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Secretary LaHood Pledges Support to Expedite Pipeline Modernization Project

Increased Safety, More Energy Capacity & Thousands of New Jobs

PITTSBURGH, Pa. – U.S. Department of Transportation Secretary Ray LaHood today announced that the agency will lead the effort to help expedite federal permitting for a 1,000 mile pipeline modernization project by NiSource, Inc. that will produce thousands of jobs, enhance safety and increase energy capacity.

"A year ago, I asked pipeline operators to take a hard look at their infrastructure and identify those sections of pipeline that need to be repaired, rehabilitated or replaced to ensure safer and more reliable delivery of energy resources," said Secretary LaHood. "And we are happy to help NiSource speed up construction and replace some of the oldest pipelines in the nation, ensuring good jobs and increased safety for people in Pittsburgh, as well as throughout Pennsylvania and the other states that will benefit from this project."

Secretary LaHood and PHMSA Administrator Cynthia Quarterman met with Pittsburgh Mayor Luke Ravenstahl and representatives from NiSource in Pittsburgh today to pledge their support in expediting the construction. NiSource, Inc. has announced it will modernize its Columbia Gas Transmission, LLC gas transmission and storage system by replacing aging infrastructure that serves communities in six states, including the Marcellus shale gas production region, where the majority of the pipeline infrastructure is more than 40 years old and running on inefficient platforms.

This massive modernization project will take place in Kentucky, Maryland, Ohio, Pennsylvania, Virginia and West Virginia, and it will promote the safe and reliable delivery of energy resources across the Midwest, Mid-Atlantic and Northeastern regions of the United States. NiSource projects that the modernization project will:

• Invest \$4 billion over 10 to 15 years, beginning in 2012;

- Produce an estimated **7,000 to 8,000 direct jobs** by replacing aging infrastructure with safer and more reliable pipelines; and
- Replace approximately 1,000 miles of large diameter pipeline using domesticmade steel.

"A modern pipeline infrastructure is crucial for the efficient and safe delivery of our nation's resources, and this is exactly the kind of project that government should help facilitate," said PHMSA Administrator Cynthia Quarterman. "We will help them work through the process, and make sure the project is constructed safely."

A year ago, Secretary LaHood issued a <u>Call to Action</u> to the nation's pipeline operators, asking them to take a hard look at their infrastructure and identify pipelines that need to be repaired, requalifed or replaced to ensure safer and more reliable delivery of energy resources. This project is also in accordance with the President's Executive Order to Improve Performance of Federal Permitting and Review of Infrastructure Projects.

"I commend Pennsylvania for making pipeline safety a priority by passing the Gas and Hazardous Liquids Pipeline Act," said Secretary LaHood. "This is personal for all of usnone of us ever want to see another tragedy like the one that happened in Allentown."

DOT will coordinate with other government entities to identify opportunities to remove overlaps and expedite the regulatory and approval processes without sacrificing safety or lowering industry standards.

There are more than 2.5 million miles of pipelines that deliver oil and gas to communities and businesses throughout the United States. PHMSA provides information and resources to the public to help them stay safe around pipelines through its <u>Pipeline Safety Awareness website</u>, <u>State Pipeline Profiles</u> and pipeline safety workshops for operators and emergency responders. PHMSA also urges the public to learn more about 811, a toll-free number that everyone should call before beginning any excavation project.

The Pipeline and Hazardous Materials Safety Administration develops and enforces regulations for the safe, reliable, and environmentally sound operation of the nation's 2.5 million mile pipeline transportation system and the nearly 1 million daily shipments of hazardous materials by land, sea, and air. Please visit http://phmsa.dot.gov for more information.