

Resolution Adopting Report of the Local Distribution Company (LDC)
Regulatory Alternative Feasibility Team (RAFT)

WHEREAS, The National Association of Regulatory Utility Commissioners (NARUC), by resolution adopted at its 1997 Winter Committee Meetings, supported a feasibility study of risk management as a regulatory alternative for LDCs, conditioned on the understanding that the use of the findings would be at the sole discretion of the States; and

WHEREAS, The LDC RAFT was established to conduct that feasibility study, consisting of steering, coordinating, and technical committees with representatives from NARUC and staff, the Office of Pipeline Safety, the National Association of Pipeline Safety Representatives, and industry; and

WHEREAS, The LDC RAFT has completed its study and prepared a report of its work; and

WHEREAS, The LDC RAFT report identifies a number of potential alternatives to current safety regulation of LDCs, including potential uses for risk management techniques; and

WHEREAS, The LDC RAFT report emphasizes, consistent with the NARUC supporting resolution, that adoption of its recommendations must be at the sole discretion of the States; and

WHEREAS, The LDC RAFT report was presented to the NARUC Gas Committee at its 2001 Winter Meetings in Washington, D.C.; and

WHEREAS, Broad dissemination of the LDC RAFT report is

necessary to allow States to consider the report's conclusions and to allow the Office of Pipeline (OPS) to consider legislative actions to address the need for emergency waiver of the Pipeline Safety regulations during abnormal system operation and supply problems; now therefore be it

RESOLVED, That the Board of Directors of the National Association of Regulatory Utility Commissioners (NARUC) convened in its July 2001 Summer Committee Meetings in Seattle, Washington, adopts the report of the LDC RAFT, and authorizes its publication as a NARUC document and its public dissemination through the internet and other available means.

Sponsored by the Committee on Gas

Adopted by the NARUC Board of Directors, July 18, 2001.