



CONGRESSMAN BRAD SHERMAN

SERVING THE SAN FERNANDO VALLEY

Ms. Drue Pearce
Acting Administrator
Pipeline and Hazardous Materials
Safety Administration (PHMSA)
1200 New Jersey Ave. SE
Washington, DC 20590

Dear Acting Administrator Pearce,

On December 19, 2016, PHMSA announced the adoption of an Interim Final Rule (IFR) on underground natural gas storage facilities, with an effective date of January 18, 2017. This IFR established commonsense federal safety standards for such facilities. However, on June 20, 2017, PHMSA granted a request by representatives of the natural gas industry to reconsider the IFR and therefore substantially delay implementation of a final rule.

I understand that PHMSA has the right to modify the IFR, but any changes should be a logical outgrowth of the IFR, not a retreat. If PHMSA decides to make major changes to the rule, I hope you use the opportunity to make the rule stronger. Weakening or failing to implement the rule should not be an option. Removing safeguards in order to ease industry compliance may benefit the natural gas industry, but it hurts the communities that depend on PHMSA to protect their health and safety.

The IFR was implemented as a result of the Aliso Canyon Gas Leak, the largest methane leak from a natural gas storage facility in United States history. The leak continued for nearly four months. More than 7,000 families were displaced from their homes and forced to relocate because they experienced health symptoms consistent with odorants added to the natural gas. Two schools in the area were closed for the duration of the school year. A recent study found that many Porter Ranch residents have elevated levels of uranium, lithium, and other chemicals in their bodies.

It is troubling that one of the petitioners that asked PHMSA to reconsider the IFR is the American Gas Association. Among its members is SoCalGas, the operator of the Aliso Canyon Natural Gas Storage Facility. I am also puzzled that the American Petroleum Institute (API) is another petitioner; the current IFR consists of two of API's own recommended practices, issued in 2015. If mandatory implementation of certain recommended practices is infeasible in particular circumstances, as the petitioners allege, these organizations should use the case-by-case exemption process described in the IFR, rather than seeking to invalidate and delay the entire rule.

Also concerning is the fact that PHMSA granted the energy industry's request for reconsideration more than 90 days after the IFR's publication. As PHMSA stated in its notice, the Administration is required to act within 90 days of such a request unless "it is found impracticable to take action within that time." However, PHMSA's notice did not justify its finding of impracticability. I request that PHMSA explain why it did not move to grant the industry's request until after the 90-day window had closed.

Congress unanimously passed the *Protecting our Infrastructure of Pipelines and Enhancing Safety Act of 2016*, which mandated that PHMSA establish minimum federal standards for underground natural gas storage facilities. Reversing and/or failing to implement the rule that enforces these minimum standards is in defiance of clear direction from Congress.

Furthermore, the new Congress and Administration had the opportunity to overturn the rule through the Congressional Review Act (CRA) process. Any member could have introduced a CRA resolution to overturn the IFR on underground natural gas storage facilities by March 30 and it would have had until May 11 to pass the Senate. This year, a record 14 Obama administration rules were overturned under the CRA, yet no member even introduced a CRA resolution on this rule.

Although I am disappointed by the implementation delay, I am pleased PHMSA reopened the public comment period on October 19, 2017. I hope PHMSA takes these comments seriously and adopts a rule establishing meaningful and mandatory safety standards.

In the meantime, PHMSA should vigorously monitor underground natural gas storage safety using other authorities. PHMSA's IFR published on December 19, 2016 states, "any delay in adopting the API recommended practices would be impracticable and contrary to the public interest . . . [because] the failure of a single well can cause substantial environmental harm and put populated areas at risk." In its notice of reconsideration, PHMSA "reserve[d] the right to exercise its authorities separate and apart from the IFR." As the rulemaking process continues, PHMSA needs to use its authority to address imminent hazards and operations that compromise public health, safety, and the environment.

The lessons of the Aliso Canyon natural gas leak demonstrate that a lack of federal standards for underground natural gas storage facilities can have disastrous consequences. As a resident of Porter Ranch who lives about as close as anyone to the world's largest methane leak, I know this personally. I join my community in urging PHMSA to draft a final rule that contains protections at least as strong as those contained in the IFR.

Sincerely,



Brad Sherman
Member of Congress