



## NEWS RELEASE

FOR IMMEDIATE RELEASE:  
December 14, 2016

CONTACT:  
Cathy Landry  
202-216-5913  
clandry@ingaa.org

### **INGAA president comments on PHMSA natural gas storage rule**

*WASHINGTON— Don Santa, president and CEO of the Interstate Natural Gas Association of America, today commented on a new Pipeline and Hazardous Materials Administration interim final rule to regulate natural gas storage:*

“INGAA strongly supports PHMSA regulation of natural gas storage based on consensus standards. We are quite concerned, however, that the 12-month implementation period outlined in the interim final rule is unrealistic. Extensive effort will be required to implement a structured and documented integrity management program across the roughly 400 underground gas storage facilities in the United States.

“INGAA’s members are strongly committed to safety – of the pipelines and all of the facilities that they operate. For that reason, INGAA’s board in February supported voluntary adoption of these consensus standards in advance of any federal regulation. And we supported PHMSA promulgating federal natural gas storage rules based on those recommended practices to ensure consistency in implementing those practices across all underground storage operators. We are concerned that a rushed 12-month implementation of the entirety of the recommended practices would impose a substantial burden on operators and could undermine the effectiveness of these risk-based integrity management programs. In contrast, the implementation period for the gas transmission pipeline integrity management program requirements was ten years.

“We are reviewing this interim final rule, and hope PHMSA will take our concerns into consideration.”

###

*INGAA is the North American trade association representing the interstate and interprovincial natural gas pipeline industry. INGAA’s members operate approximately 200,000 miles of pipelines, and serve as an indispensable link between natural gas producers and consumers.*

## Background:

- INGAA has publicly supported PHMSA regulation of natural gas storage for some time. In 2011, INGAA began working with the American Gas Association, PHMSA, federal and state officials, on the consensus safety standards to ensure the integrity of underground natural gas storage systems. As a result of this effort, the American Petroleum Institute issued the two recommended practices in September 2015.
- In testimony to a Senate subcommittee in September 2015, Santa said INGAA believed that PHMSA should undertake a rulemaking to adopt new regulations for underground natural gas storage and suggested that the new recommended practices would help to facilitate more rapid adoption of such rules.
- INGAA recommended that Congress, as part of the Pipeline Safety Act reauthorization, require the creation of federal regulations by a date certain. INGAA supported the appropriate delegation of oversight authority to state entities for intrastate storage facilities, similar to the existing delegation of authority for intrastate pipeline regulation. (Congress ultimately included natural gas storage safety in the reauthorization bill, signed into law in June.)
- INGAA's board of directors last February reaffirmed its commitment to underground natural gas storage safety, and supported PHMSA taking steps to accelerate adoption of newly developed consensus safety standards as a basis for federal natural gas storage regulations.
- There are approximately 400 underground natural gas storage facilities in the United States. The facilities use underground geologic formations, such as depleted oil and gas wells and salt caverns, to store natural gas. Previously, there were no federal safety regulations for natural gas storage.
- API Recommended Practice 1170  
This recommended practice (RP) applies to the safety and integrity of natural gas storage in salt caverns. It focuses on facility geomechanical assessments, cavern well design and drilling, solution mining techniques and operations, including monitoring and maintenance practices. The RP includes cavern well systems (wellhead, wellbore and cavern) from emergency shutdown valves to safety and integrity of the cavern system.
- API Recommended Practice 1171  
This recommended practice (RP) applies to the safety and integrity of natural gas storage in depleted oil and gas reservoirs and aquifer reservoirs. The RP focuses on storage well, reservoir, and fluid management for functional integrity in design, construction, operation, monitoring, maintenance and documentation practices. The RP includes activities in risk management, site security, safety, emergency preparedness, and procedural documentation and training.