Pipeline Association
for Public Awareness

info@pipelineawareness.org

BOARD OF SUPERVISORS

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September 2012

**********AUTO**5-DIGIT 95354
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Modesto CA 95354-0884

P-10 P78 - 40507

Dear Public Official,

Enclosed is your copy of the ***Pipeline Awareness Newsletter for Public Officials***.

You are receiving this information because one or more participating member pipeline companies operate natural gas or hazardous liquid pipelines in your area. **See the reverse side for a listing of the member companies in Stanislaus County.**

This newsletter includes information about:

- The purpose of various types of pipelines and the actions operators take to ensure the reliability and integrity of these systems
- Awareness of the potential hazards associated with pipelines and the steps that should be taken to avoid incidents and prepare for a possible emergency
- Land use practices associated with pipeline right-of-ways that will protect pipelines and improve community safety
- General One-Call requirements and recommended safe excavation practices
- How to locate pipelines in your area and obtain additional information from pipeline operators

Thank you for taking the time to review the enclosed material,

Pipeline Association for Public Awareness and Participating Members
www.pipelineawareness.org

See the reverse side for a listing of member companies in Stanislaus County

Member companies operating pipeline facliities in **Stanislaus County**

Company	Facilities	Emergency	Non-emergency
Pacific Gas and Electric Company	Natural Gas Transmission and Distribution Facilities	(800) 743-5000	(831) 635-2201
Vintage Production California, LLC	Oil and Gas Production Facilities	(866) 746-4293	(661) 869-8072

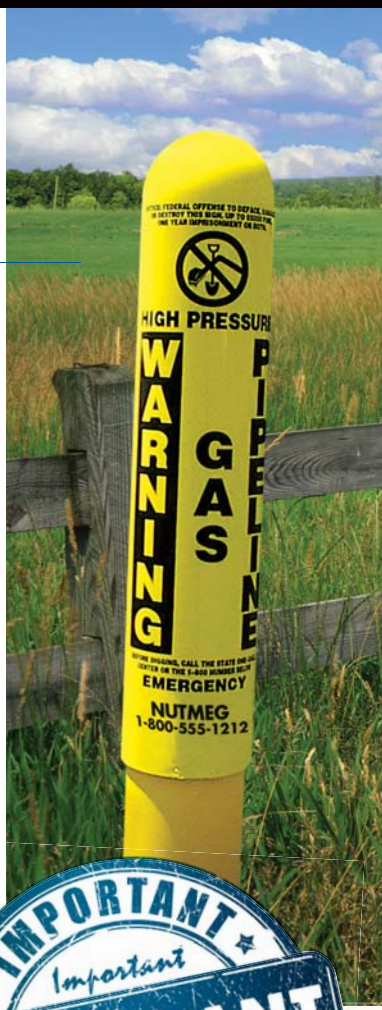
Pipeline AWARENESS™

SAFETY INFORMATION FOR PUBLIC OFFICIALS

Volume 7, Issue 1 - **Fall, 2012**

Pipeline Association *for* Public Awareness

Why the information in this newsletter **is important to you...**



You are receiving this newsletter because you have pipelines in or near your area. We encourage you to spend a few moments reading this newsletter. Please take advantage of the links provided to further inform yourself about the existing facilities and share that knowledge with your colleagues.

Do all you can to learn about the pipelines in your area. If you are a public official who oversees, or makes decisions about issues that may impact pipeline rights-of-way, it is even more important that you know about the pipelines in your community. You should know how to contact the operator, the actions to be taken to ensure open communication, emergency response preparedness and land-use planning.

Pipelines are everywhere. Pipelines run down city streets and onto private property in order to supply people's homes and businesses with natural gas. They traverse both populated and rural areas to gather crude oil and natural gas from locations where these resources are produced. The likelihood that you drive, walk or ride over a pipeline daily is very good. Look for their pipeline markers, note the company name and emergency phone number.

There is more information available on pipelines than ever, and it is easy to find. A list of the Pipeline Association for Public Awareness members and their contact information can be found at **www.pipelineawareness.org**. Transmission pipelines can be located using the National Pipeline Mapping System at **www.npms.phmsa.dot.gov**.

