

C.A.M.O. - Coastal, And Marine Operators

Pipeline Industry Initiative

• Purpose - To explore and address issues and challenges, in preventing spills, releases and damage to coastal and marine pipelines, which negatively impacts the environment and safety.

• Action - Design and Support "Drivers" that will enhance the protection of oil and gas pipeline infrastructure through industry, government and agency collaboration, while demonstrating continuous improvement.

• Goals – Implement effective solutions and objectives that sustain and enhance pipeline asset integrity, environmental protection, industry perception, and our right to operate.

• CAMO - Newly formed in 2009 with over 20 pipeline companies participating, we have two general membership meetings a year

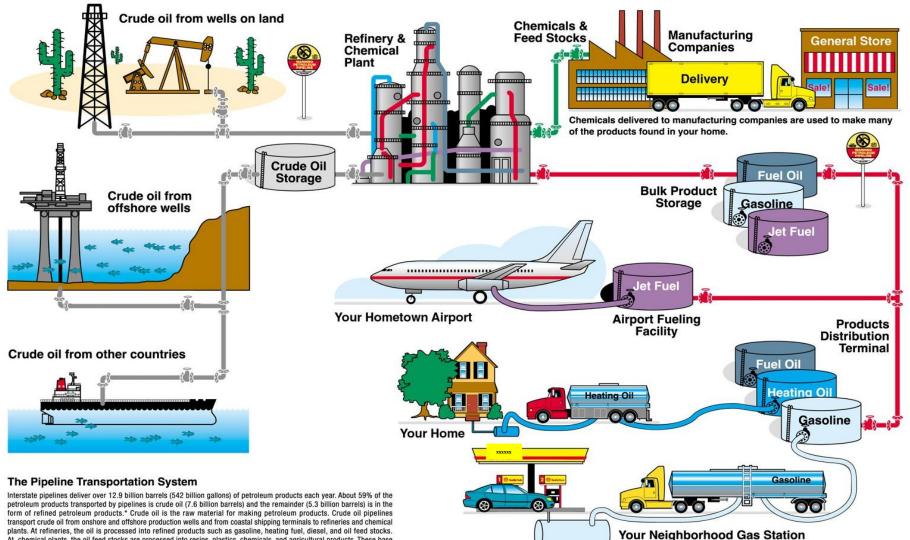
C.A.M.O. - Coastal, And Marine Operators

Participating Companies

Air Products

BP Chevron **Conoco Phillips** Enbridge **Elpaso Enterprise ExxonMobil Kinder Morgan Plains** LOOP Shell **Spectra Texas Gas Trans Canada Trunkline**

Pipeline Transportation – Supporting The American Way Of Life



plants. At refineries, the oil is processed into refined products such as gasoline, heating fuel, diesel, and oil feed stocks. At chemical plants, the oil feed stocks are processed into resins, plastics, chemicals, and agricultural products. These base products are then manufactured into hundreds of products used in and around your home. Pipelines also handle the second part of the transportation journey - transporting the refined products to regional and local distribution centers. At the

Pipelines are among the Highest Tax Revenue Generators in many regions

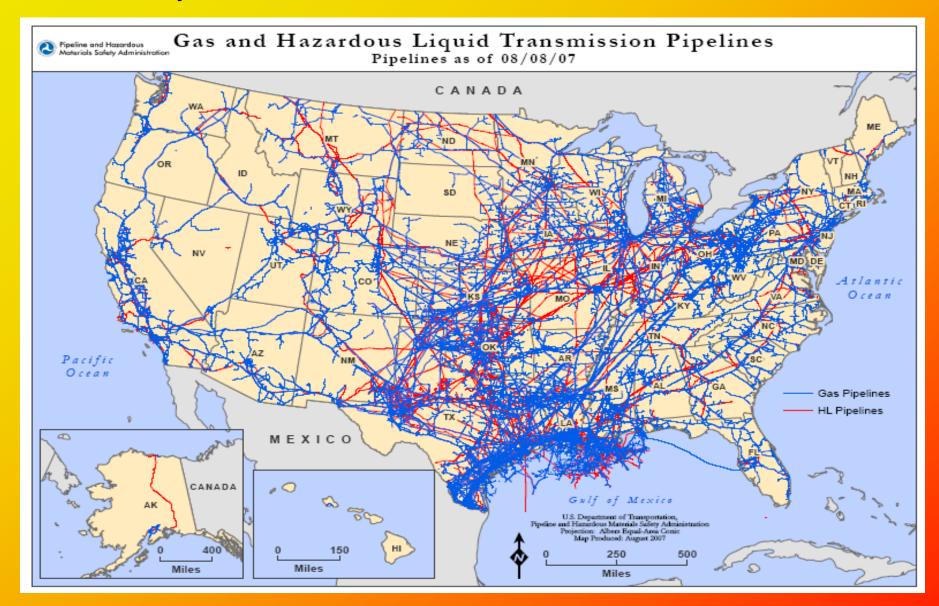


Pipelines run through many environments via right of ways. They are the <u>Safest</u> mode of Oil and Gas transportation.

