



Weekly Update - January 13, 2011

If You Delivered More Than 460 Million Cubic Feet Of Gas In 2010 You **MUST** Report!

All systems that delivered more than 460 million cubic feet of gas in 2010 are required to file a report with the Environmental Protection Agency (EPA) by March 30, 2011. In order to file this report, each operator must file a Certificate of Representation with EPA no later than January 30. In order to file the Certificate of Representation an operator must have a written Electronic Signature Agreement (ESSA) from EPA, which could take several weeks to process, so if your system delivered more than 460 million cubic feet of gas in 2010 you should contact EPA to get the ESA now!

Information on the ESA and reporting can be found at <https://ghgreporting.epa.gov>. In addition, EPA will conduct a webinar on the online reporting system January 19. To register go to <https://www2.gotomeeting.com/register/512569627>

For more information please contact John Erickson, APGA vice president, Operations at 202-464-2742, ext 1002 or jerickson@apga.org.

Congress to Consider Pipeline Safety Reauthorization

The 112th Congress will likely begin consideration of pipeline safety legislation in next few months. The previous bill, the Pipeline Inspection, Protection, Enforcement, and Safety Act of 2006, expired on September 30, 2010 and is currently operating under the continuing resolution that expires on March 4, 2011.

This reauthorization has taken on increased importance on Capitol Hill after the tragic explosion of a natural gas pipeline in San Bruno, CA and an oil pipeline spill in Marshall, Michigan. To date, the majority of Congressional responses to these incidents have largely been confined to hearings and public comments declaring support for stronger safety requirements for pipelines.

However, on January 5th Congresswoman Speier (D-CA-12) introduced legislation, H.R. 22, to strengthen pipeline safety measures. This legislation includes seven new mandates highlights of which are included below:

1. Requires installation of automatic or remote shut-off valves in all Class 3 and Class 4 high consequence areas and in areas within ten miles of a high-risk seismic fault.

2. Requires pipeline operators to give first responders and the Pipeline and Hazardous Safety Materials Administration emergency plans covering actions to be taken in case of a pipeline rupture.
3. Requires operators to inspect pipelines every five years using proven methods to detect corrosion and pipe stress and if these methods are not feasible, the operator is prohibited from operating the line at high pressure.

Congresswoman Speier's bill is unlikely to be considered by the House given the new Republican majority. In the House, Congressman Mica (R-FL), Chairman of the House Transportation and Infrastructure Committee, will play a major role in the drafting of the House reauthorization of the Pipeline Safety Act. In the Senate, Senators Feinstein (D-CA) and Boxer (D-CA) may introduce their own pipeline safety legislation.

APGA testified last Congress before the House Transportation and Infrastructure Committee on pipeline safety reauthorization. APGA's testimony expressed concern with potential efforts to expand excess flow valve requirements to commercial and industrial businesses and multifamily residences and also expressed opposition to any changes in the current formula that would shift the user fees to the distribution systems. APGA continues to communicate these priorities to Congress.

HHS Releases an Additional \$1.6 billion in LIHEAP Block Grant Funds

This week, the Department of Health and Human Services (HHS) announced the release of an additional \$1.6 billion in the Low Income Home Energy Assistance Program (LIHEAP) block grant funds. These funds are distributed to states based upon a formula which considers a state's weather and low-income population.

This release brings the amount available under the March 4 Continuing Resolution (CR) to \$3.95 billion out of a total of \$5.1 billion. The goal of this release was to make the same amount of funding available to each state as it received through March 4, 2010.

Top Five State Recipients of this Round of LIHEAP

Funding:

1. New York: \$473,102,148
2. Pennsylvania: \$267,652,343
3. Illinois: \$229,998,958
4. Michigan: \$183,570,408
5. Texas: \$181,333,046

Due to this latest round of funding, each state will have approximately 99 percent of the amount it received through March 4, 2010 available. HHS could not make 100 percent of FY 2010 funding available, because three states, California, North Carolina, and Tennessee, have already received more FY 2011 funding than they received through March 4 of FY 2010.

APGA has been a strong-supporter of full funding for LIHEAP. Funds provided by LIHEAP play a vital role in helping low-income families meet their energy needs. Currently, LIHEAP reaches only approximately 15 percent of the 30 million households that are eligible for assistance. Without LIHEAP funding assistance many low-income families face the difficult choice between paying their energy bills or paying for other necessities, such as prescription drugs, food and childcare.

For specific information on distribution of funds to all 50 states, please visit the HHS website at (<http://www.acf.hhs.gov/programs/ocs/liheap/>). If you have any questions on this article, please contact Scott Morrison of APGA's staff by phone at 202-464-2742 or by email at smorrison@apga.org.

REGISTER NOW! Operations Conference - April 6-8

On April 6-8, the APGA Security and Integrity Foundation (SIF) will hold its second annual Operations Conference in Pensacola, FL. The conference will focus on utility operations including new pipeline security guidelines from the Transportation Security Administration, cyber security for utility computer systems, Distribution Integrity Management Programs (DIMP), drug and alcohol plans, cross-bore safety and other topics of current interest. The conference will also feature and exhibit of products and services geared toward improving the safety, security and efficiency of natural gas system design, construction, operation and maintenance. Speakers will include Jack Fox, Director of Pipeline Security at TSA and Darin Burk, Chairman of the NAPSR/PHMSA DIMP Audit Team.

To view the complete program and to register as either a delegate or exhibitor go to www.apga.org or apgasif.org. For more information please contact John Erickson, APGA vice president, Operations at 202-464-2742, ext 1002 or jerickson@apga.org.

APGA Operations and Safety Roundtable Conference Call Schedule – 2011

The APGA Operations and Safety Committee regularly hold roundtable discussions via conference calls on topics of interest to APGA members. The roundtables begin with formal presentations by members or associates, followed by questions, answers and open discussion of the issue. The roundtables are also webcast allowing those with internet access to view the presentations in real-time. All calls begin at 2 pm Eastern time unless otherwise noted and are free to APGA members. You don't have to be a member of the committee but you must pre-register to get the call in number and webcast information.

To register for the 2011 series, visit www.apga.org and mark your calendars now for the following roundtable dates:

January 25 – Tracer wire and locating plastic pipe

March 23 – Odorization

May 25 – Geographic Information Systems and field computing

For more information please contact John Erickson, APGA vice president, Operations 202-464-2742, ext 1002 or jerickson@apga.org.

Weekly Storage Report: Storage decreases to Bcf 2,959

Here is the weekly EIA Summary Report issued on Thursday, January 13, 2011, that reports last week's storage report highlights for Friday, January 7, 2010. A 138 Bcf decline has been reported.

Summary

Working gas in storage was 2,959 Bcf as of Friday, January 7, 2011, according to EIA estimates. This represents a net decline of 138 Bcf from the previous week. Stocks were 69 Bcf higher than last year at this time and 161 Bcf above the 5-year average of 2,798 Bcf. In the East Region, stocks were 35 Bcf below the 5-year average following net withdrawals of 80 Bcf. Stocks in the Producing Region were 185 Bcf above the 5-year average of 874 Bcf after a net withdrawal of 20 Bcf. Stocks in the West Region were 10 Bcf above the 5-year average after a net drawdown of 38 Bcf. At 2,959 Bcf, total working gas is within the 5-year historical range.