



Contact: Daphne Magnuson
(202) 824-7205

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American Gas Foundation Study of Distribution Safety Performance Shows Outside Force Damage Still Greatest Threat

Washington, D.C. – The American Gas Foundation (AGF) today released a first-of-its-kind study of all reported serious incidents on the natural gas distribution system between 1990 and 2002.

The AGF report, *Safety Performance and Integrity of the Natural Gas Distribution Infrastructure*, examines the safety performance of distribution pipelines and documented the causes of “serious incidents” – those involving injury or fatality – on the gas distribution system between 1990 and 2002. The study reveals a 40 percent downward trend in serious incidents in the years spanning 1990 to 2002.

“It’s gratifying to see the increased safety and reliability of gas distribution systems verified through an objective, technical analysis of serious incidents,” said David Biegler, chairman of the American Gas Foundation, as well as managing partner of Dallas-based Estrella Energy.

According to the report, which was previewed at the National Association of Regulatory Utility Commissioners (NARUC) meeting in February, the leading cause of serious incidents during the study period was damage by outside force, accounting for nearly half (47 percent) of all serious incidents. Most of these were the result of excavation damage by third parties.

Biegler said, “The numbers show what those who have worked at a natural gas utility have learned through hard experience: most serious incidents on distribution pipelines are caused by an excavator hitting the natural gas distribution pipe.”

Speaking at a session on gas distribution integrity management last month, AGF Executive Director Gary Gardner told NARUC the *Safety Performance and Integrity* study provides a good starting point for regulators, industry, consumer advocates and other stakeholders involved in determining the direction of distribution safety program.

In addition to data about trends and causes, the report’s findings include the following:

- Sixty-two percent of reported incidents involved only property damage.
- Serious incidents accounted for slightly less than 40 percent of the 1,570 incidents on the distribution system between 1990 and 2002. Serious incidents (those involving an injury or fatality) provide a more focused look at the causes than is possible with total incident counts.

- Other causes of serious incidents were characterized by significantly smaller percentages: corrosion, construction and operator error each accounted for 10 percent or less of all incidents.
- Gas transmission and distribution systems had essentially the same average number of serious incidents and fatalities and injuries during the 12-year study period, when compared on a per-mile basis.

The report also contains a survey of existing industry practices and current state and federal regulations that address threats to the distribution system; it further attempts to identify any gaps in addressing those threats.

The study was sponsored by the American Gas Foundation and conducted by URS Corporation, based in Chicago, Illinois. Journalists requesting a copy of the study, please contact Daphne Magnuson at 202-824-7205 or visit the AGF web site at www.gasfoundation.org.

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Founded in 1989, the American Gas Foundation (AGF) is a 501(c)(3) organization that focuses on being an independent source of information research and programs on energy and environmental issues that affect public policy, with a particular emphasis on natural gas. The AGF has delivered key public policy reports such as *Fueling the Future: Meeting the Gas Supply Challenge of the Next 20 Years*, and *Natural Gas and Energy Price Volatility*. In 2005, the AGF has released *Natural Gas Outlook to 2020*, *Safety Performance and Integrity of the Natural Gas Distribution Infrastructure*, and is scheduled to release *Public Policy and Real Energy Efficiency* in the spring.