

EPA Natural Gas Star Natural Gas Distribution

Merrillville, IN June 3, 2003

Sources of Natural Gas Emissions

- Facility Damage
- Leakage from mains and services
- Leakage from Measurement/Regulation Facilities
- Pneumatic Equipment
- Purging Lines and Equipment

Issues Unique to Gas Distribution

- Lower Pipeline Pressures than Transmission
- Unaccounted for Gas Rate recovery
- Large number of meters; no pressure temperature compensation
- Mainlines located in urban settings
- Higher level of customer visibility

Current Approaches to Leakage

- Managed as a Risk Based Aspect of the Business
 - Leakage can represent risk in the forms of potential personal/property damage
 - Potential nuisance issues
 - DOT /Operating Plans require established procedures for addressing leakage
 - Renewed focus on facility damage prevention

EPA NG Star – A New Twist

- Provides ability to document reductions in NG emissions
- Provides voluntary partnership versus potential regulatory mandates for leakage reductions
- Emphasizes environmental benefits gained from emission reductions as well as operational benefits
- Creates potential of future emissions trading credits

New Partners – How to Get Started

- Canvass current operations to establish estimates on current reductions.
- Use BMP's/PRO's already established to target additional potential areas for reduction.(flexibility to identify new ones)
- Develop implementation plan.
- Commit resources to accomplish plan objectives
- Document results

Gas Distribution BMPs/PROs

- BMP I Directed Inspection and Maintenance at Gate Stations
- BMP II Replacing leaking mains and services
- BMP V Replacing High Bleed Pneumatic Equipment
- PROs Partner Reported Opportunities
 - Relining of gas mains
 - Excess flow valves
 - Damage prevention

Benefits of Partnership

- Consistent action in light of corporate environmental policies
- Improved performance in distribution systems with reduced leakage
- Risk reduction associated with less leakage, fewer damaged facilities
- Utilizing communication/PR opportunities featuring EPA Gas Star Logo and promotional materials.
- Generates documented emissions reductions that can may be used in future in emissions trading credits.