



Safe Pipelines

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The "Need" For More Pipelines

BY CARL WEIMER

Across the country, state governments, local governments, and individual property owners are spending precious time and vast sums of money defending their rights, and often their vision for the use of their own land, from the current onslaught of proposed energy projects. These battles pit the desires of private energy companies coupled with the federal government's belief in the "need" for more energy sources, against those that are unfortunate enough to lie in the path of these private companies' plans.

Many of the citizens involved in these conflicts try to argue that there really is no "need" for this additional fossil-fuel-based energy because of reputable reports on the possibility of conservation and alternative renewable energy replacing such "need." In most

cases, we agree with this alternative analysis, but we also see little hope for such alternatives being successful in the short term with little or no leadership from the federal government to encourage a reduction in our country's nearly obscene demand for energy.

So, if you accept that at least in the short term there is a "need" for more energy sources, the logical question ought to be where is the need and how do we fill that need with the least impact to communities and the environment. This seems to be where our federal government clearly falls down on the job. We understand private energy companies' desires to fill this energy "need" in a way that is easiest and least expensive for them, and provides the most return for their stockholders. We don't understand why the federal government seems unwilling to try to protect small governments and citizens by working to ensure that such desired projects are not duplicative and are built in areas and tap sources where the impacts will be minimized.

Whether we are talking about new pipelines or the proposed LNG (liquefied natural gas) facilities that spawn new pipelines, the Federal Energy Regulatory Commission (FERC) seems to have a policy to approve nearly all proposed projects, and then let the market decide whether these often competing projects can actually come to fruition. Agencies who have to ensure the safety of such projects after they are built, such as the Office of Pipeline Safety or the Coast Guard, do not comment on the wisdom of such proposals, because they are not part of the siting decisions. This



photo: Google Earth

With new pipelines and new housing developments springing up around the country both the potential risks and the potential impacts need to be considered and presented honestly.

disastrous policy means that citizens and local government need to expend much energy and waste their precious financial resources defending themselves from multiple proposals. It also does not ensure that the most efficient, safest, or logical proposal gets built, since often which proposal survives depends more on the depth of the company's financial pockets than the wisdom of their proposal.

We hope that Congress will address these problematic issues soon. As long as we continue to have no energy policy that helps us lessen our energy demand and transitions us to alternatives, coupled with an energy siting policy that makes no attempt to direct our energy infrastructure toward safe and efficient placement, this country will continue to be saddled with these needless conflicts.

Inside these pages you will find some of the raw words from the people on the front lines of these battles over our "needs." ■

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Don't Blame Us!

Some of the articles in this newsletter are attributed to other authors. The opinions and facts presented in those articles are those of the authors, and not of the Pipeline Safety Trust. We may agree with them, we may not, but we think it is important that all legitimate views on pipeline safety are known and discussed. If you would like to provide an article for a future issue, please contact us at: info@pipeline-safetytrust.org



The Smart Pig

SMARTPIG@PSTRUST.ORG

In pipeline parlance, a smart pig is a high-tech device designed to root around inside pipelines. These intelligent little beasts inspect every square inch of the line, calling attention to any needed repairs.

I try to do the same thing for our readers. Send me a question and I'll root through the labyrinths of modern pipeline prevarications to get you the best answer piggily possible: the straight scoop, as we say back in the sty.

Editor's Note: The views and opinions expressed by this pig do not necessarily reflect those of The Pipeline Safety Trust, or any human being

Dear Smart Pig,

I own a farm with my Mother in Nebraska. For a year now I have been trying to educate my friends and family who will be affected by a proposed oil pipeline in this area about all the safety and environmental issues associated with such a pipeline.

Our concerns are that the pipeline as proposed will:

- Be located in a severe floodplain adjacent to the levee that protects our city,
- Cross the Ogallala Aquifer, one of the world's largest fresh water aquifers,
- Cross the fresh water supply to the City,
- Cross through numerous wildlife wetlands,
- Take out established windbreaks and other conservation plantings, and
- Go straight across the most valuable irrigated farmlands in the County.

We have suggested alternative routes that wouldn't affect the water table, irrigated land, or be so close to the City in case something happens, but so far no one seems to care.

My Father cared for his land in every environmental fashion that he possible could. He passed away months before this pipeline was announced and

would be devastated by the thought of this. It was his dream to turn this property into a preserve for wildlife and all future generations to enjoy

Do you have any suggestions for how to get this proposed pipeline rerouted?

Thanks for whatever ideas you can provide.

Sincerely,
Sue in Nebraska

Dear Sue,

Thanks for your letter. Normally I try to stay away from commenting on pipeline siting arguments because as I have said many times I am not against pipelines, I am only against unsafe pipelines. Unfortunately often the difference between safety and siting is an awfully fine line, and no one can disagree with the fact that the safest pipeline is the one that is never built.

That being said, there are very few instances where opposing an entire pipeline, which the government believes there is a need for, is successful. There is much more success working with the government and a pipeline company to ensure that the route the pipeline takes has the least impact.

No one knows of environmental sensitivity, valuable farmland, community gathering spots, and critical drinking water sources of a given area better than local residents and local governments. Coalitions of local residents and local governments working together to provide the pipeline company and federal regulators a well-researched alternative pipeline route will almost always have more of an opportunity for success than just asking the proposed pipeline to go away.

Also, you have to realize that the pipeline company comes to your area with a well-developed plan for how to get what they want as easily as possible, and government regulators want to do as little work as required. You have to develop a plan too! Create a ruckus! You have to make it easier for them to use your ideas than to ignore you. Don't be afraid to repeat what you want often. Get your friends, city council, and local newspaper to repeat it also. If you don't get a response, repeat it again. These people hate a ruckus, especially if you have a legitimate alternative to point to.

Of course this all sounds like a lot of work, and a real pain in the neck. Most people don't like to raise a ruckus. We all wish that pipeline companies and government agencies would get this stuff right in the first place so we didn't have to spend our time and money fighting with them. Unfortunately, pipeline companies are trying to connect the dots between two places with the cheapest, quickest, and

easiest line. You are the person that needs to convince them that coming over you will be none of those things.