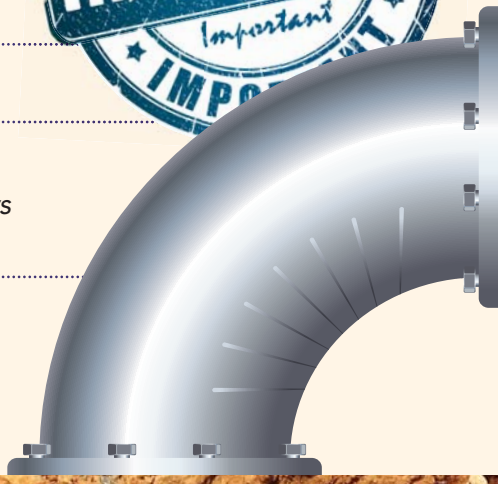
Know the basics...

There are three primary types of pipelines. Can you name them and their purpose?

Gathering pipelines... *collect oil and natural gas from production areas.*

Transmission pipelines... *carry larger quantities of refined energy resources such as oil and natural gas longer distances, as these resources are not always produced near where they are refined or consumed.*

Distribution pipelines... *deliver natural gas to residential, commercial and manufacturing customers to heat homes, cook food, and produce goods and services like electricity.*



Eliminating unsafe exemptions to improve damage prevention

When it comes to underground wires, pipes and cables that make our world run each day, maintaining their safe and continual operation is the top priority. Accomplishing this objective is all about damage prevention. Despite the ease of locating underground facilities, many states provide exemptions from one-call laws to certain entities. The exemptions allow certain state agencies, municipalities and other parties to excavate without determining where underground facilities are located. Such exemptions have created a gap that places the excavator in a potentially dangerous situation, but one that is entirely avoidable.

In response to several recent Congressional actions to address pipeline safety and underground damage prevention, the Pipeline and Hazardous Materials Safety Administration (PHMSA), an agency within the U.S. Department of Transportation, proposed a rulemaking that would discourage states from granting unsafe exemptions. The PHMSA proposal requires states to submit a written justification of all one-call exemptions and stipulates that such exemptions should be "limited and justified" and substantiated by data. Under the proposal, states will potentially lose federal funding if the state fails to meet certain minimum criteria, which includes the requirement to make a one-call prior to excavating.

Improper excavation remains the number one cause of accidents involving pipelines and the leading cause of the injuries and fatalities that are sustained as a result. Making a one-call to **811** is simple, easy and usually free to the caller. Everyone from facility owner/operators to excavators has a responsibility to ensure the call is made in order to protect the safety of their employees and that of the people and the environment around them. For more information on underground damage prevention programs or **811**, visit **www.commongroundalliance.com**.

Signs of a release

Everyone should be aware of the signs of a potential pipeline release. They can be recalled easily by associating them with the senses of sight, smell and sound. While the signs of a release will vary depending on the product that is being transported, following these guidelines will help you respond and summon help safely.

Do you see blowing dirt, a sheen on the water's surface or bubbles in a creek, pond or standing water? Do you know of a fire or an explosion near the location of a pipeline? Has a pipeline been exposed after a natural disaster such as an earthquake or flood?

Products being transported via pipeline will range from natural gas, which is usually colorless and odorless and is neither toxic nor poisonous, to oil and refined products that are liquid substances with varying degrees of consistency ranging from that of water to thick tar. Some liquids will vaporize if the pressure on the product is decreased when a release occurs. A vapor cloud can be heavier than air and may appear as a fog covering the ground.

Do you smell an oily or chemical odor? Some compare it to the stench of rotten eggs, or a skunk's release, or that sulfur smell that lingers in the wake of a recently lit match. But remember, natural gas won't always emit an odor, not unless an additive has been injected.

Do you hear a hissing, whistle or roaring sound or did you hear an explosion?

THIS ISSUE

Are **you** aware?

Areas of pipeline construction and existing oil and gas production facilities can be tempting for the curious to explore. They are often populated with moving pieces of heavy machinery that may beep, spin and lift large objects. The sites can be sources of curiosity for those who are unfamiliar with them and with what it takes to produce the energy resources we have all come to depend on. While it is natural to want to take a closer look, doing so can be hazardous.

