PENNSYLVANIA PUBLIC UTILITY COMMISSION HARRISBURG, PENNSYLVANIA 17105

NATURAL GAS PIPELINE REPLACEMENT & PERFORMANCE PLANS Public Meeting December 22, 2011 2271982-LAW M-2011-2271982

JOINT STATEMENT OF CHAIRMAN ROBERT F. POWELSON AND COMMISSIONER PAMELA A. WITMER

Through our action today, the Commission is taking another proactive step to address public safety in our natural gas distribution systems. Today's Order demonstrates that when people's lives and property are at stake, status quo is not an option; the Commission and our regulated utilities must remain steadfast in striving to improve the service provided to the consumers of Pennsylvania.

Gas safety has been at the forefront of both the industry's and regulators' minds for some time now. Some of this is driven by the immense problem this country has with aging infrastructure, including utility infrastructure, and some is driven by the needed and welcome expansion of the development of domestic natural gas. Regardless of whether we are dealing with 80-year-old cast iron pipelines or brand-new high-pressure pipelines, it is clear that more needs to be done to address gas safety. Legislative leaders at both the state and national level understand this, as evidenced by and both Congress and Pennsylvania passing legislation to address gas safety within the past month, and we at the Commission understand it, too.

Therefore, through the work of our Gas Safety Division, we are setting forth more rigorous safety standards for improving the overall integrity of utility natural gas pipelines. Today's Order seeks to improve the safety of the Commonwealth's natural gas distribution systems by adopting new leak detection survey practices, new requirements for distribution integrity and management plans and more aggressive frost patrol requirements.

We recognize the complexities our natural gas companies face in dealing with aging infrastructure as well as federal and state regulations. We therefore understand that this is not an overnight fix, but it is clearly a step in the right direction.

In short, Pennsylvanians depend on the integrity of utility infrastructure to provide the safe and affordable delivery of natural gas to our homes and businesses. To improve safety, natural gas distribution companies must engage in a number of different techniques and tactics, some required by regulation and others as a result of best practices. I recognize this is no small feat and I wish to commend the companies for working with the Commission by putting forth plans that incorporate new gas safety measures that are good for all Pennsylvanians. It may be clichéd, but regulators and utilities are truly in this together.

ROBERT F. POWELSON PAMELA A. WITMER

COMMISSIONER

ROBERT F. POWELSON CHAIRMAN

DATE: December 22, 2011