safety committee

“In 2000, the governor and the Washington State Legislature established, in state law, the Citizens Committee on Pipeline Safety. “
### Public Transparency of State Pipeline Safety Agencies & PHMSA - website review

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<tr>
<th>State</th>
<th>Finding agency web site</th>
<th>Contacts for agency staff</th>
<th>Access to statutes, regulations</th>
<th>Describe what state regulates</th>
<th>Transmittion pipeline maps</th>
<th>Pipeline company contact info</th>
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<th>Enforcement data</th>
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Washtenaw County Pipelines

Major Concern – Where are the regulations?

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<tr>
<th>PHMSA Rulemaking</th>
<th>Stage</th>
<th>Projected Publication Date</th>
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<tbody>
<tr>
<td>Excess Flow Valves</td>
<td>NPRM</td>
<td>January 20, 2015</td>
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<td>Safety of On-shore Liquid Hazardous Pipelines</td>
<td>NPRM</td>
<td>February 3, 2015</td>
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<td>Enforcement of State Excavation Damage Laws</td>
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On-shore Hazardous Liquid Pipelines

**Stage:** NPRM

**Previous Stage:** ANPRM: Publication Date 10/18/2010; End of Comment Period 01/18/2011; Extension of Comment Period 01/04/2011; End of Extended Comment Period 02/18/2011.

**Abstract:** This rulemaking would address effective procedures that hazardous liquid operators can use to improve the protection of High Consequence Areas (HCA) and other vulnerable areas along their hazardous liquid onshore pipelines. PHMSA is considering whether changes are needed to the regulations covering hazardous liquid onshore pipelines, whether other areas should be included as HCAs for integrity management (IM) protections, what the repair timeframes should be for areas outside the HCAs that are assessed as part of the IM program, whether leak detection standards are necessary, valve spacing requirements are needed on new construction or existing pipelines, and PHMSA should extend regulation to certain pipelines currently exempt from regulation. The agency would also address the public safety and environmental aspects any new requirements, as well as the cost implications and regulatory burden.

**Legal Deadline:** None

**Rulemaking Project Initiated:** 08/13/2010

**Docket Number:** PHMSA-2010-0229

**Projected Publication:** February 3, 2015
Opportunity – Because of the large spill into the Kalamazoo River there will soon be millions of dollars of fines under the Clean Water Act. Most of this money will go into the U.S. Treasury not to be used for anything related to pipeline safety. We should seize this opportunity and direct some of this money back to the communities to further pipeline safety by providing a legitimate ongoing voice for the public.
Why a Great Lakes Pipeline Safety Trust?

The Great Lakes region has a greater density of pipelines than nearly anywhere else other than the Gulf Coast, and there is tremendous growth in pipeline mileage in this area.
Purpose

To ensure a regional and national pipeline system in which technology, policy and practice together provide the safest possible means of transporting fuel across the Great Lakes region.
Goals to accomplish purpose

• Long-term partnership with local communities, government and industry within the Great Lakes Region to improve and enhance pipeline safety

• Increased accountability for safety and environmental protection for inter- and intrastate pipelines through enhanced public participation and transparency.

• Increased public confidence in the pipeline systems within the Great Lakes states.
Thank You!

Carl Weimer, Executive Director
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carl@pstrust.org