Hope some of this helps. I hope to publish a book soon on the ten steps to creating an effective ruckus.

P.S. – That farm you own doesn't raise pork does it? ■

Keep Informed!

Want to stay current with what's happening regarding pipeline safety or LNG facility siting? One way to stay current is to subscribe to either of the listserves below. More than 450 people are already getting this information via their email everyday. SAFE Pipelines discussion list

To get current pipeline news join the SAFE Pipelines nationwide email discussion list. The list currently includes over 285 people nationwide, and is dedicated to sharing pipeline safety and pipeline siting information to community activists, government officials, and pipeline experts nationwide. It is our hope that through this sharing, initiatives that will make pipelines safer will be adopted, and that citizens will be given a larger role in the oversight of pipeline safety and pipeline siting nationwide. To join go to <http://groups.yahoo.com/group/safepipelines/> OR You can join by sending a blank email to: safepipelines-subscribe@yahoogroups.com

LNG Safety discussion list

This group is dedicated to sharing Liquefied Natural Gas (LNG) safety and siting information among community activists, local government officials, industry experts, and regulators nationwide. It is our hope that through this sharing, initiatives that will make LNG facilities safer will be adopted, and that citizens will be given a larger role in the oversight of LNG safety and siting nationwide. With the current rush to site LNG facilities, such shared information (including the best available science, technologies, and risk assessment) is needed for communities to make well informed decisions about these potentially dangerous facilities being proposed in their midst. To join go to <http://groups.yahoo.com/group/LNGsafety> OR You can join by sending a blank email to: LNGsafety-subscribe@yahoogroups.com ■

PHMSA's data collection - Does it tell us anything?

BY CHARLES H. BATTEN

Editor's note - Mr. Batten, a Professional Engineer, is former head of the National Transportation Safety Board's pipeline and hazardous materials divisions. In that position, he participated in more than 100 investigations and reports on transportation accidents.

Year 2005	Transmission & Gathering	Gas Distribution - Mains & Serv.	Liquid ²
Miles of Pipe	327,319	1,929,597	159,512
No. of Incident Rpts.	182	178	137
No. of Deaths	0	14	2
No. of Injuries	7	38	2
\$Property Damages	269, 308,752	497, 696278	94,783,341
BBLs Released	N/A	N/A	135,740
BBLs not recovered	N/A	N/A	45,448

The following information is taken from the Pipeline and Hazardous Materials Safety Administration's (PHMSA) data for the latest year in which all data were available. These data are the sums of the various reports pipeline operators file with PHMSA.

It would seem reasonable that one should be able to rely upon and perform meaningful analyses to gain insights on preventing future accidents, identifying noncompliant operators, and on accident costs by cause vs. prevention costs. As a naïve new employee of the National Transportation Safety Board (NTSB) in 1976, I had such thoughts.

After comparing several accidents with which I was familiar against the information reported by the pipeline operators, it was obvious that major accident costs were not being reported. Costs such as community disruption and cost of response agencies were not being captured, and even some fatalities and injuries were not reported. Certainly, litigation and judgment costs were not included. If one dies 30 or more days after an accident, that death is not included. If one suffers severe injury but is not hospitalized, that injury is not counted. Because court cases tarry on for years before a judgment is issued, those costs are not included. Yet, these are costs to society due to pipeline accidents and they should be incorporated — especially when the government is considering regulatory change, and PHMSA must weigh the cost/benefit of the proposed change.

Additionally, these data are deficient in many more ways. Several reviews/studies were made by the NTSB due to concerns about the Office of Pipeline Safety's (OPS) data collection efforts and the usefulness of the data being amassed. A 1978 report found that the liquid pipeline data collection forms were developed without any conceptual plan as to uses for the data. The NTSB learned that the OPS had not performed any quality control of the data received and had performed no analysis to assess the adequacy of the data requested. The

NTSB performed various analyses of the liquid pipeline data and determined that "data has not been collected adequately and some necessary information is not even requested." The NTSB concluded that the liquid data collection program "in its present form, is of little use for any purpose other than to prepare current annual reports."

A 1980 report was conducted to determine whether plastic pipeline experience gives cause for concern regarding the future safety of gas distribution systems. In analyzing the data the NTSB found:

- Many terms used on the form did not have uniform, industry-wide meaning,
- The cause of material failures was not requested,
- No data was requested on causes of inadvertent over-pressuring,
- About ten percent of the forms did not include required information,
- Information on operation or maintenance failures was not requested, and
- OPS did not perform quality control on form entries as they were received from pipeline operators.

After this analysis, the NTSB urged the OPS to develop a data use plan on plastic pipe failures and to then modify its data collection forms to be consistent with identified needs.

A second 1980 report, conducted by the NTSB, evaluated the management and use of the pipeline data system. That report concluded that data collected by the OPS was neither accurate nor reliable enough to provide a sound statistical base with which to define a safety problem or determine underlying causes and propose regulatory solutions. It noted that data system problems had been extensively documented over the previous eight years with no substantive improvements being made. Though OPS was considering modifications to the data forms, it had no plans for conducting a data management use plan to guide those modifications.

Those reports were done almost 30 years ago. So what has changed? My experience with the database reveals inaccuracies due to erroneous reporting and to lack of quality control. I have been involved with 15 or so investigations during the past two years. Although a previous American Gas Association representative chastised me for claiming that some accidents are not reported, I found

three accidents not included in the database: Two were included after I revealed them to the OPS, and the third is still under investigation. Another accident was due to "operator error" but

reported as excavation damage. A third was reported as 3rd party damage – tree limb; in fact, the cause was due to the operator's failure to protect the meter set from external damage. A fourth accident had been reported as involving non-operator property: Later evidence has proven this to be incorrect.

Although promised years ago, the OPS has yet to develop any meaningful data management use plan even though it has modified some of its reporting

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My experience with the database reveals inaccuracies due to erroneous reporting and to lack of quality control.

