

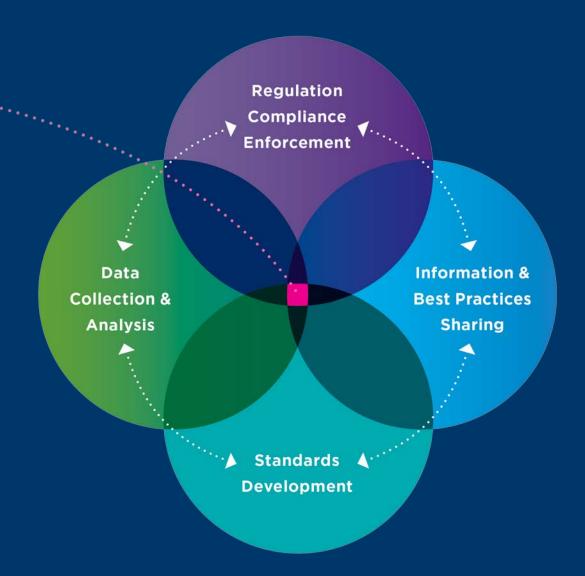
Pipeline Safety Management Systems AGA American Gas Association

March 1-2, 2016

Safest

Energy Delivery
System in America

The natural gas industry has a long-standing record of providing natural gas service safely and effectively to more than 177 million Americans and is dedicated to the continued enhancement of pipeline safety.



A CULTURE OF SAFETY

"AGA and its member companies are committed to promoting positive safety cultures among their employees throughout the natural gas distribution industry. All employees, as well as contractors and suppliers providing services to AGA members, are expected to place the highest priority on employee, customer, public and pipeline safety."

- Excerpt from AGA Safety Culture Statement



Natural gas utilities spend \$22 billion annually to help enhance the safety of natural gas distribution and transmission systems.



Enhancing Safety:

A Joint Effort

AGA and its members are dedicated to the continued enhancement of pipeline safety. Safety is a joint effort, a partnership that engages customers, regulators and policymakers at every level. We are committed to proactively collaborating with federal and state regulators, public officials, emergency responders, excavators, consumers, safety advocates and the public to continue improving the industry's longstanding record of providing natural gas service safely and effectively to more than 177 million Americans.







API 1173 Elements

Includes Familiar Subjects

- Risk Management
- Incident Investigation, Evaluation and Lessons Learned
- Emergency Preparedness & Response
- Documentation and Record Keeping

Some New Subjects

- Leadership & Management
 Commitment
- Stakeholder Engagement
- Operational Controls
- Safety Assurance
- Management Review &
 Continuous Improvement
- Competence, Awareness and Training

What PSMS Is

- A holistic approach to pipeline safety
- Framework of 10 elements based on positive safety culture and executive involvement
- System for continuous assessment and improvement (Plan, Do, Check, Act cycle)
- Structure to optimize use of resources to manage pipeline safety

What PSMS Isn't

- One size fits all approach to safety practices
- Once-and-done or check-the-box type of activity
- Method to place blame after an incident
- Yet another safety program or competition with awards for "good behavior"
- Quick fix approach to pipeline safety

Pilot Implementation Volunteers

AGL Resources
Avista Corporation
CenterPoint Energy
Eversource Energy
National Grid
NiSource
Pacific Gas and Electric Company
Peoples Gas and Power Company, Inc.
Piedmont Natural Gas Company, Inc.
Southwest Gas Corporation
Vectren Corporation
Washington Gas Light Company

PSMS Initiatives for 2016

- Discussion Group Quarterly sessions
- Pilot Implementation Volunteers to publish Lessons Learned
 September/October 2016
- "Roadmap" guidelines
 - Estimated publication Second
 Quarter 2016
- Workshop
 - February/March 2016

AGA Discussion Groups

- Query other utilities on what their experiences and challenges have been in this area
- Identify leading practices implemented by other utilities
- Exchange operating procedures, performance indicators, or work documents
- Determine which companies are ideal for additional follow-up discussions

The Pipeline Safety Management Systems Discussion Group will continue through 2016

- AGA member companies will pilot the implementation of API 1173 at their own companies.
- Over the course of a year, the companies will share information with each other
- At the end of the year, these companies will "report" their stories to other AGA member companies

12 AGA Member Companies Volunteered to Pilot Implementation

- AGI Resources
- Avista Corporation
- CenterPoint Energy
- Eversource Energy
- National Grid
- NiSource
- Pacific Gas and Electric Company
- Peoples Gas and Power Company, Inc.
- Piedmont Natural Gas Company, Inc.
- Southwest Gas Corporation
- Vectren Corporation
- Washington Gas Light Company



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