It is important for anyone near active or abandoned oil or natural gas production and pipeline facilities to have a general awareness of the dangers associated with these operations and the actions that should be taken or avoided when in their proximity. This is not because production sites or pipelines are of a particular or increased risk to the population. Instead, it is because the activities of the general population can pose a threat to the integrity of the equipment and could result in potentially serious consequences. Specific safety precautions must be taken at these facilities. Only company personnel and authorized contractors should have access to such areas.

Many residents and community leaders may be unaware of the existence of pipelines in their neighborhoods and communities even though pipeline operators and PHMSA have made educating the public, emergency responders, excavators and government officials a priority. It is the industry's goal to explain the purpose and reliability as well as to promote pipeline safety messages through education. Pipeline operators want everyone living and working near oil and gas facilities to have the information necessary to recognize and respond to a release. The effort also seeks to bring a greater awareness of the existence of pipeline facilities to the public and to convey the message that certain activities should be avoided near these areas.

*There are several easy steps you can take to **ensure your safety** around oil and gas facilities:*

- **Know where production sites and pipelines are located**
- **Know how to contact the operators**
- **Always call 811, and wait the required time before you excavate**
- **When developing land near pipeline facilities, consult and coordinate with the operator on land-use planning decisions**
- **Report any damages to the pipeline -- no matter how minor -- including scratches to the coating or anomalies like dents or gouges, to the operator**

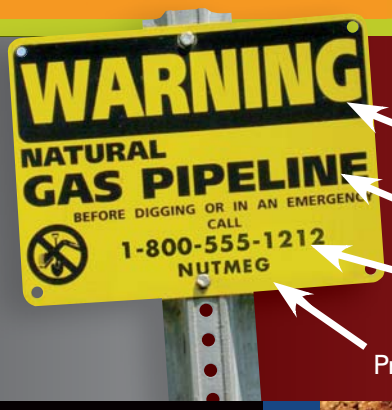
call... before you dig!

You should always avoid:

- **Building structures on pipeline rights-of-way**
- **Touching, climbing on or interfering with production and/or pipeline related facilities**
- **Digging around or near a pipeline facility without calling 811 and having a representative of the pipeline company present**
- **Entering a production or pipeline facility property without proper permission**

PIPELINE MARKERS

Pipelines are buried in areas called rights-of-way. Pipeline markers are used to designate the general route of the pipeline. Markers can also be found where a pipeline crosses a street or railroad, emerges from the ground, or in waterways.



BE AWARE: *Pipeline markers will not designate the exact location, depth or number of pipelines in the area. Markers come in different shapes and sizes, but will always:*

- Include the word **WARNING**, **DANGER** or **CAUTION**
- Identify the material being transported
- Provide a number to reach the company in the event of an emergency
- Provide the name of the pipeline company

10 year anniversary of **integrity management**

Over the course of the last ten years, society has come to depend on smart phones, computer tablets, 3D television and global positioning systems. The use of these devices and related technology has improved the quality of our lives as well as our safety. The same can be said for pipelines and integrity management programs.

The concept of pipeline integrity management has evolved over time as technology has improved and operators have sought new ways of examining and confirming the condition of their pipeline systems. Because pipelines are buried, such an examination poses a unique problem for operators as simply digging up even a single section of the buried steel may be difficult for a variety of reasons. Historically, the primary method of confirming a pipeline's integrity has been to hydrostatically test the line. This process involves pumping a segment of the pipeline full of water and holding a specific pressure over a period of time. Such a procedure confirms the integrity of the system and the ability of the pipe to transport the liquid or gas up to a certain pressure.

As technology has improved, so has the pipeline industry's ability to examine the internal and external condition of the pipe. Today, pipeline operators also use internal inspection devices as a way of inspecting the pipeline to locate and characterize flaws. Through this process, a device is inserted into the pipeline that uses a variety of sensors to capture data about the thickness of the steel and areas where potential anomalies are located.