Pipeline Boom! Mission Expensive

Moving the Oil Sands to the Lower 48

BY ARTHUR CALDICOTT

America's energy policy, with its emphasis on security of supply, has turned dramatically toward finding new sources of oil and gas on the North American continent. How convenient, then, to discover that friendly Canada is holding an estimated 178 billion barrels (bbl) of heavy bitumen in Alberta's oil sands.

That's second only to Saudi Arabia's claim of 268 billion bbl, but energy analyst Matthew Simmons has created more than a few headlines suggesting that the real Saudi number could be as low as 108 billion bbl. If Simmons is right, Canada could be the biggest oil prize of all.

But it's not a prize that's to be won easily, or cheaply, or without a profound increase in greenhouse gas intensity per barrel of oil.

A showstopper is pipeline capacity. Canada's existing oil delivery capacity to the US - about 2.5 million barrels per day (b/d) - is already frequently fully utilized, and sometimes in apportionment. Oil sands production is expected to quadruple within 13 years, from one million b/d to four million by 2020. Yet producers who have billions of dollars invested and are already ramping up production, are not seeing the necessary build-up in takeaway pipeline capacity, and they're getting twitchy.

Takeaway transportation pipelines

North America's transportation pipelines are multi-billion dollar continental energy arteries. Without them, economic activity would grind to a halt almost overnight.

At present, there are three oil and petroleum liquids systems from Canada into the US, supplying less than 10 % of the US daily demand. On the map, they are shown in grey.

Seven new pipelines, or major pipeline expansion projects, are now proposed to meet the urgent capacity crunch. Combined this \$17 billion in increased capacity projects could transport an additional 3.5 million b/d, mainly to US markets.

Oil sands bitumen is so viscous that it cannot be transported in a pipeline without diluting it. The diluents or petroleum condensates used for this purpose must be brought in to the point of origin of the takeaway pipelines. There are three new condensate pipelines proposed to serve this purpose. Enbridge's Southern Lights project, originating near Chicago, and two others from BC's west coast at Kitimat, which would transport diluents from overseas.

THE PIPELINE COMPANIES

TransCanada Pipeline (Tcpl)

Keystone Pipeline will be TransCanada's first Canadian oil pipeline venture. Keystone would transport 590,000 b/d from Alberta to U.S. Midwest oil hubs and refineries in Illinois. It would also connect with other pipelines that could move the oil all the way to the Gulf Coast.

Keystone is facing three challenges in the National Energy Board regulatory review of the project. A number of First Nations are claiming their constitutional right to be consulted has been ignored; labour groups are objecting that unrefined oil leaving Canada takes jobs away from Canadians; and public interest groups are concerned about two things: that Canada should not be increasing the proportion of its oil that it sells to foreign customers (see NAFTA box) and the greenhouse gas implications of exporting this oil have not been considered.



Enbridge Inc.

Enbridge currently transports 80% of the oil produced in western Canada, nearly 2 million b/d, through its main system from Alberta to the major hubs and refineries in US mid-west and Ontario. Enbridge also owns an extensive set of pipelines in the United States and elsewhere, as well as in Canada where its head office is located.

Enbridge is proposing three new pipeline systems to capture a significant share of increased shipping of oil sands product.

The Alberta Clipper is Enbridge's most advanced new

pipeline project and the largest single oil sands takeaway proposal at 800,000 b/d if both phases are developed.

The Clipper by itself is an incomplete system, ending as it does at Superior. Enbridge's other expansion projects within the US complete the Clipper. These include the Southern Access, Southern Access Expansion and the Southern Access Extension from Superior to Patoka and the Spearhead expansion from Chicago to Cushing, Oklahoma.

The Enbridge "Bullet" would move oil sands product straight to Houston or other refineries on the US Gulf coast. Part of the business case includes consideration of the risk if those southern refineries find themselves running dry should the Venezuelan supply suddenly stop. Bullets to the Gulf coast are expensive projects, though, and it's not obvious why they make better business sense than sinking the same amount of capital into refining capacity closer to the oil sands.

Enbridge's Gateway Pipelines are actually two proposed pipelines sharing a common right-of-way. One will move oil sands bitumen from Alberta to Kitimat on BC's west coast; the other will transport imported diluent from west to east.

The Gateway projects face daunting obstacles. The terrain is extremely rugged, through vulnerable salmon habitat, opposition from First Nations and environmentalists, and a fierce battle against ever having regular oil tanker traffic move through the offshore waterways. At the beginning of November 2006, Enbridge announced it was de-emphasizing Gateway in favour of its other expansion projects.

Kinder Morgan Inc.

Kinder Morgan pipelines transport about 20% of the oil produced in western Canada through two pipeline systems, Trans Mountain and Express. These two pipelines and the lucrative oil sands future, were Kinder Morgan's primary reason for acquiring Canada's Terasen Inc. in 2005.

The Trans Mountain system runs from Edmonton, through British Columbia to Vancouver and to Washington State. About two-thirds of the oil in the Trans Mountain system ends up in Canada; the rest goes to refineries in northwest Washington.

A succession of Trans Mountain Expansion projects (TMX) is being phased in over time, as market interest wanes. TMX-1 is already underway. When TMX-2 and TMX-3 are complete, the system will be able to deliver 700,000 b/d to the Pacific Northwest.

The TMX expansion work is mainly in existing right-of-way, on a pipeline that has been operating for fifty years, consisting of conventional pumping and looping additions and expansions.

But where will the oil go? There isn't enough refining capacity in Washington or the Vancouver area to take 700,000 b/d, in addition to what is already delivered by tanker from Alaska, and none of the refineries are as yet engineered to handle the heavy bituminous crude from the oil sands. Washington State refineries such as BP at Cherry Point or ConocoPhillips in Ferndale currently take about 15% of their feedstock from the Trans Mountain system.

In March 2006, a spokesperson for the BP refinery stated that the company was looking into a billion dollar retrofit of the facility to handle Alberta bitumen – a decision that would underwrite the TMX expansion suite of projects.

The remaining oil would likely be shipped by tanker from Vancouver to the California markets.

TMX-North would be a new pipeline to British Columbia's northwest coast. With no date on it, and facing the

same challenges as Enbridge's Gateway project, TMX-North is not much more than a planning option at this time.

