

Natural gas pipelines are critical to our way of life.
They safely provide the energy we use every hour of the day.
They keep the lights on. They heat and cool our homes. They cook our food. They keep us mobile and connected. They secure our future.

Pipelines are also subject to extensive regulatory, legislative and industry oversight to keep the energy flowing and communities safe.

Pipeline safety and governance

Natural gas pipelines are rigorously regulated and monitored by federal and state governments, with the process largely regulated by two federal agencies.

- The Federal Energy Regulatory
 Commission (FERC) is an independent
 agency that is responsible for the economic
 regulation of the interstate transmission
 of electricity, natural gas and oil, and is
 the federal agency most responsible for
 approving the construction of interstate
 natural gas pipelines.
- The U.S. Department of Transportation's
 Pipeline and Hazardous Materials
 Safety Administration (PHMSA) is
 responsible for the regulation of interstate
 natural gas transmission pipeline safety.
 These regulations cover all phases of a
 pipeline's lifecycle, including materials,
 design, construction, operations,
 maintenance, integrity management
 and abandonment.

Regular inspections

In addition to PHMSA's federal regulation oversight, each state has a pipeline safety office that oversees state jurisdictional pipelines. PHMSA routinely conducts inspections of pipeline construction, operation, maintenance and integrity management to verify that pipeline operators comply with pipeline safety regulations.

PHMSA and these state agencies collaborate to conduct about 15 to 20 weeks of inspections on pipeline facilities every year—verifying operators are complying with pipeline safety regulations and following their work procedures by observing operators' work, documentation and facility conditions.

PHMSA and the NTSB

While PHMSA also conducts investigations of pipeline incidents, the National Transportation Safety Board (NTSB) may also investigate pipeline incidents that are more serious in nature.

(Continued on reverse)



If PHMSA inspection finds violations or inadequate procedures

If an NTSB investigation identifies potential pipeline safety issues that may apply to other pipelines, the NTSB may issue action **Nature of Possible** recommendations for PHMSA and other entities. Non-Compliance or **Enforcement Safety Concern Action** Enbridge fully cooperates with PHMSA inspectors during and following any inspections. Enbridge views these inspections as Warning Letter: Notifies the operator of alleged violations and directs it to Minor conditions that another method of identifying potential areas of improvement in are not compliant with our pipeline safety programs and procedures. pipeline safety correct them or be subjected to further enforcement action. Follow-up during future regulations. The enforcement process PHMSA has a number of enforcement options if it identifies with the operator. No civil penalty is assessed. safety concerns, finds noncompliance or if there is an incident. To learn more about pipeline safety and regulations, visit the PHMSA website at **phmsa.dot.gov**. Identification of Notice of Amendment (NOA): Instructs operator to amend plans or procedures. Requires submittal of shortcomings in an operator's plans and procedures under PHMSA regulations. Notice of Probable Violation Conditions that are not Operator Accepts Terms (NOPV): Alleges specific regulatory violations and may compliant with pipeline safety regulations. include a civil penalty and/or a Compliance Order. Final Order: May or may not revise the enforcement action including Compliance Order or Corrective Compliance Order: Identification of specific Action Plan.* actions that need to be Notifies operator of specific non-compliance items and directs it to develop an action plan to correct the deficiency. PHMSA has the authority to taken to correct Operator *An operator has the option to non compliance concerns. Requests Hearing contest a final order, but this is rarely done. review and approve the corrective action plan and follow-up to ensure **Safety Order:** Notice that a particular pipeline facility has Identification of pipeline safety risks that may not require immediate pose a pipeline safety risk to public safety, property or the environment. Requires the corrective action, but do need to be addressed over time before they can become an corrective actions to mitigate the risk. immediate risk. Corrective Action Order (CAO): Shutdown, operation at reduced pressure, physical inspection or testing Urgent pipeline safety situation. Can be an accident, spill or other significant, immediate of the pipeline, repair or replacement of defective pipeline segments, and similar measures. or imminent concern.

PHMSA and the NTSB (continued from page 1)

