Massachusetts Gas Leaks Legislation

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SIERRA CLUB, MASSACHUSETTS CHAPTER
Natural Gas Leaks: A Waste and a Threat

Massachusetts has one of the nation’s oldest natural gas pipeline systems.

- Over 25,000 leaks
- 8-12 billion cubic feet of lost gas
- Costs Massachusetts ratepayers $38.8M annually

(Rep. Ehrlich fact sheet)

Leaks threaten safety, health, and the environment. Leaks waste a valuable resource. And we pay for it!
Arlington Has 154 Unrepaired Gas Leaks

The oldest is from 1996.

What’s Wrong with Gas Leaks?

Unaccounted For Gas exceeds 8 billion cubic feet per year – possibly as high as 19 billion

That lost gas is worth, on average, between $50M and $128M per year

Gas utilities are not required to repair Grade 3 (non-threatening) gas leaks – ever!

Gas utilities can completely recover the cost of that lost gas through charges to customers.

Natural gas (methane) is a global warming gas 84 times as bad as carbon dioxide for 20 years.

Natural gas kills plants and creates ozone which affects human health and allergies.

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### Table 3

<table>
<thead>
<tr>
<th>Year</th>
<th>UFG Volume (cubic feet)</th>
<th>Estimated Cost of UFG Volume</th>
<th>Lower Bound</th>
<th>Upper Bound</th>
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<tbody>
<tr>
<td>2000-2011</td>
<td>99,294,819,000</td>
<td>$640,252,916</td>
<td>227,154,754,000</td>
<td>$1,536,298,783</td>
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<tr>
<td>Annual Average</td>
<td>8,274,568,250</td>
<td>$53,354,410</td>
<td>18,929,562,833</td>
<td>$128,024,899</td>
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</table>

"America Pays for Gas Leaks," Table 3, Page 7. This report was prepared for Sen. Ed Markey by the House Natural Resources Committee Democratic staff.

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Some leaks have existed for decades! It is time for Massachusetts to fix this problem.
Methane Emissions over Boston

Using sophisticated instruments, researchers at Boston University detected thousands of methane leaks in the City of Boston. ©Nathan Phillips
Two Gas Leaks Bills in the Massachusetts Legislature Address This Problem

Two bills assigned to the Joint Committee on Telecommunications, Utilities and Energy ensure that gas consumers no longer pay for gas leaked from neglected, obsolete and decrepit pipes.

H.2870, An Act Relative to Protecting Consumers of Gas and Electricity from Paying for Leaked and Unaccounted for Gas

- Precludes utility companies from charging customers for the cost of lost and unaccounted for gas, protecting consumers from expenses that they have no ability to control or reduce.
- Precludes utility companies from charging customers to reduce or remedy the losses, i.e., fix the leaky pipes.
- Consumers means homeowners, businesses, companies using gas in manufacturing, municipalities, state, and federal government.

H.2871, An Act Relative to Gas Leak Repairs During Road Projects

- Requires all gas leaks under a road to be repaired when it is opened up for a construction project. This is a sensible, cost saving, efficient way to ensure more leaks are repaired.
- Expands coverage of safety leaks bill passed last year.
- Presented by Rep. Lori Ehrlich with 47 additional petitioners.

These bills provide sound economic incentive to fix the problem.
Municipal Support for Gas Leaks Legislation

Your community can voice its support for these bills.

Seven municipalities have already passed resolutions supporting one or both gas leaks bills

Boston
Cambridge
Framingham
Newton
Northampton
Somerville
Waltham

Example Language
Backup
Grades of Gas Leaks

Massachusetts Law (2014) Chapter 149 AN ACT RELATIVE TO NATURAL GAS LEAKS changes to:
Chapter 164, MANUFACTURE AND SALE OF GAS AND ELECTRICITY, Section 144.

• (a) There shall be uniform natural gas leaks classification for all gas companies.
• (b)
  ◦ (1) Gas companies shall assess a grade to all reported natural gas leaks based on the system provided in this section.
  ◦ (2) A Grade 1 leak shall be a leak that represents an existing or probable hazard to persons or property. Grade 1 leaks require repair as immediately as possible and continuous action until the conditions are no longer hazardous. The gas company shall immediately schedule a completion of repairs and the condition shall be kept under continuous surveillance until the hazard or source of the leak is eliminated. Whenever appropriate and feasible, a gas company shall notify the fire department and chief law enforcement officer in each city or town where a Grade 1 leak is identified.
  ◦ (3) A Grade 2 leak shall be a leak that is recognized as non-hazardous to persons or property at the time of detection, but justifies scheduled repair based on probable future hazard. The gas company shall repair Grade 2 leaks or replace the main within 12 months from the date the leak was classified. All Grade 2 leaks shall be reevaluated by a gas company at least once every 6 months until eliminated; provided, however, that the frequency of reevaluation shall be determined by the location and magnitude of the leakage condition.
  ◦ (4) A Grade 3 leak shall be a leak that is recognized as non-hazardous to persons or property at the time of detection and can be reasonably expected to remain non-hazardous. The gas company shall reevaluate Grade 3 leaks during the next scheduled survey, or within 12 months from the date last evaluated, whichever occurs first, until the leak is eliminated or the main is replaced. A municipal or state public safety official may request a reevaluation of a Grade 3 leak prior to the next scheduled survey, or sooner than 12 months of the date last evaluated, if the official reasonably believes that the Grade 3 leak poses a threat to public safety.

https://malegislature.gov/Laws/SessionLaws/Acts/2014/Chapter149

Repair of Grade 1 and Grade 2 leaks was mandated in 2014 legislation.
Gas Leaks in the News

The public is just now becoming aware of the cost, waste, and personal and environmental hazard of gas leaks as they have become a significant current topic in the news. See:

Boston Globe, Aug. 20, "Leaks widespread in state's gas lines"

WBUR, Aug. 21, Radio story on gas leaks,
http://radioboston.wbur.org/2015/08/21/leaky-gas-lines

WCVB television news, Aug. 21, "Hidden danger, cost of gas leaks in Massachusetts"
<table>
<thead>
<tr>
<th>Resource</th>
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<tr>
<td>“Methane emissions from natural gas infrastructure and use in the urban region of Boston, Massachusetts”</td>
<td>Proceedings of the National Academy of Sciences of the United States of America</td>
<td><a href="http://www.pnas.org/content/112/7/1941.full?sid=544e506b-2c46-4e28-b620-1dc30c6cea62">http://www.pnas.org/content/112/7/1941.full?sid=544e506b-2c46-4e28-b620-1dc30c6cea62</a></td>
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<td>An Act relative to protecting consumers of gas and electricity from paying for leaked and unaccounted for gas</td>
<td>Massachusetts House</td>
<td><a href="https://malegislature.gov/Bills/189/House/H2870">https://malegislature.gov/Bills/189/House/H2870</a></td>
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<td>Massachusetts House</td>
<td><a href="https://malegislature.gov/Bills/189/House/H2871">https://malegislature.gov/Bills/189/House/H2871</a></td>
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<td>Understanding the Impact of Natural Gas Leaks on Public Safety, the Environment and Your Wallet</td>
<td>CLF</td>
<td><a href="http://clf.org/map/">http://clf.org/map/</a></td>
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