Kinder Morgan's Express Pipeline system is actually two connected pipelines - the Express Pipeline from Hardisty, Alberta to Casper, Wyoming and the Platte Pipeline from Casper to Wood River, Illinois. Its capacity is 280,000 b/d of oil, after completion of a 110,000 b/d expansion project in early 2005. No further expansion on the Express system is presently planned.

Altex Energy

Altex is a private company proposing a \$3.6 billion bullet pipeline to Houston. Despite its claims to "proprietary technology" that will reduce the per barrel shipping cost of its oil, this startup company's odds of success with the project are slim.

Other challenges with getting the oil sands to market.

● **Energy.** The fossil fuel component in oil sands is bitumen which has a consistency of cold molasses or tar. Bitumen content of the sands is about 10-12%, sand and clay is perhaps 80-85%, and the balance is water. The bitumen must be "cooked" out of the sand, and that takes energy. Lots of it. Natural gas is the energy source of choice – it takes about a billion cubic feet of gas to produce a million barrels of oil. But Canada's natural gas production has peaked. The Mackenzie Gas Pipeline into Canada's Arctic, LNG imports, and nuclear are among the proposed "solutions" to this challenge. The greenhouse gas "intensity" of oil sands oil is nearly three times that of conventional oil.

● **People.** One estimate is that the oil sands will create 240,000 jobs across Canada by 2008. In a country with a total labour force of 16 million people, there simply aren't that many workers to be found, let alone people with the necessary skills. It means importing workers from Mexico, China and elsewhere. The social and inflationary impacts of this kind of labour tsunami have never been experienced in Canada before.

● **Processing capacity.** The upgrading and refining capacity for bitumen and heavy oil is both inadequate and poorly located for this new Alberta-sourced product. The US Gulf Coast and California are better geared for heavier oils, but both are also a long way from Alberta.

● **Money.** The capital investment to grow oil sands production at the anticipated rate is phenomenal. The estimates start at \$100 billion. But the promised returns are rich enough, that capital has been flooding into the area and shows no signs of retreating. ■

NAFTA's "Proportionality" Article

NAFTA's Article 605 says that a signatory to the clause may not reduce the proportion of a commodity that it exports to another signatory country. Canada is exporting around 65% of its oil production today, mostly to the US, and this percentage is expected to grow considerably as oil sands production increases. But one day, production will decline, and to meet domestic requirements Canada may wish to reduce its export percentage. Article 605 prohibits this – governments cannot use policy mechanisms to control the distribution of a commodity. Article 605 has no downside for the US, so it promoted it strongly in NAFTA negotiations. In the views of many Canadians, Canada goofed in accepting the article. Mexico simply refused it and is not a signatory to 605.

Landowners and Local elected officials voice from around

MinnCan project, Minnesota Pipeline Co.

"If there is a break in that pipeline, that crude oil could be flowing thru the city of Eden Valley before the pipeline can be shut down... Best case scenario would be not to have a pipeline at all, second best would be to move it west so we have some breathing room."

- Dan Thielen, Mayor, Eden Valley Minnesota

Pacific Connector

"When did our democracy turn into a dictatorship with the advent of Eminent Domain? Most importantly, I cannot begin to express my family and my self's utter anguish of the idea of an odorless, 36 inch natural gas pipeline under the pressure of 1440 psi within 100 feet of our home."

- Marcie Laudani, Shady Cove, Oregon

Continental Connector

"An open house was held In Hugo, Oklahoma yesterday. Stress balls, chip dips and pens were distributed. The company indicated that they could, if necessary, use eminent domain tactics once the government gave the project the OK. Our only interest is the health and well being of our river. Nature has been abused here, and that abuse should stop. Please take our request seriously."

- Morris and Marcia Hodgson, Broken Bow Oklahoma

"Continental Connector Pipeline an El Paso Company did not seek our permission before surveying our property in Lamar County Texas. We are concerned about the integrity of this company by its failure to properly gain access and have concerns about its commitment to the environment."

- Rick and Linda Roberts, Watauga, Texas

Rockies Express

"I would urge that any further steps toward approval of the REX pipeline be deferred until the "Potential Impact Zone" (PIZ) safety issues are adequately addressed. REX, FERC, DOT, and any other government agency having regulatory influence over pipeline siting, construction and safety, owe the citizens who are being asked to be neighbors of this pipeline a full disclosure of the impact and future risks associated with this project. My experience leaves me with "O" confidence that the PIZ issue has been honestly and clearly presented to the public. Whether this is a deliberate effort to conceal the facts or through ignorance, I do not know."

- Donald G. Hewitt Sr.



Proposed (in permitting) U.S. Pipelines Over 100 Miles Long

Project	Company	Description
High Plains Expansion Project	Colorado Interstate Gas Co. (El Paso)	168 mi., 24" & 30" gas pipeline, Colorado
East End Expansion Project	Ozark Gas Transmission, LLC	198 miles of 36" & 24" gas pipeline; in Arkansas & Mississippi
Southeast Expansion Project	Gulf South Pipeline Co	112 miles of 36" gas pipeline from Mississippi to Alabama
Rockies Express Pipeline Project; Eastern Phase	Rockies Express Pipeline LLC (Kinder Morgan & Semptra)	622 mi. 44" gas pipeline from Missouri to Ohio
Western Phase		710 mi 42" gas pipeline from Wyoming to Missouri
Southeast Supply Header Project	CenterPoint Energy Gas Trans. & Duke Energy Gas Trans.	270 mi. gas pipeline from Louisiana to Alabama; 60,000 HP compression at 5 stations
Continental Connector Pipeline Project	Continental Connector Pipeline Co (El Paso)	305 miles of 36" gas pipeline from Kansas to Louisiana; 2 laterals
Pacific Connector Gas Pipeline	Williams, PG&E, Fort Chicago	223 miles gas pipeline, 26,000 HP compression
G-II Project	Guardian Pipeline L.L.C (ONEOK Partners, L.P.)	106 miles 30" & 20" gas pipeline in Illinois & Wisconsin
East Texas Expansion Project	Gulf South Pipeline Co.	180 miles 36" gas pipeline in E. Texas and Louisiana
Kinder Morgan Louisiana Pipeline	Kinder Morgan Louisiana Pipeline, L.L.C.	140 miles of gas pipeline from Sabine Pass LNG to various interconnects
Kanda Lateral & Mainline Expansion	Wyoming Interstate Co (El Paso)	125 miles 20" gas pipeline from Utah to Wyoming.
Midcontinent Express Pipeline	Midcontinent Express PL LLC (Kinder Morgan)	493 miles of 30", 36" and 42" as pipeline from Oklahoma to Alabama
Elba Island III	Southern Natural Gas Co. (El Paso)	191 miles of 36" & 42" gas pipeline in Georgia
Phoenix Expansion Project	Transwestern Pipeline Co.	260 miles of 36" & 42" gas pipeline in Arizona
Carthage to Perryville Project	CenterPoint Energy Gas Transmission	170 miles of 42" gas pipeline from Texas to Louisiana.
Keystone Pipeline Project	TransCanada	1830 miles of 30" oil pipeline from Alberta to Illinois
Alberta Clipper	Enbridge	1000 miles of 36" oil pipeline from Alberta to Wisconsin
Southern Access and Extension	Enbridge	626 miles of 36" and 42" oil pipeline from Wisconsin to Illinois
Southern Lights	Enbridge	987 miles of 16-20" oil and diluent pipeline between Illinois & Manitoba

