



National Fuel

Lee E. Hartz
Assistant Vice President

December 20, 2013

VIA E-MAIL & NEXT-DAY UPS

Mr. Byron Coy, P.E.
Director, PHMSA Eastern Division
820 Bear Tavern Road, Suite 103
West Trenton, NJ 08628
byron.coy@dot.gov

**RE: November 26, 2013 Notice of Amendment (CPF 1-2013-1028M) to
National Fuel Gas Supply Corporation**

Dear Director Coy:

Please allow this letter to serve as the written response of National Fuel Gas Company and its subsidiaries, including National Fuel Gas Supply Corporation, (collectively, "National Fuel") to your November 26, 2013 Notice of Amendment (the "Notice of Amendment").

In accordance with the procedures for responding to a Notice of Amendment, we have divided the issues raised into two categories: (1) items National Fuel wishes to contest, and (2) items National Fuel is not contesting, but require additional explanation. National Fuel does not request a hearing for any of the listed items.

ITEMS CONTESTED

**1. Notice of Amendment Item 2:
Process for Response Card Management:**

The Notice of Amendment states, "National Fuel's . . . *Public Awareness and Education Program* was inadequate because . . . [it] did not have a detailed procedure for the implementation and management of bounce back cards ("BBCs").

RESPONSE:

National Fuel contests the assessment that its written public education program, *Public Awareness and Education Program for Gas Distribution, Gathering and Transmission Pipelines, Version I, July 11, 2011* (the "Program"), was inadequate because it did not have a detailed procedure for the implementation and management of response cards or bounce back cards (BBCs).

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While it is not required to do so, National Fuel does include BBCs with the brochures mailed to stakeholders and comment/feedback cards with emergency responder training materials. National Fuel does not agree that a detailed procedure for BBC management was not in place. In fact, in accordance with API's RP 1162, National Fuel included a detailed procedure for handling these response cards in Appendix E of National Fuel's plan. Appendix E was made available during the PHMSA inspection.

**2. Notice of Amendment Item No. 7
Program Evaluation:**

Item number 7 of the Notice of Amendment raises several concerns with respect to National Fuel's written program with respect to procedures for program evaluation.

RESPONSE:

National Fuel contests the finding that its Program was lacking in this respect. Specifically, National Fuel's written program *does* include information regarding "the program evaluation process, including the methodology to be used to perform the evaluation and analysis of the results and criteria for program improvement based on the results of the evaluation." National Fuel further disagrees that its Program had no detailed written process on how to determine whether (1) the program has been developed and implemented according to API RP 1162, and (2) the actions undertaken in implementation of API RP 1162 are achieving the intended goals and objectives, in accordance with Sections 8.3 and 8.4 of API RP 1162. National Fuel also disagrees that its Program did not contain information on the metrics/criteria/rationale used to determine if a modification to the baseline program and/or supplemental program enhancements are necessary and that it failed to mention who will participate in each evaluation.

As National Fuel explained to the PHMSA Inspector, Appendix B to the Program summarizes National Fuel's internal and external Program Evaluations conducted as well as bottom line results which are evaluated periodically. Consistent with the requirements of API's RP 1162 Section 8.3, Section 9 of National Fuel's program explains how the program will be implemented and reviewed. Appendix B further summarizes National Fuel's internal and external Program Evaluations conducted as well as bottom line results which are evaluated periodically. Given the level of detail contained in Appendix B, National Fuel contests your determination regarding its Program evaluation.

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ITEMS NOT CONTESTED

National Fuel is not contesting the other items addressed in your Notice of Amendment. However, additional explanation may alleviate your concerns or at least address issues identified in the Notice. Given the time that has passed since the inspection, many of the actions discussed below have already been implemented.

**1. Notice of Amendment Item No. 1:
API's RP 1162 Edition Number:**

The Notice of Amendment noted that National Fuel's Program did not include a reference to the API RP 1162 edition, as noted in § 192.7.

RESPONSE:

Only one edition of the API RP 1162 exists. Nevertheless, National Fuel has since amended Section 1.0 of its plan to reference the API RP 1162 edition being utilized.

**2. Notice of Amendment Item No. 3:
Stakeholder Notification Areas.**

The Notice of Amendment stated that National Fuel's Program: (1) "did not describe the criteria used to determine stakeholder notification areas"; (2) "lacked specific information on how National Fuel determined that the coverage area (buffer) fits its particular pipeline, location and potential impact consequences" ; and (3) "did not state whether the information should be sent to the property owner or current resident of the property, or whether the resident should receive information if the property is within 660 feet but the home is located outside the 660 feet."

