



## Weekly Update November 17, 2011

### **APGA Discusses Distribution Integrity Management Inspections and SHRIMP in Oklahoma**

On November 16, APGA's John Erickson spoke at the Oklahoma Corporation Commission's Pipeline Safety Seminar in Tulsa, OK. His speech focused on the new DIMP inspection forms showing how each of the 51 items on the inspection form are addressed in DIMP plans developed using the APGA Security and Integrity Foundation's (SIF) SHRIMP program. To date, nearly 1,500 systems are using SHRIMP. John talked about some surprises in the new inspection forms, particularly the emphasis on having written descriptions of the processes followed to develop the DIMP plans rather than focusing on whether the plans were addressing the proper threats to distribution system integrity. He talked about modifications that had been made to the SHRIMP program to ensure that every item on the inspection checklist was covered in the plans created using SHRIMP. The inspection forms and a cross reference of each inspection item and where it is addressed in SHRIMP plans are available for download at [www.apgasif.org](http://www.apgasif.org).

He also described enhancements to the SHRIMP program that are currently under development. The DIMP rule requires operators to re-evaluate their plans at least once every five years, more often if changes to the system that change the relative risk of any segment of the system occur. SHRIMP will soon roll out a feature that walks SHRIMP users through the process of updating their DIMP plans and creates a log of changes from the old plan to the new plan. The SIF is also studying how it can use the data entered by SHRIMP users to improve the risk ranking model used by SHRIMP. We expect to complete these enhancements by the end of the year. In other news, he announced that the SIF has received an extension through 2012 for funding from the Pipeline and Hazardous Materials Safety Administration (PHMSA) through the cooperative agreement between PHMSA and the SIF. Some of the new projects include working on a "SHRIMP-like" Operations and Maintenance Manual creation program and updating the PHMSA Small Operator's Guide.

For further information contact John Erickson of APGA at 202-464-2742, ext 1002 or [jerickson@apga.org](mailto:jerickson@apga.org).

### **House/Senate Conference Freezes CFTC Funding Levels Calling into Question Effective Implementation of Wall Street Reform Act**

On Monday, November 14, a joint conference of House and Senate Members approved a Fiscal Year 2012 Agriculture, Commerce/Justice/Science (CJS), and Transportation/Housing and Urban

Development (THUD) Appropriations bill – also known as the “Mini-bus” which includes a virtual freeze on the Commodity Futures Trading Commission’s (CFTC) budget at \$205 million (the 2011 CFTC budget was \$202.3 million). President Obama had requested \$308 million for the CFTC for 2012, but concerns about overall spending in Congress stymied such efforts.

This near-zero increase in funding comes at a time when the CFTC has been charged by Congress to implement the massive Dodd-Frank Wall Street Reform legislation and the agency is still working through the process of approving the myriad rules required by it. APGA has strongly supported increasing the CFTC’s budget to ensure that the important increases in transparency and oversight that are vital to the success of Dodd-Frank are actually implemented.

However, since funding has remained flat, the CFTC will likely not be able to hire sufficient staff nor will it have sufficient resources to fulfill Congress’ charge to overhaul regulation of the U.S. financial system. CFTC Commissioner Bart Chilton told Politico, “We have seen the results of an ill-funded and ill-equipped regulator. It isn’t a pretty picture. Congress can fund our agency and we can do the job they have instructed us to do or we will have to pick and choose priorities. We certainly can’t do it all without the needed resources.”

Moving forward, the impact of this funding level could be felt in terms of a continuation of the slow pace of approval of regulations, a loss of ability to effectively monitor commodities markets, and a less than optimal level of transparency in such markets.

If APGA members have any questions, please contact Scott Morrison by phone at 202-464-2742 or by email at [smorrison@apga.org](mailto:smorrison@apga.org).

### **Watch “Race to Rebuild: America’s Infrastructure” Tonight!**

Tonight CNBC will air the documentary, “Race to Rebuild: America’s Infrastructure” at 10pm EST.

In light of the tragic San Bruno, CA accident and the fact that across this country our ports, highways and bridges are crumbling, the “Race to Rebuild: America’s Infrastructure” will highlight the harsh realities our country faces if we do not repair and finance new infrastructure projects. While, Asia and Europe have high speed rails and other countries have strengthened their infrastructure with the latest engineering techniques, America is sadly far behind. APGA believes that America’s economic rebound will come from our commitment to rebuilding and fortifying our aging infrastructure, creating both jobs and domestic energy security.

For more about the show please visit [www.infrastructure.cnbc.com](http://www.infrastructure.cnbc.com) or to view a sneak peak check out the clips below.

[Preview: The Race to Rebuild Business Cost of an Aging Infrastructure](#)

### **EIA Reports Storage Build of 19 Bcf to Put Working Gas Storage at 3,850 Bcf**

Here is the weekly EIA Summary Report issued on Thursday, November 17, 2011, that reports last week's storage report highlights for Friday, November 11, 2011. A 19 Bcf increase has been reported.

#### **Summary:**

Working gas in storage was 3,850 Bcf as of Friday, November 11, 2011, according to EIA estimates. This represents a net increase of 19 Bcf from the previous week. Stocks were 14 Bcf higher than last year at this time and 224 Bcf above the 5-year average of 3,626 Bcf. In the East Region, stocks were 58 Bcf above the 5-year average following net injections of 9 Bcf. Stocks in the Producing Region were 148 Bcf above the 5-year average of 1,098 Bcf after a net injection of 11 Bcf. Stocks in the West Region were 18 Bcf above the 5-year average after a net drawdown of 1 Bcf. At 3,850 Bcf, total working gas is above the 5-year historical range.