The Pipeline and Hazardous Materials Safety Administration (PHMSA) began adopting a series of regulations in 2001 that require operators to examine pipelines that meet specific criteria at regular intervals. Operators are required to prioritize risk, initiate preventative and mitigative measures, and inspect those pipelines determined to be of the highest risk first. The criteria used to determine whether a pipeline poses an increased risk are identified through an evaluation of specific conditions near the pipeline. Areas considered to be of higher risk are referred to as high consequence areas, or HCAs, and include locations that are environmentally sensitive, more densely populated or navigable waterways. Unusually sensitive areas, or USAs, include those locations where drinking water or ecological resources would be more unusually susceptible to environmental damage from a hazardous liquid pipeline release. USAs are considered to be a smaller subset of HCAs.

The first 10 years of this program has resulted in an overall increase in knowledge about the current condition of our nation's pipeline infrastructure. The testing has also resulted in safer systems as problems identified through the assessments are either repaired or monitored more closely. While information is only available through 2010, more than 135,000 miles of transmission pipeline have now been tested and more than 40,000 repairs made. This represents 45 percent of the total mileage of transmission pipelines.

Integrity management is also being addressed by local distribution companies, or LDCs. PHMSA adopted rules requiring LDC operators to develop written distribution integrity management programs (DIMP) by August of 2011. The primary difference between integrity management programs for transmission pipelines and those of LDCs is usage of internal inspection devices. LDCs are not able to use internal inspection devices because of the relatively small diameter of some of their pipelines - some are as small as one-half inch in diameter. Like the requirements for transmission pipelines, each LDC operator will be required to demonstrate the knowledge of their system as well as create a plan to identify the threats and rank the potential risks to the pipeline. The operator must then implement processes to address those risks, measure performance and evaluate the overall program. Like the integrity management requirements for transmission pipelines, LDCs will review their program and implement improvements.

Community emergency response plans - Do you cover pipeline related emergencies?

Communities develop emergency response plans to address a variety of potential emergencies that could impact their residents. Commonly addressed emergencies include flooding, tornados, earthquakes and even hurricanes. Make sure to work with your local pipeline operator(s) to plan for emergencies that result from a pipeline release or have the potential to impact pipeline operations. This plan should be coordinated with pipeline operators, local emergency management officials, HAZMAT and other organizations as appropriate.

Local governments routinely plan for a number of potentially hazardous situations and pipeline emergencies should be no exception. Governmental bodies and emergency response agencies should ask themselves the following questions:

- Do you know...if there are pipelines in your area?
- Do you know...approximately where these pipelines are located?
- Do you know...the potential impact of a pipeline release?
- Do you know...which companies operate these pipelines?
- Do you know... the emergency phone number for each pipeline operator?
- Do you know...how to contact the operators for additional information?

Additional **Free Resources** for Emergency Responders:

Responding to Utility Emergencies on-line training
www.pipelineawareness.org/training-center/

National Association of State Fire Marshals Pipeline Emergencies Book, 2nd Edition
www.pipelineemergencies.com

National Emergency Number Association Pipeline Emergencies Operations Standard 56-007
www.nena.org/?page=Standards

On-line database of emergency response capabilities
capabilities.pipelineawareness.org

Access available pipeline information from the web or mobile device at
www.pipelinesnearby.com

A constantly moving process

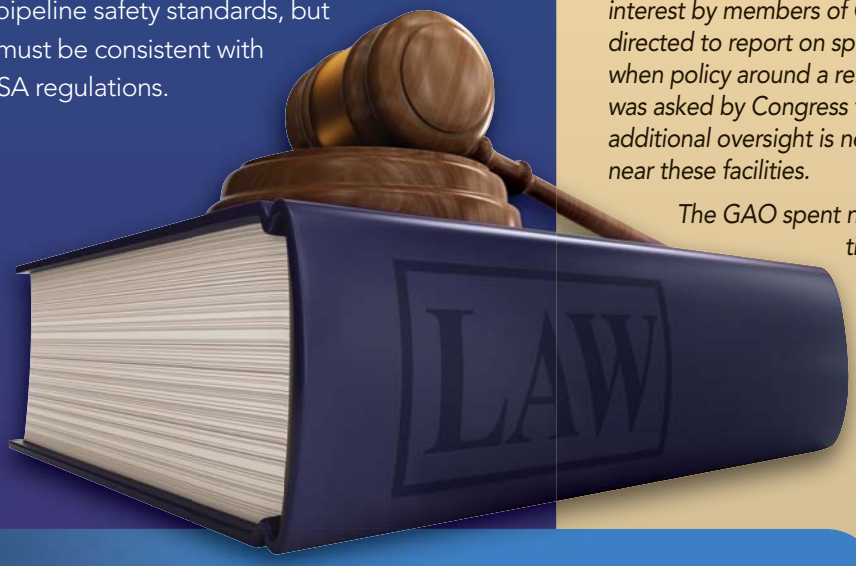
The authority and budget of PHMSA is reviewed every four years by Congress. The most recent review was completed in early 2012 and concluded with the passage of the Pipeline Safety, Regulatory Certainty, and Job Creation Act of 2011. The bill requires action by PHMSA on a number of matters, including a directive to research and report back to Congress on issues that impact the pipeline industry.

