

STATE OF CONNECTICUT

DEPARTMENT OF PUBLIC UTILITY CONTROL

April 5, 2011

Ms. Cynthia L. Quarterman Administrator U.S. Department of Transportation Pipeline and Hazardous Materials Safety Administration East Building, 2nd Floor 1200 New Jersey Ave., SE Washington, DC 20590

Dear Ms. Quarterman:

This letter is in response to your correspondence of March 31, 2011, regarding the integrity of the nation's pipelines. Please be assured that the Connecticut Department of Public Utility Control (DPUC) is equally concerned about pipeline safety, both nationally and in particular within the state of Connecticut. The DPUC has a long history of dedication to a strong pipeline safety program and continues to champion the cause, especially in light of the recent tragic events in the pipeline industry. Our performance has been recognized in the fact that we have been consistently rated by the Pipeline and Hazardous Materials Safety Administration (PHMSA) as one of the most effective pipeline safety programs in the country. In the last several years, we have achieved a perfect score in our annual evaluation and we were 1 of only 3 states to achieve a perfect score in the most recent round of evaluations. In addition, we are actively involved in pipeline safety at the national level as well as the state level. DPUC Gas Pipeline Safety Unit (GPSU) program manager, Karl Baker, chairs the National Association of Pipeline Safety Representatives (NAPSR) Service Line Periodic Inspections Committee and Bruce Benson and Daniel Nivison are actively participating on other NAPSR committees. We value our partnership between PHMSA and the DPUC staff, focusing on providing an effective pipeline safety program, including our ability to perform inspections of interstate pipeline operators. We look forward to continuing this productive relationship.

The DPUC welcomes the upcoming Pipeline Safety Forum as an excellent opportunity for all stakeholders to share expertise, experience, research and ideas. The DPUC intends to dispatch Mr. Baker to actively participate in this forum.

With respect to replacement plans for the highest risk pipelines, the DPUC has been encouraging the gas companies in the state to create replacement programs for several

decades. All of the gas companies in Connecticut have replacement programs in place and have been accelerating, improving and enhancing them for the past 20 years. These replacement programs have been targeting our highest risk pipelines which are composed of bare steel and cast iron. In addition, we are currently presiding over a rate case whereby one of the gas companies is proposing to dramatically increase the rate of replacement. At current replacement rates, it would take more than 67 years to replace the remaining inventory of cast iron mains at this company. The newly proposed replacement plan would eliminate this pipe in a 15 to 20 year time frame. This proposal to accelerate the replacement program was a direct result of new safety regulations as well as the continuing collaborative work between the gas companies and the GPSU. The DPUC has and will continue to support replacement programs including significant acceleration of said programs when needed to ensure safe and reliable service to the citizens of our state. Notwithstanding these significant efforts, the GPSU is currently reviewing the replacement plans for all of the gas companies in the state to determine what additional changes might be needed to further our commitment to safety.

We concur that strong, effective oversight combined with robust excavation damage prevention programs can greatly improve public safety. The DPUC enforces the excavation damage prevention laws in Connecticut. We are consistently considered to have one of the best enforcement programs in the country. Each and every violation of the state's excavation damage prevention law is reviewed and appropriate enforcement action taken. This is done for all violations of the law, not just violations involving gas utilities. In order to support the damage prevention effort on a national level, Mr. Baker has been assisting PHMSA by working on a task group to help other states increase their enforcement capabilities and Mr. Nivison is an active participant in the Common Ground Alliance (CGA). In addition, the DPUC provides all of its violation data to CGA for use in their Damage Information Reporting Tool (DIRT). Finally, the Governor of Connecticut signed a proclamation on March 30, 2011, declaring April to be Call Before You Dig Month. We are actively working with the Call Before You Dig clearinghouse as well as the utilities to get this important message out.

I hope this letter adequately addresses the issues you raised in your letter. If you have any questions or concerns, please contact Mr. Baker of the Gas Pipeline Safety Unit.

Sincerely.

Kevin M. DelGobbo

Chairman

cc: Governor Dannel P. Malloy