their views on new pipeline construction the country.

Rockies Express

"They have basically announced that they would be putting a pipeline in, like it or not it would be coming and nothing could be done about it. We also have encountered the surveyors for this project on neighboring land, they have been surveying without permission. Again it seems as if this company has no regards for how people feel and have not been very informative in any aspect of the proposed line."

– Eric and Sherry Ripperger, Oldenburg Indiana

Rockies Express

"It is not that we do not want to share our land for a piece of pipe to pass thru. What has us worried is the amount of devastation this explosive gas will do when it explodes. These rich REX folks were aggravated that we would object to them placing a 42 inch gas line 100 feet from our homes. Has anyone studied the amount of damage that will be done when this tube leaks and explodes? How many people will die? How will we be able to sleep at night?"

– Carol Costello, Pleasant City, Ohio

Transco Pipeline

"Our biggest issue is safety and if there is even a remote possibility that something could happen, I would think that Transco would put it in a non-residential area"

– Lynda Flanigan, Virginia Run, Virginia

Georgia Power Pipeline--Smyrna-Union City, GA

"They've been saying they don't know where it will go, but they've got ribbons all over and they're painting marks on the streets, and taking pictures of people's driveways,"–

– Beth Gross, East Point, Georgia

Southeast Supply Header

"they were unable to answer our questions concerning the safety of the pipeline... My greatest concern is safety... Why is this pipeline proposed only 425 from my mother's home? What is the hazard area for a 36" pipeline under 1,200 psi? Why can the people proposing to build this pipeline give us no information concerning the effects of a pipeline explosion?"

As a child my mother experienced the death of a friend who was horribly burned in a gas explosion. Since this time, she has been terrified of natural gas and will not allow gas in her home... my mother tearfully stated that she had rather end her own life than to live in constant fear of being awakened to find herself trapped and burning to death in her own home."

– Carolyn Beasley Hudson, Hoover, Alabama

Southeast Supply Header

"The land I am living on has been in my family for over 200 years... I never would want to stand in the way of progress that would help my country and everyone involved but this place where I live is my whole life and existence. If there is any way possible I pray that you would understand my concern about this matter."

– Anna Hall Scarbrough,
Lucedale, Mississippi

Rockies Express Roles Over Property Rights BY JOE RUST

When my wife and I received a packet from Rockies Express, LLC (REX) in May 2006, we were shocked that a 42" natural gas pipeline could even be constructed in such an environmentally sensitive area, which is home to a classified Wildlife Habitat area, and archeological sensitive area home to pre archaic Native American artifacts. Our first reaction, and that of many of the affected landowners we have met since was "this is impossible and the government would never let such a thing happen."

We were wrong. As we studied the intricacies of the Federal Energy Regulatory Commission (FERC) process, it became all too clear that the Federal Government was not interested in protecting landowners' rights. This has led many of us who have been in the forefront of the fight to move the pipeline north of Indianapolis along an existing Panhandle Eastern corridor to conclude the process is just that – a process. It is a process that the gas industry has perfected since The Natural Gas Act of 1938. They have had decades to make sure the tracks are greased. With the current environmental laws on the books, all the FERC has to do is check off the blocks to obtain a Certificate of Convenience and Necessity. Only those who have the political and/or economic clout to cause problems for the process receive the real attention, and all the while individual landowners are given lip service in the "outreach" programs that REX conducts.

I believe the main impact this process has had on the affected landowners, at least in Indiana and Ohio where the

protests are concentrated, is a deep disgust with the Federal government and how the laws and regulations are manipulated on behalf of the gas industry. Washington lobbyists and money interests override states' rights and individual property owners' rights. Federal senators and congressman do nothing but forward concerned citizens' letters to the FERC and give boilerplate responses back to their constituents.

We all know that the power of eminent domain lurks over this process. The fact that the government does not use this constitutional power itself but turns it over to a private, for-profit transmission company, is well beyond anything the founding fathers envisioned. When you add this use of eminent domain to many other "rights" that have disappeared, especially in this era of Homeland Security mandates and laws, it is no wonder this has stirred up a lot of emotions. The citizens of the United States cannot be faulted for returning to Thomas Jefferson's words in the Declaration of Independence: "That to secure these rights, Governments are instituted among Men, deriving their just powers from the consent of the governed, --That whenever any Form of Government becomes destructive of these ends, it is the Right of the People to alter or to abolish it, and to institute new Government, laying its foundation on such principles and organizing its powers in such form, as to them shall seem most likely to effect their Safety and Happiness."

While the tipping point may not have been reached yet, it is bound to happen unless the legislators wake up. ■

Where can landowners turn for help?

Are you feeling frustrated, overwhelmed, and pressured by having a pipeline on or proposed for your land?