There are several provisions in the legislation that have a direct impact on local communities, all of which focus on emergency response. Congress has directed PHMSA to determine the ability of pipeline operators to respond to hazards associated with a release of petroleum liquids or natural gas. PHMSA has also been instructed to promote greater awareness of the National Pipeline Mapping System to emergency responders and to have authorized PHMSA personnel perform pipeline safety and response training for state and local government personnel.

Pipeline operators are required to establish and maintain communications with local emergency responders. However, emergency responders are not required to meet with operators and sometimes do not realize the importance of familiarizing themselves with pipeline emergencies. This poses a dilemma for pipeline operators: how do you reach emergency responders and reinforce the importance of learning about pipeline safety and emergency response? Operators are learning there is no single solution. PHMSA's inquiry into these issues will help bring greater attention to this important subject and will likely result in better ways of communicating with emergency responders.

Regulatory oversight

Due to the recent increased level of pipeline construction, much attention has been paid to how pipeline safety is overseen by regulatory agencies. PHMSA has been granted authority by Congress to develop, implement and enforce regulations that will ensure the safe operation of pipelines. Individual states can secure agreements with PHMSA to enforce the regulations through formal Memorandums of Understanding (MOUs). Each state's program can be tailored to different types of facilities. For example, if a state agency only seeks to audit and enforce the regulations for certain types of pipelines, PHMSA will take over for any section of the regulations that is not overseen by the state. States that have secured this authority with PHMSA may also adopt their own pipeline safety standards, but they must be consistent with PHMSA regulations.



Community Assistance & Technical Services in your community

PHMSA has designated Community Assistance and Technical Services (CATS) personnel to assist with disseminating information to help communities learn more about pipeline operations, regulatory requirements and to improve pipeline safety and environmental protection. This includes serving as a liaison with stakeholder groups that are responsible for or impacted by pipeline operations. In addition to taking part in both community meetings and damage prevention outreach initiatives, CATS personnel also participate in the permitting process of new facilities when interstate pipelines are proposed.

For more information on the CATS program, visit the PHMSA website at www.phmsa.dot.gov.

GAO
U.S. Government Accountability Office

General Accountability Office report on gathering lines

Under the pipeline safety regulations, operators of certain gathering lines are required to convey specific information to public officials. This information includes the purpose and general location of gathering lines. Gathering lines are pipelines that collect raw natural gas and crude oil from areas of production and transport them to processing facilities or other larger collection points. Gathering pipelines include a range of sizes depending on the quantity of the product being moved and the demand for capacity. Due to the recent development of these natural resources, many gathering systems are being built throughout the country to move these energy supplies. One of the issues arising from this activity involves the level and extent of regulations necessary to govern the construction and operation of gathering lines.

The General Accountability Office (GAO) is a little known but highly respected and influential non-partisan federal agency tasked with researching issues of interest by members of Congress. As an independent agency, GAO is often directed to report on specific topics where limited information is available or when policy around a relevant issue is under consideration. Recently, the GAO was asked by Congress to review how gathering lines are regulated and whether additional oversight is needed to ensure the safety of those living or working near these facilities.

The GAO spent nearly 12 months looking into the matter during which time they consulted state and federal regulators, industry associations and other stakeholders. In early 2012, they released their findings to Congress. GAO did not make a determination as to whether additional regulation was needed. Instead, GAO recommended that PHMSA needed to collect more information to determine the level of risk posed by gathering lines. It was indicated that a deeper analysis would foster a better understanding of the level of regulation that should be applied going forward.

