

State Programs

Advisory Committee Briefing

Zach Barrett, Director State Programs

Briefing Purpose

- Provide Background and Information regarding State Pipeline Safety Programs and PHMSA's Base Grant supporting State Pipeline Safety Programs
- Answer any Questions regarding State Programs that Massoud and Robert can't answer

State Programs

- Many States had Pipeline Safety Programs in place before the 1968 Natural Gas Act giving PHMSA primary authority over pipeline safety
- The Act and its amendments provides for States to assume authority for intrastate pipeline safety through PHMSA
- States are PHMSA's closest partner in pipeline safety

State Program Scope

- 51 Gas Programs (8 Interstate Agents)
- 14 Liquid Programs (5 Interstate Agents)
- States of Alaska and Hawaii Do Not Participate in the Pipeline Safety Program
- Florida, South Carolina, and Arkansas Oil and Gas do not take Federal Grant Funding

State Program Scope

- States responsible for inspection and enforcement of approximately 80% of the existing pipeline infrastructure
- Primary responsibility is for gas distribution systems serving the public
- There are approximately 330 full time State Pipeline Safety Inspectors supported by the State Base Grant

State Base Grant

- State Base Grant is to Encourage State Participation in the Pipeline Safety Program and Alignment with Federal Initiatives
- State Base Grant is not new and has been supporting State Pipeline Safety Programs since 1971

State Base Grant

- PIPES Act 2006 Authorizes PHMSA to Pay up to 80 Percent of State Pipeline Program Costs
- CY2015 Grant is \$54,085,440 which will be approximately 76 percent federal funding based on State Programs Estimated Program Cost for CY2015
- The State Base Grant is a Reimbursement Grant

State Base Grant

- Grant Funding is based on State Performance
 - **Program Evaluation** – Annual Evaluation of State Inspection and Enforcement Activities such as inspection days per inspector, establishing and following inspection plans, training attendance, incident investigations, conducting operator seminars, Etc.
 - **State Progress Report** – Annual submission by States of Regulatory Jurisdiction, Inspection Days, Adoption for Federal Regulations, Penalty Amounts, Inspector Qualifications, Encouraging Damage Prevention, Etc.

State Base Grant Monitoring

- Grant Monitoring – Conducted to affirm State Program Expenses are aligned with OMB Grant Requirements for State Base Grant and One Call Grant
 - Reviews State Receipts for Allowable State Program Expenses
 - Based on 2 CFR 200 "Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards"

State Performance

- States have reduced the rate of serious incidents for gas distribution by approximately two thirds over the last 30 years.
- In this timeframe distribution mileage increased by over 50%

State Performance

- Serious incidents for CY2012 and CY2013 were the lowest on record (24 and 21 respectively) – 2014 (26)
- Since CY2010 States have not had a Serious Incident on a Transmission Line. (2014 two incidents KY and TX)

In The Works

- Implementing OIG and NTSB Recommendations
- Bringing More Transparency to Website
- Mentoring Program
- Formalize Best Practice Sharing
- Update Part 198 – Certification Program
- Improve training methodologies and opportunities

Thank You For Your Time!
Questions

State Program Staff

Zach Barrett - Director

- Don Martin
- Jim Anderson
- Michael Thompson
- Glynn Blanton
- Rex Evans
- Dave Lykken
- Leonard Steiner
- Pat Gaume
- Chris McLaren – DIMP
- Carrie Winslow
- Agustin Lopez
- 3 Open Positions

Pipeline Safety Base Grant

- \$19.5 Million CY 2008 (42% Fed Funding)
- \$36.5 Million CY 2010 (65% Fed Funding)
- \$47.6 Million CY 2014 (78% Fed Funding)

NAPSR Leadership

- Chairman – Robert Miller (AZ)
- Vice Chairman – David Lykken (WA)
- Secretary – Steve Allen (IN)
- Treasurer – GC Morris (VT)
- Past Chair – Darin Burk (IL)
- Robert Clarillos – NAPSR Coordinator