Well, the Pipeline Safety Trust would like landowners in Canada and the United States to know about two organizations that might ease some of your woes.

In Canada there is the Canadian Alliance of Pipeline Landowners Associations (CAPLA) found at <http://www.pipeline-landowners.com>. CAPLA's objective is to assist Canadian pipeline landowners to address more effectively the impacts of energy pipeline construction and operation that affect landowner interests. Issues include soil preservation, environmental liability, land use restrictions, safety, repair and maintenance issues and compensation.

In the United States there is the Owners' Counsel of America (OCA) found at <http://www.ownerscounsel.com>. The OCA is committed to further advance, preserve and defend the rights of private property owners, large and small, locally and nationally. OCA is made up of a voluntary network of experienced eminent domain trial lawyers from every state of the nation in coalitions with environmental and land use lawyers to assist its members in better serving property owners in the exercise of their constitutional guarantees of private ownership. ■

Restoring Trust in Pipeline Safety – National Conference

New Orleans, Louisiana, November 2006

This past November, the Pipeline Safety Trust hosted perhaps the most unique pipeline safety conference to come along in years. What made it unique was the equal mix of experience from the affected public, the pipeline industry, and government regulators, all of whom came together to discuss barriers to safer pipelines. The conference hosted 20 different sessions, with 50 different speakers. Over 115 people attended from 27 states, 3 Canadian provinces, and 1 Caribbean country.

Topics discussed at the conference included:

- Pipeline Right-of-way Maintenance,
- Pipeline Maps,
- Technology-SCADA Integrity Management Leak Detection,
- Pipelines and Land Use Planning,

The conference helped further the Pipeline Safety Trust's mission, which is to promote fuel transportation safety through education and advocacy, by increasing access to information, and by building partnerships with residents, safety advocates, government, and industry, that result in safer communities and a healthier environment.

The Trust hopes to continue to foster communication surrounding pipeline safety with future conferences. As of this printing, the next conference is tentatively scheduled for November of this year. ■



Attendees view a presentation at the conference.

Pipeline Safety Trust

Former Trust Board Member Chosen to Lead PHMSA Enforcement

Jim Pates is probably best known for his years as the City Attorney for Fredericksburg, Virginia, where he spearheaded efforts to improve pipeline safety after that city lost its water supply twice to spills from the Colonial Pipeline. As part of that effort, he produced the 1996 public service video, "Out of Sight, Out of Mind: What Every Local Government Should Know About Pipeline Safety," which he distributed to cities around the country.

Jim's resume also includes: being a founder of the National Pipeline Reform Coalition; testifying before Congress on various pipeline safety bills, serving as a member of the Transportation Research Board's committee that helped draft a special report on "Transmission Pipelines and Land Use;" and serving a year and a half as a very active member of the Pipeline Safety Trust's Board of Directors.

A few years ago, Jim said this about the federal Office of Pipeline Safety, "In all my years in Washington I have never seen an agency appear more captive of the industry." This past February, he was hired by that same agency to become its Assistant Chief Counsel for Pipeline Safety. In this position, Jim will take the lead for enforcement of pipeline safety rules for the agency he once criticized.

In our opinion, the very fact that the Pipeline and Hazardous Materials Safety Administration will reach out and hire a past vocal critic speaks well for the change that has been underway there in the past few years. ■

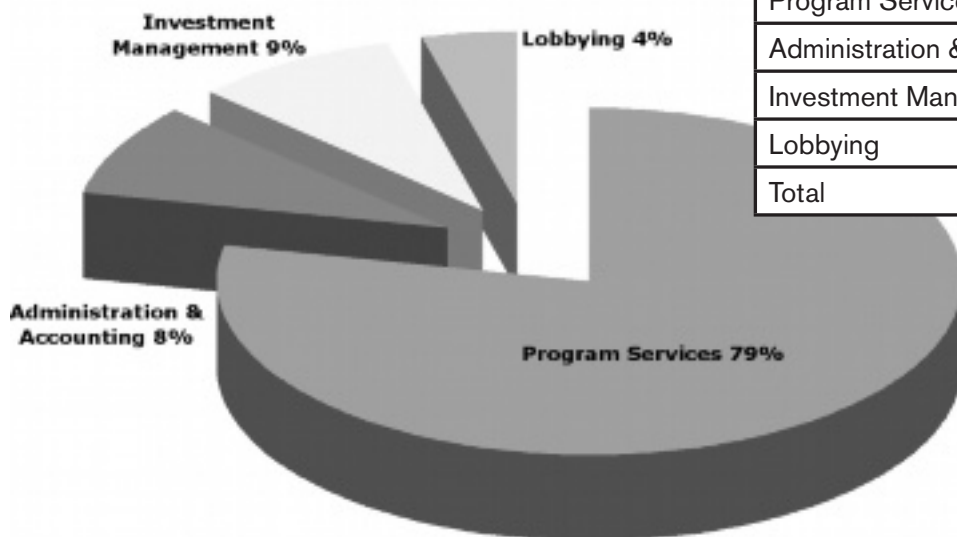


Jim Pates

Pipeline Safety Trust

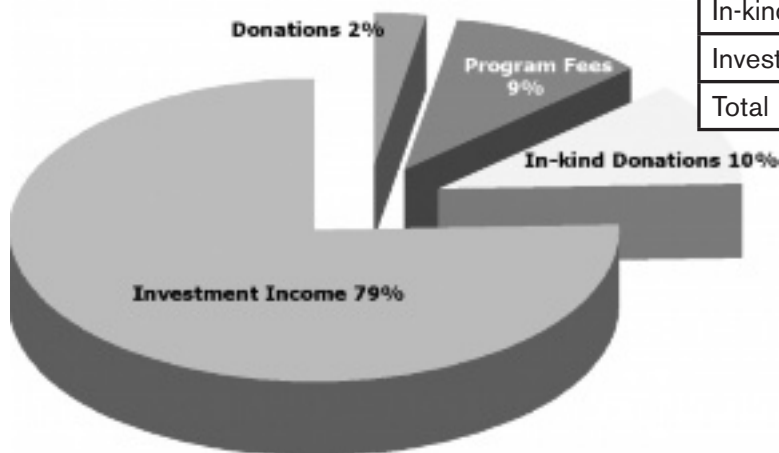
Pipeline Safety Trust 2006 Annual Report

