

17:06 16Dec10 -INTERVIEW-U.S. pipeline regulator pushes safety

- * First safety recommendations for building near pipelines
- * No distance set-back for pipelines recommended
- * Some recommendation may make it into formal regulations
- * Unclear if Congress will fund more pipeline inspectors

By Tom Doggett

WASHINGTON, Dec 16 (Reuters) - Local governments should require property developers to consult with pipeline owners to see if their projects are too close to major underground oil or natural gas pipelines, the U.S. pipeline safety regulator said in a report on Thursday.

The report, which comes after several high profile pipeline accidents this year, contained almost five dozen recommendations on practices that should be followed when building around pipelines.

"The goal of this report is to improve in the future the way that communities plan new development when it is near a pipeline location," said Cynthia Quarterman, who heads the federal Pipeline and Hazardous Materials Safety Administration.

The report, developed by representatives from local governments, the public, pipeline operators, and regulators, is the first set of national safety recommendations for developing areas near existing pipelines.

Quarterman told Reuters in an interview that from PHMSA's perspective many of these recommendations are "common sense," but they could be enlightening to local governments.

"If you think about a city or a local planner who knows absolutely nothing about pipelines, I think these are fantastic recommendations, for them to sit down and say: 'Okay, the first thing we need to do is find out if we have any pipelines in our area and where they are, and what's near them,'" she said.

A PG&E gas line exploded in a San Francisco suburb in September, killing eight people and destroying 37 homes. Several leaks on the Enbridge pipeline system collectively spilled thousands of barrels of oil in the Midwest.

"Local developers are not transmission pipeline experts; therefore, they should consult with the pipeline operator to determine whether a proposed land use or development will impact the integrity of the nearby transmission pipeline or the future safety of persons or property," the report said.

The American Petroleum Institute, which was one of the groups that participated in the report, said "pipelines are the safest way to move fuels to consumers, but that they need to be respected and protected."

One key recommendation advocated by many safety advocates that is missing from the report is how far a home or building must be from a pipeline. "There is no specific setback in this," said Quarterman.

The report said establishing a fixed-distance setback is not as important as establishing good communications between pipeline operators, developers and local governments.

Quarterman said the report's recommendations were reached by consensus and that could not be achieved when trying to determine the best setback distance from a pipeline.

The report's recommendations are voluntary, but Quarterman said some of them could eventually make it into PHMSA regulations if they are deemed important enough. "If we were to see something that was over time particularly good, certainly we would look at that," she said.

The Obama administration has proposed legislation to provide funding for 40 additional PHMSA pipeline safety inspectors over four years.

Quarterman said it was unclear if the extra funding would be approved during the current lame duck session of Congress. "What Congress does with it, I don't know," she said.

(Reporting by Tom Doggett; Editing by David Gregorio)

((tom.doggett@thomsonreuters.com; + 1 202 898-8320; Reuters
Messaging:tom.doggett.reuters.com@reuters.net)) Keywords: USA PIPELINE SAFETY