



August 4, 2011

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Heard It Through The Pipeline

MONTANA OIL PIPELINE SAFETY REVIEW COUNCIL

Governor Brian Schweitzer led off with comments on the organizational meeting of the Montana Oil Pipeline Safety Review Committee.

Governor Schweitzer expressed concern that there is not a complete picture of the pipeline infrastructure and regulations in Montana and that he has formed this council to gather information and fill gaps. He wants to ensure that his administration does what it can to ensure pipeline safety, and do everything possible to avoid pipeline problems that adversely affect Montana and the environment. He made the point of stating that Montana is an energy producing state, and that we need to continue to produce and move the energy resources we have. He also said that many of the pipelines crossing state owned land under rivers and streams may not have proper easements.

This council will gather information, but will not change the fact we are an energy producing state and that we should continue to do so. In essence, the Governor wants an inventory and basic information of all pipelines in Montana that carry petroleum products, a risk assessment and prevention of failures.

The Council members are Jim Lynch (Director of Transportation), Mary Sexton (Director of Natural Resources and Conservation) and Richard Opper, (Director of Environmental Quality). Mr. Opper was selected as Council Chairman.

The Council laid out the information that they will be looking to aggregate. The list of topics, besides building a pipeline inventory and mapping facilities, includes:

1. Pipeline size
2. Ownership
3. Product/s transported
4. Age
5. Operating pressures
6. Valve Placement and pump locations
7. Wall thickness and corrosion status
8. Depth, depth under waters of the state
9. Distance from water's edge, and threat from scour or meander
10. Secured easements from Montana is required for "navigable waters"
11. Material which the pipe is made from
12. Adjoining Property owner lists.

There was no distinction in any of the references from any of the council members between pipeline size. "All" pipelines was referred to more than once, (my point here is I think they intend to include

gathering lines). They made it clear they intend to consider all pipelines, not just oil lines, and will produce maps of the existing pipelines.

Next meeting will be in late fall of 2011 to allow time for PHMSA to complete their inventory of existing pipelines. Information on the pipeline council will be located on the DEQ website, but as of yet has not been placed.

Public comments were offered, however I was unable to stay for that part of the meeting. The Federal Pipeline and Hazardous Material Safety Representatives clarified the authority they have to regulate pipes, but also made a specific statement that no one regulates gathering lines.

Trout Unlimited did make a statement about their concerns that all waters be considered not just major waterways, and that river channel changes need to be reviewed. The National Wildlife Federation stated that with the State moving to regulate pipelines and that no new (more dangerous) pipelines be built until we have learned of the Council's recommendations.

[Montana to gather pipeline river crossing data](#) – Helena Independent Record 8-4-11

[Panel on oil pipelines aims to prevent future disasters](#) – Helena Independent Records 8-4-11

[Pipeline panel is a welcome idea](#) – Helena Independent Record Editorial 8-4-11

[Montana officials begin pipeline oversight](#) – KXLH, Helena

MPA ANNUAL MEETING, PETROLEUM INDUSTRY APPRECIATION DAY LUNCHEON & GOLF TOURNAMENT

The MPA Annual Meeting, Golf Tournament, and Petroleum Industry Appreciation Day Luncheon are just around the corner on August 30 & 31. We will have a hospitality event in the Petroleum Club on Monday, August 29th from 5:30pm to 7:00pm for meeting attendees. Highlights of the 2011 MPA Annual Meeting are:

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| Mon., August 29 th | 5:30pm - 7:00pm Hospitality event, Petroleum Club, 22 nd floor of the Crowne Plaza |
| Tues., August 30 th | 6:15am – Depart for fishing (<i>confirmed fishermen only</i>) 7:30am – 11:00am Board of Directors Meeting 1:00pm - Golf at Pryor Creek (shot gun start, please be ready to golf by 12:45pm) 6:30pm - Reception & BBQ Dinner at Pryor Creek |
| Wed., August 31 st | 7:30am – Opening Breakfast – Speaker, Bob Green, Former Head Football Coach, Montana Tech, Butte, MT 8:30am -11:30am Program Speakers |
- “A Climate for Growth in Montana – Carl Graham, President, Montana Policy Institute

- “The State of Public Lands” – Dustin Van Liew, Executive Director, Public Lands Council
- “Keystone XL – In the National Interest” – Paul Miller, Vice President of Oil Pipelines, TransCanada Pipelines

11:30am - 1:30pm Petroleum Industry Appreciation Day Luncheon –
KEYNOTE SPEAKER – Jim Burkhard, IHS CERA’s Global Oil Group
Managing Director, “World Oil Trends and the Future of Crude Oil”

If you plan to attend the MPA Annual Meeting, please reserve your sleeping room by August 15th to get MPA’s rate of \$95.00 + tax. Please tell them you are with the Montana Petroleum Association group. Please contact the Crowne Plaza at 800-588-7666 or 406-252-7400. The rooms are going fast, so please make your room reservations today if you plan on attending.

To all who have sponsored the meeting, THANK YOU, we really appreciate your support . **If you would like to offer a sponsorship/contribution please contact Bobbie at mpa@montanapetroleum.org by Wednesday, August 17.** We want to make sure that if you intend to sponsor that your company name gets the recognition it deserves throughout the meeting. We will take our sponsor information to the printer by close of business on Wednesday, August 17.

If you have any golf items that you would like to donate we would certainly appreciate that contribution. Sponsorship forms and registration forms are attached.

We are looking forward to a great turnout, and hope to see you there!!