RESPONSE:

In order to clarify this issue, National Fuel notes that as stated in Appendix E of its Program, the use of 660 feet on each side of a pipeline as a notification area is derived from the fact that this distance is larger than the current maximum Potential Impact Radius (PIR) of any of National Fuel's pipelines.

Specifically, Table 1 refers to the various sub-groups of the Affected Public, (who are residents), along or near facilities operated by National Fuel. Section 8.5 states that stakeholders within 660' of every line will receive the information. Appendix E references the maximum Potential Impact Radius (PIR) as reasoning for National Fuel's 1320-foot (660-feet of each side of pipeline) coverage area for residential mailings.

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National Fuel is currently working with its GIS Department and outside service provider to determine the feasibility of including landowners (when different from residents) in future mailings. If feasible, National Fuel will include both landowners and residents in the coverage area for stakeholder notifications moving forward. Please note however, that National Fuel undertakes numerous additional forms of outreach, above and beyond brochures, in an effort to reach stakeholders outside the 1320-foot coverage area. Accordingly, the mailings are not the sole source of stakeholder notification.

**3. Notice of Amendment Item No. 4:
Evaluation of Non-English Speaking Population and Program Availability:**

The Notice of Amendment also stated that “National Fuel did not have a detailed written process for providing programs in both English and in other languages commonly used by a significant concentration of non-English speaking population along the pipeline.” And, that while National Fuel’s Program explained that “messages are distributed in English but can be available in languages commonly understood by a significant number and concentration of the non-English speaking population in National Fuel’s area if needed,” it failed to identify the data reviewed or how the non-English population was evaluated and determined.

RESPONSE:

In accordance with guidance received during the July, 2011 PHMSA inspection, National Fuel has, in its plan, further articulated its review of the non-English speaking populations within its Operating territory. Section 5.2 of National Fuel’s plan establishes benchmarks and provides a more detailed explanation of National Fuel’s plan to continually monitor non-English speaking populations by citing US Census reports. Appendix B documents a 2012 review of Census Data conducted at the request of the PHMSA Inspector during the July, 2011 inspection as well as a more detailed analysis that occurred in 2013. National Fuel will continue to offer its brochures in Spanish upon request. A message in Spanish stating the same is now located on the front of National Fuel’s brochures.

**4. Notice of Amendment Item No. 5
Communication of Information Regarding Facilities and Product.**

The Notice of Amendment also stated that National Fuel’s Program “did not provide a detailed process for communicating general information regarding its facility and product stored or transported through its facility to all the stakeholders.” And, specifically that the Program and the brochures did not include detailed information about its major facilities, such as compressor stations or storage facilities, because the materials were too general.

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RESPONSE:

Upon the recommendation of the PHMSA Inspector, National Fuel revised the materials being distributed to each of the 4 stakeholder groups. The covers of each of these brochures specifically state “National Fuel Gas Pipelines”. Moreover, Stakeholders near compressor stations and storage facilities receive brochures from National Fuel due to their proximity to National Fuel’s pipeline facilities. While National Fuel’s brochures are primarily focused on its facilities, the brochures include some general pipeline safety information as well.

**5. Notice of Amendment Item No. 6:
Personnel Roles and Responsibilities:**

The Notice Letter states that National Fuel’s Program “did not have a sufficient description of the roles and responsibilities of personnel administering the public awareness program.” Specifically, the information contained in Appendix A of the Program was limited to names and titles/functional areas and did not adequately define the roles and responsibilities for the relevant individuals.

RESPONSE:

National Fuel has amended Appendix A of its Program to include Roles and Responsibilities for each participant in its Public Awareness Program.

We hope this letter adequately addresses each of the items listed in your recent Notice of Amendment. National Fuel took immediate and ongoing action based upon the limited feedback provided by the PHMSA Inspector in July, 2011. While we feel the preceding responses should alleviate any lingering concerns, the process of responding to inspection findings from over two years ago can be difficult given the evolving nature of public awareness programs. Accordingly, please contact me directly if you feel any of our responses requires additional clarification.

Sincerely,



Lee E. Hartz

cc: John R. Pustalka, President, National Fuel Gas Supply Corporation
 James D. Ramsdell, Senior Vice President – Safety, National Fuel Gas Company