



**REMARKS FOR CYNTHIA L. QUARTERMAN
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PIPELINE AND HAZARDOUS MATERIALS SAFETY ADMINISTRATION
KEYNOTE ADDRESS
PIPELINE SAFETY TRUST --2011 CONFERENCE
NEW ORLEANS, LA
-- NOVEMBER 18, 2011 --**

Good morning. Thank you Carl and the Pipeline Safety Trust Board of Directors for the invitation to come back and discuss our nation's pipeline safety program, in particular the actions we are taking to prevent pipeline failures and to minimize the number and severity of failures when they occur.

We value the Pipeline Safety Trust as an active stakeholder in the pipeline safety community. Your efforts to promote pipeline safety and awareness help protect communities and the environment. Pipeline safety is a shared responsibility and we recognize and appreciate the important work the Trust performs. Our missions are in many ways overlapping and intertwined. To support the Trust, to provide transparency, and to enable all stakeholders to participate, PHMSA is providing the webcast services for this conference.

As you no doubt have heard me say on more than one occasion, Safety is the number one priority of Secretary LaHood, myself, and the employees of PHMSA. On behalf of all of us, I would like to extend condolences to the families of those whose lives were forever changed by the latest incidents that occurred last weekend in Fairborn, Ohio and Chicago, Illinois. Pipeline failures such as these are unacceptable. We need to be ever vigilant in seeking to prevent such failures. We must determine the cause of each and every failure and seek ways to minimize the possibility of a recurrence.

The Administration's bill to reauthorize the pipeline safety program and most of those that follow in its footsteps support this goal. The bill includes critical provisions that will further enhance our statutory authority to help prevent pipeline accidents. We have been deeply involved in the reauthorization process, participated in many discussions, and support passage of a reauthorization bill this year. In 2010 and 2011, I testified before Congress on pipeline safety matters on fifteen occasions, more than any other PHMSA Administrator. Congress understands the urgency of passing the Pipeline Safety Reauthorization and I am optimistic that it will happen before the end of the year.

While Congress works through reauthorization, PHMSA is already moving forward with taking a hard look at the nation's pipelines. On April 18, 2011, Secretary LaHood and I held a Pipeline Safety Forum where we issued a "Call to Action." We developed an action plan that will

improve the safety of the American people and the integrity of the pipeline infrastructure to deliver energy for future generations.

The action plan includes three components:

The Call to Action – to engage pipeline safety stakeholders to proactively address the parts of the pipeline infrastructure that need attention systematically. Together, we are charting a course to accelerate the identification, repair and replacement of high risk pipeline infrastructure before it becomes a risk to people or the environment.

Aggressive Efforts – Secretary LaHood and I met with pipeline executives, the Federal Energy Regulatory Commission Chairman, and the National Association of Regulatory and Utility Commissioners to discuss actions that PHMSA, States, industry and the public can take to drive more aggressive actions to raise the bar on pipeline safety and the challenges to implementing these actions. With the assistance of a joint subcommittee of its two Pipeline Safety Technical Advisory Committees; PHMSA is finalizing a *Report to America* based on the ideas, opportunities, and challenges surrounding high risk infrastructure presented at the Pipeline Safety Forum. You will also hear more about high risk infrastructure, its’ problems and potential solutions later today.

Third, **Transparency** – We are actively seeking input from all stakeholders and we are posting additional information on a website dedicated to this effort. That will eventually get folded into our existing website

We need the Pipeline Safety Trust to be a partner in this effort. We are seeking even more from you, we are asking you to submit a letter of commitment to reinforce the Trust’s support. We ask that you help us move the plan forward and build on our “Call to Action” efforts.

Yesterday you heard a presentation on the lessons learned from the San Bruno incident. The National Transportation Safety Board (NTSB) recently issued its *Pipeline Accident Report* that included new safety recommendations to the Secretary and PHMSA. We take these recommendations very seriously and plan to be responsive to them. We have already taken actions to address some of the factors that caused or contributed to the accident, but we have our work cut out for us. Unfortunately, there is no silver bullet that exists to prevent such accidents from occurring and as much as I might like to have the authority to make the changes recommended by the NTSB happen overnight. We do not have that authority. The NTSB has set a high bar for us purposefully. In conversations with them they have told us that their goal is to drive industry to create technological solutions where none may currently exist. They also noted that implementing their recommendations would be a big lift. But those of you who know me know that is just the kind of challenge I crave. And the public -whose trust we hold, does and should have even higher expectations for pipeline safety.

