

Resolution on USDOT and Congressional Appropriations

WHEREAS, Since the Pipeline Safety Act was signed into law in 1968, States have been very active in assisting the U.S. DOT Secretary to carry out the nation's pipeline safety program, State pipeline safety personnel represent more than 80% of the State/federal inspection workforce, and State inspectors are the "first line of defense" at the community level to promote pipeline safety, underground utility damage prevention, and public education and awareness regarding pipelines; *and*

WHEREAS, States have direct safety jurisdiction over 96% of regulated intrastate gas and 32% of hazardous liquid systems and carbon dioxide facilities in the United States, and recent statistics indicate that States are responsible for pipeline safety covering over 92% of 1.9 million miles of gas distribution piping in the nation, 15% of 320,000 miles of gas transmission and 33% of 160,000 miles of hazardous liquid pipelines; *and*

WHEREAS, Adequate funding is necessary to enable the States to conduct the required inspections of the existing pipeline facilities, new pipeline construction projects, and to encourage compliance with current and pending pipeline safety regulations; *and*

WHEREAS, Added programs mandated by the Accountable Pipeline Safety and Partnership Act of 1996 and the two pipeline safety reauthorizations that followed include but are not limited to operator qualification requirements, gas transmission and hazardous liquids pipeline integrity, public awareness communications, excess flow valve installation, pipeline control room management, and distribution integrity management; *and*

WHEREAS, As a result of the shortfall in past Congressional appropriations, the federal matching grants to States have not been commensurate with the growth in pipeline safety program expenditures covered by State funds to carry out the above mandates; *and*

WHEREAS, The Pipeline Inspection, Protection, Enforcement and Safety Act of 2006 (PIPES Act) authorized PHMSA to reimburse a State up to 80 percent of the cost of the personnel, equipment, and activities reasonably required to carry out the pipeline safety program in that State; *and*

WHEREAS, The PIPES Act Section 60107(b) conditions grant payments to the States in a manner requiring States to increase pipeline safety expenditures in order to receive increased funding authorized by the Act; *and*

WHEREAS, The nation is experiencing an economic crisis and most States may be prevented from increasing their budgets for pipeline safety programs funded by the State and some States may even have to cut back their pipeline safety budget as part of the overall cost cutting measures imposed by the State governing authority; *and*

WHEREAS, The PIPES Act includes provisions for the U.S. DOT Secretary to waive the requirements for States to increase pipeline safety expenditures; *now, therefore be it*

RESOLVED, That the Board of Directors of the National Association of Regulatory Utility Commissioners, convened at its 2009 Summer Committee Meetings in Seattle, Washington, urges the Secretary of the U.S. DOT to temporarily waive the requirement in 49 USC Section 60107(b) to maintain the State's portion of the annual pipeline safety program cost at the average of the past three-year level. This would allow federal funding to comprise a greater percentage of the State's total program cost and continue progression toward the 80 percent maximum funding levels prescribed in the Act; *and be it further*

RESOLVED, That NARUC urges Congressional Committees on Appropriations to fund the U.S. DOT's Pipeline and Hazardous Material and Safety Administration's State Grant program for FY 2010 at the proposed \$39.3 million to assist States maintain their strong pipeline safety programs and fulfill the additional mandates required by the PIPES ACT.

Sponsored by the Committee on Gas

Adopted by the NARUC Board of Directors, July 22, 2009