PHMSA has acknowledged this issue and requested feedback from the industry regarding what level of risk gathering lines pose and how they should be regulated going forward. PHMSA is expected to conduct an extensive review of the issue in late 2012 through the examination of historical records as well as independent analysis of the various state regulations currently in place. It is expected that PHMSA will propose new rules concerning gathering lines sometime in 2013.

For more information on GAO or to read the complete GAO report, visit ***www.gao.gov/products/GAO-12-388****.*

Understanding
hydraulic fracturing

Public controversy over hydraulic fracturing in recent years has centered on exploration and production activities. Even though the use of hydraulic fracturing started in the mid 1900s, the recent increase in its usage has made it a common and frequently debated subject.

Hydraulic fracturing, also referred to as fracking, has most recently been used to retrieve natural gas and crude oil from shale formations deep beneath the earth's surface. During the process, a mixture of water, sand and other compounds is injected into the shale formation at high pressures. The high pressure creates fractures in the rock formation and tiny sand particles prop open the fractures to allow the trapped oil and gas to flow through and to the surface.

The process has been scrutinized by some stakeholders for primarily two reasons. One revolves around what some consider an excessive amount of water use, and the other relates to the compounds that are injected into the earth. These issues are being addressed in different ways; through new technology, greater disclosure of information and increased regulatory oversight.

While the ultimate answer to the question of how much regulation is needed remains unclear, it does appear that science-based arguments are increasingly being acknowledged. Many states have required producers who implement the use of hydraulic fracturing to disclose the compounds that make up the fluid they inject. This is accomplished through FracFocus, a website and database that tracks companies' activities, and specifically the chemicals they deploy. Interested parties can look up a particular well and learn what components were included in the fracturing fluid that was used. Chemicals that are proprietary are protected from disclosure. However, several states require disclosure of even those components under certain circumstances such as when emergency response workers or medical professionals need the information. The goal of the registry is to promote greater transparency of the process and a fuller disclosure of the chemical makeup of the fluids that are employed.

For more information on hydraulic fracturing, visit www.fracfocus.org. FracFocus is managed by the Ground Water Protection Council and Interstate Oil and Gas Compact Commission, two independent organizations whose missions revolve around conservation and environmental protection.

Land-use planning

To assist communities, PHMSA, the pipeline industry and more than 100 stakeholders formed the Pipelines and Informed Planning Alliance (PIPA) to develop recommended practices related to land-use planning for areas around transmission pipelines. The PIPA Recommended Practices document identifies steps that pipeline operators, local governments and property owners should take when making decisions about developments. There are three easy steps community leaders can take to help protect its citizens and the pipelines in the area. These steps are:

1. **Obtain information about the location of transmission pipelines in your area.**
2. **Utilize information to establish requirements regarding land use and development around transmission pipelines.**
3. **Adopt a transmission pipeline consultation zone ordinance requiring property developers and owners to consult with transmission pipeline operators early in the development process, so that development designs minimize risks to the populace living or working nearby and are consistent with the needs and legal rights of the operators.**

For more information on land-use practices near transmission pipeline facilities and the list of PIPA best practices, visit: primis.phmsa.dot.gov/comm/pipa/landuseplanning.htm.

Pipeline Association *for* Public Awareness
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WWW.PIPELINEAWARENESS.ORG

Helpful **Resources**

811
Know what's **below.**
Call before you dig.

If you have questions about the Pipeline Association for Public Awareness, our programs or are interested in more information, please e-mail us: **jeff.farrells@pipelineawareness.org**.

www.pipelineawareness.org

www.phmsa.dot.gov

www.npms.phmsa.dot.gov

www.commongroundalliance.com

www.pipelineemergencies.com

www.nena.org/?page=Standards

www.fracfocus.org

primis.phmsa.dot.gov/comm/pipa/landuseplanning.htm

www.csb.gov/videoroom/detail.aspx?VID=43

www.call811.com

No place to hang out:

The Danger of Oil Sites

Chemical Safety Board (CSB) Video Focusing on Deaths of Teenagers in Oil Site Explosions

*This **important safety video** includes personal information on the dangers of teenagers congregating near oil sites.*

www.csb.gov/videoroom/detail.aspx?VID=43