Earlier this year the Pipeline Safety Trust testified before the House of Representatives, Committee on Energy and Commerce to inform them of areas where the Trust believes pipeline

safety needs improvement. Many of these needed improvements are well on their way to fruition. I would like to cover a few of these topics with you. PHMSA is working hard to address:

Expanding Integrity Management Protection – We issued ANPRMs for hazardous liquids in January and for gas transmission pipelines in August this year. Both rulemakings consider similar requirements. PHMSA is considering integrity management reforms to expand or revise the integrity management program requirements beyond existing high consequence areas. PHMSA is also considering whether additional restrictions should be placed on the use of specific pipeline assessment methods and repair timeframes.

Leak Detection Systems – The ANPRMs consider changes to current leak detection requirements. We are planning a workshop on this and automatic or remotely controlled shut off valves early next year.

Excess Flow Valves - We are about to publish an ANPRM to consider expanding the requirements for excess flow valves to non-residential units.

Damage Prevention Programs - Excavation damage remains one of our greatest challenges. Damage prevention “one-call” laws are developed and implemented at the state level. We support the prohibition from any exemptions from those laws. We support States’ efforts to improve their damage prevention programs by funding State Damage Prevention grants, and through the development and refinement of a tool that will provide them with a better understanding of the effectiveness of their program. You can see a summary of the existing state damage prevention laws on PHMSA’s Stakeholder Communications web site. In addition, we will soon publish a NPRM pertaining to enforcement against third-party excavators who unlawfully damage underground pipelines during excavation activity.

Technical Assistance Grants – We continue to support local communities and nonprofit organizations need for technical assistance related to pipeline safety issues with Technical Assistance Grants (TAG). Funding can be used for engineering or other scientific analysis of pipeline safety issues or to help promote public participation in official proceedings pertaining to pipeline safety. We are also encouraging the use of such grants by local governments to support the implementation of recommended practices contained in the Pipelines and Informed Planning Alliance (PIPA).

Making Pipeline Safety Information Publicly Available - PHMSA has worked very hard to ensure essential pipeline information is available to the public through our various websites. The websites include pipeline maps, emergency planning information, basic operator information such as mileage, products handled, states of operation, incidents, and federal enforcement and inspection information. But honestly, I will be the first to admit our website could be improved.

PHMSA will release shortly an update of the Stakeholder Communication website dubbed the Community Toolbox. This toolbox will enhance and simplify stakeholder access to information on relevant topics of interest. Since pipeline safety is a shared

responsibility, all stakeholders are connected. We hope this tool will assist stakeholders in better understanding the role they play in ensuring safety of communities, the environment, and the pipeline infrastructure. We are also in the process of redesigning our website starting with the front page next month and cascading down through the other pages over the next year.

Public Awareness of Pipelines – We are currently inspecting for the effectiveness of pipeline operator public awareness programs. We are analyzing the inspection results as they become available to identify trends and any problem areas. We will ensure that public awareness programs include provisions for outreach to 911 operators. We are committed to completing these effectiveness evaluations by the end of 2012.

We have also sought to raise awareness of pipelines through a cooperative agreement with the National Association of State Fire Marshals. The training curriculum for the emergency response community, “Pipeline Emergencies – 2nd Edition,” was recently updated. That training has been used with over 45,000 emergency responders in the U.S.

On December 9, 2011, the Secretary will host, along with the National Association of State Pipeline Safety Representatives and the U.S. Fire Administration, a Pipeline Emergency Response Forum at the DOT headquarters in Washington. The public forum will address issues identified in several recent pipeline incidents where firefighters and other emergency responders did not have the information they needed to adequately prepare for and respond to significant natural gas and hazardous liquid pipeline emergencies. The forum will seek to improve emergency responders’ ability to prepare for and respond to pipeline emergencies. Nearly 150 leaders from the emergency response community, the government, and the pipeline industry are expected to attend the forum. The forum will also be webcast live for all stakeholders to view.

As you can see, we are working hard to enhance pipeline safety through many avenues. And these are only a few of the pipeline safety initiatives we have ongoing.

Improving pipeline safety oversight requires additional resources. Our reauthorization bill would provide for the hiring of more inspectors.

I applaud the efforts of the public and local governments to remain engaged and involved in pipeline safety. All of us at PHMSA, and across the Department of Transportation, stand ready and willing to work with you to improve pipeline safety.

Thank you again for the opportunity to speak with you today. I offer you my best wishes for a successful conference.

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