2006 Expenses



Expenses	
Program Services	\$195,543
Administration & Accounting	\$21,215
Investment Management	\$22,526
Lobbying	\$11,076
Total	\$250,360

2006 Income



Income	
Donations	\$5,927
Program Fees	\$23,300
In-kind Donations	\$24,200
Investment Income	\$196,933
Total	\$250,360

Our Investment Beliefs

The Pipeline Safety Trust believes that the growth of our investments is key to the implementation of our mission of providing an independent, credible voice for the public on pipeline safety issues. We also believe that to the extent possible our investments should do no harm to the planet we live on, our fellow humans, and all other living things. For these reasons we only invest in ventures that have passed a socially and environmentally responsible screening. We also avoid investing in any company whose activities may in one way or another fall within our mission to provide oversight of.

A Sampling of Our 2006 Investments

- Evergreen Solar Inc
- Federal Natl Mtg Assn
- Green Mtn Coffee Inc
- Headwaters Inc
- Hewlett-packard Co
- Metal Mgmt Inc
- Sovran Self Storage
- Sunrise Senior Living Inc
- Thornburg Mtge Inc
- United Natural Foods Inc
- Webex Inc
- Wild Oats Markets Inc

Did you know??

The total number of oil and gas pipeline miles in the world either planned or under construction is 98,232. That's enough pipeline mileage to wrap around the Earth more than 4 times! Over 40% of those pipelines are in North America where 40,210 miles are planned or are under construction.

PHMSA's data collection - Does it tell us anything?

Continued from page 3
forms. In the most recent analysis of OPS data of which I am aware, a private contractor analyzed the data to identify gas service ruptures in which the outcome might have been different had an excess flow valve been in place. The contractor and I independently looked at the same data, yet, I identified about 200 more accidents than did the contractor. Why? Because I was aware of erroneous reporting methods by some operators that made selection more difficult. Unfortunately, data on service line accidents can be stored in three locations depending on decisions made by operators. Even after making our selections, the available data on those accidents was insufficient for further meaningful analysis. One often finds oneself in this position when attempting to work with the OPS data.

The OPS data is comparable to a knot on a log. It is interesting to observe, but you can do little else with it. It doesn't provide you with truth about pipeline safety, your analysis will have no statistical significance, and there is little you can do with it for identifying safety improvements. ■

Charles H. Batten, P.E. - President
Batten & Associates, Inc.
Locust Grove, Virginia

Transparency In Enforcement... or Not?

BY CAROL PARKER

In the summer of 2006, the Pipeline Safety Trust asked me to speak about transparency in enforcement at their upcoming conference, Restoring Trust in Pipeline Safety. For my presentation, I decided to conduct an experiment. I knew that the Office of Pipeline Safety (OPS) had never collected the issued fine of \$2.5 million for the Carlsbad, New Mexico, pipeline accident that had killed twelve people in 2000. This presented a golden opportunity to finally test the transparency of OPS; I would seek information about that enforcement and see just how "transparent" OPS would be.

My tool for the experiment would be the Freedom of Information Act (FOIA). This law controls how federal agencies respond to requests for information. Under FOIA, the general rule is that information is public unless it fits in one of nine exemptions or three exclusions.

FOIA provides for deadlines, fees, appeals and judicial enforcement. An agency is supposed to respond to a request in 20 days, but that deadline is almost never met. Agencies may charge reasonable fees to cover the costs of responding to requests. Commercial requestors pay all costs; if disclosure is in the public interest (assessed through the evaluation of four factors) fees may be reduced or waived entirely. If an agency withholds documents improperly or fails to meet deadlines, a requestor can appeal to a higher decision-maker within the agency. In the end, a requestor can seek enforcement in court.

In July 2006, I submitted a FOIA request to OPS for the records associated with the Carlsbad enforcement case and asked for a fee waiver, explaining that release of the information would be in the public interest. I explained that I was not interested in what OPS did to make the pipeline safe after the accident or any associated technical information that might compromise security — I was seeking to understand why OPS did not collect the fine.

In October, OPS responded by sending me a bill for \$129 for three hours of search time and a denial of all documents, because OPS allegedly

How to make a FOIA Request

The Freedom of Information Act grants you the right to access many government records about how the government operates. A FOIA request must be made in writing & indicate, in some detail, what information you are trying to obtain (i.e., title of documents, time period the information covers).

Direct all Office of Pipeline Safety FOIA requests to:

Freedom of Information Act Pipeline and Hazardous Materials Safety Administration

Shauna Turnbull
U.S. Department of Transportation,
Room 2103
400 Seventh Street, SW
Washington, DC 20590

For more information visit <http://ops.dot.gov/common/foia.htm>

had a policy to withhold all information related to an open enforcement proceeding. OPS offered to waive the \$129 charge only if I would withdraw my request.

FOIA doesn't permit any of those results in this case. To withhold law enforcement information without any evaluation of whether or how the disclosure would interfere with law enforcement violates FOIA Exemption 7. A non-commercial requestor is entitled to two hours of free search time — OPS did not provide that. A fee waiver cannot be predicated on giving up the appeal rights that FOIA confers. OPS did not evaluate the FOIA statutory factors to see whether the fee should be waived and instead justified the denial due to its workload, an impermissible factor.

I appealed the OPS's denial of fee waiver— since this request was in the public's interest, and the denial of documents — since it violated Exemption 7 (those two appeals are available at www.pstrust.org/foia/). In December, I received a phone call from a lawyer at OPS characterizing both denials as "ill-advised." In January, I received a six-inch thick stack of documents including the OPS evaluation of why its staff believed El Paso committed five violations and El Paso's response explaining why it believed it hadn't violated any laws.

Based on my preliminary evaluation, this will be a classic demonstration of the benefits of FOIA. El Paso offered several arguments in which pipeline safety advocates will be keenly interested, including detailed critiques of OPS regulations and what requirements they do and do not impose. I haven't yet learned why the Carlsbad fee wasn't collected but I have new avenues to explore. Watch your next Pipeline Safety Trust newsletter for more information! ■

Research & Development - Another Way to Make Pipelines Safer

BY CARL WEIMER

In early February, PHMSA (Pipeline and Hazardous Materials Safety Administration) held a two-day forum in New Orleans that was attended by over 250 people from around North America. The purpose of the forum was to gather those with high levels of knowledge about pipeline operations to discuss the research and development (R&D) needs to make pipelines safer, and to prepare for the changing types of fuels these pipelines will carry. Most of those in attendance were engineers who either worked for pipeline companies, or for the specialty contractors pipeline companies hire.

Six different technical tracks covered different subjects with way too much information discussed to cover in this article. If you are interested, you can view most of the presentations and findings on the PHMSA website at: http://primis.phmsa.dot.gov/rd/mtg_020707.htm

One of the concerns voiced early on was the relative small amount of money spent on research and development for pipelines. In fact,

compared to other transportation sectors such as trucking, trains, airplanes, and automobiles, R&D for pipelines lags far behind. For instance, in 2006 the federal government allocated \$445 million for R&D for the trucking industry compared to just \$8 million for gas pipelines. In the short term, this could impact the readiness of pipelines to safely handle new fuels such as biogas, ethanol, and the heavy crudes coming from tar sands.

In the longer term, though housing continues to be built closer and closer to existing pipelines, new technologies that might help pipeline operators better protect their pipelines from outside damage might not get developed soon enough to save some lives.

I spent most of my time in the sessions dealing with "data mining and threat assessment." One of the most hopeful things I learned was that the liquid side of the pipeline industry, led by the American Petroleum Institute (API), has developed its own database to analyze pipeline incidents. This effort collects much better data than the PHMSA system does, and the database managers check each submission to ensure that all information is accurate. This database has provided the industry with a much better system to analyze the real causes of pipeline incidents. The system also provides each company

with a summary of how its efforts compare with others in the industry.

This scrupulous analysis provides real direction for targeting safety improvement efforts. Since this database has been developed, we now know that though corrosion remains the leading cause of pipeline failures, outside damage is by far the leading cause of damage that leads to deaths and injuries. This data further breaks this down to show that farmers cause the most outside damage, but that underground contractors — including those of pipeline companies themselves — cause the majority of damage that leads to injuries and deaths. This data will help target education and enforcement to those who are causing the majority of these problems.

To take a look at some of the findings from this database, you can visit <http://committees.api.org/pipeline/ppts/files.html>

One of the main drawbacks of this important system is that it is not available to government regulators to help them make better decisions on needed rules, research funding, or enforcement priorities. It also is not available to the public, so any independent verification of the findings from this database is nearly impossible since the PHMSA database is still such a mess. ■

Congressional Reauthorization of the Federal Pipeline Safety Program

In 2006, Congress passed and the President signed the Pipeline Inspection, Protection, and Enforcement Act. The Pipeline Safety Trust was asked to testify in front of the U.S. House and Senate four times over the course of the year. The Trust's testimony and lobbying ensured that the following significant provisions were included in the new law:

- ◆ Regulatory coverage of all low stress pipelines,
- ◆ Distribution pipelines fall under integrity management rules,
- ◆ Increased funding to states for greater damage prevention activities,
- ◆ Greater transparency on the Pipeline and Hazardous Materials Safety Administration's enforcement program,
- ◆ Mandated the use of excess flow valves,
- ◆ Required reports on possible inadequacies in current leak detection systems, and
- ◆ Technical assistance grants provided to affected communities.

YouTube Pipeline Broadcast Your Pipeline

Watch This!

Pipelines, now on **YouTube** – a free video sharing website which lets users upload, view, & share video clips. Citizens from around the country have posted clips of their brush with pipelines and proposed LNG import terminals. Here are a few links that we have discovered. Have one to share? Please email us the link!

Stop the REX Pipeline!

<http://www.youtube.com/watch?v=trzCiiI87co>

Edison Natural Gas Explosion- Durham Woods

<http://www.youtube.com/watch?v=NyMbaZ9FVjA>

Chemical Safety Board Safety Video: Explosion at BP Refinery

<http://www.youtube.com/watch?v=c9JY3eT4cdM>

The Case Against LNG- Loretta Lynch

<http://www.youtube.com/watch?v=1iAkJzKqV6I>

Whales Dolphins And LNG

<http://www.youtube.com/watch?v=y2NyYDLMU90>

DR. J.HAVENS says 'Danger'

<http://www.youtube.com/watch?v=P8TD48paDoQ>

FishingSaysNO L.N.G.

<http://www.youtube.com/watch?v=23CxdkEI-Lo>

Dirty Ol' Town-Fort Worth, TX

<http://www.fwcando.org/Film.htm>

Pipeline Safety

TRUST

Credible. Independent. In the public interest.

1155 N. State St. Suite 609
Bellingham, WA 98225

Want to Help?

There are many ways you can help the push for safer pipelines. Stay informed about pipelines by checking our website frequently and joining the safepipelines and/or the LNGsafety listserves. Become aware of the pipelines in your area, and find out about their safety record. If you have technical expertise, help others in your area understand pipeline safety, or contact the Trust to donate your time helping us educate others.

The current return on the investment of our initial settlement money does not generate enough funds to allow the Trust to do all that we would like to do for pipeline safety. If you would like to help us do more, through a financial donation, please cut out the form below and return it to us with your check or go to <http://pstrust.org/donate.htm> to donate through a secure server online. Donations are tax deductible!

Yes! I want to support the Pipeline Safety Trust's efforts.

Name _____

Street Address _____

City _____ State _____ Zip _____

Phone _____ Email _____

Enclosed is my check made payable to the Pipeline Safety Trust for: \$ _____

Mail to: Pipeline Safety Trust
1155 N. State St. Suite 609
Bellingham, WA 98225

Thank You!



The Mission of the Trust

The Pipeline Safety Trust promotes fuel transportation safety through education and advocacy, by increasing access to information, and by building partnerships with residents, safety advocates, government, and industry, that result in safer communities and a healthier environment.

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