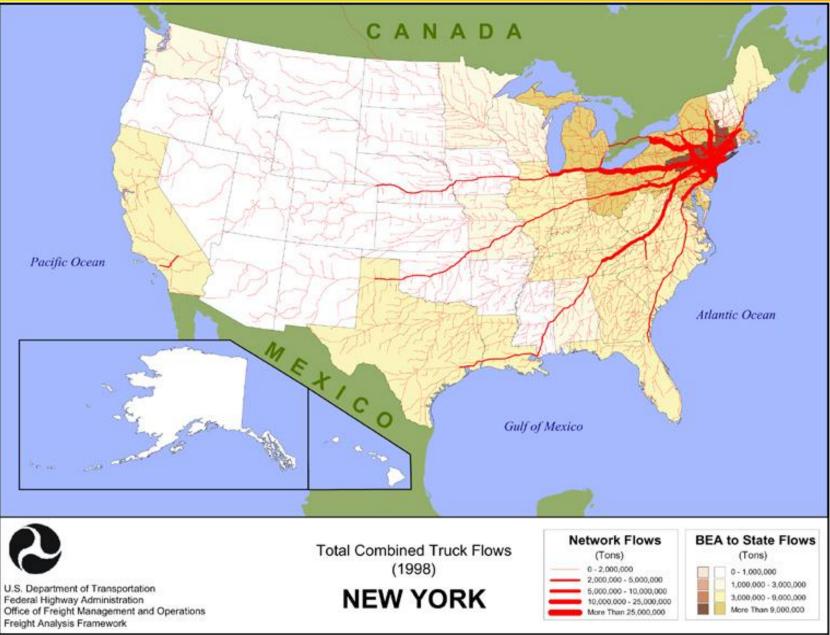
Gulf Coast Energy Statistics: (Most of which is transported via pipeline)

- Provides over 40% of all energy consumed in the US
- La. and Tx. are home to four US Strategic Petroleum Reserve underground storage facilities
- Ms. La. and Tx. Combined refining capacity is over 7.5 million barrels a day, which is 43% of the total US market share
- Home to Louisiana Offshore Oil Port (LOOP) with a capacity of transporting over 1 million barrels of imported crude oil a day
- Henry Hub, located near Erath, La. has a nexus of 13 natural gas pipeline systems that carry approximately 49 percent of US wellhead production to US markets
- Over 2.6 million barrels of crude oil traverses the Gulf Coast each day through pipelines
- Over \$6 billion of federal revenue is generated each year from the Gulf Coast OCS oil and gas production, this is Second only to the IRS in total US Gov't Revenue

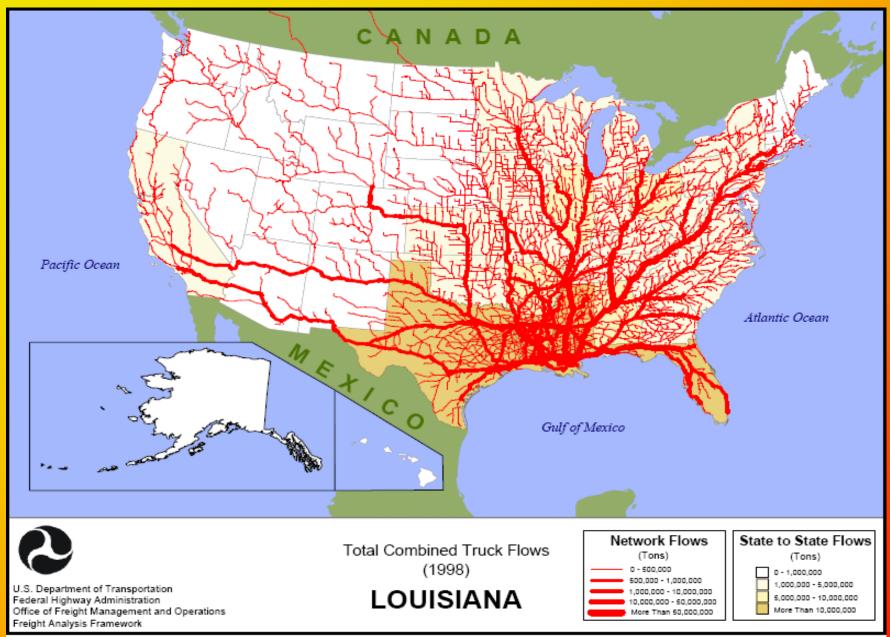
Pipeline Distribution Infrastructure

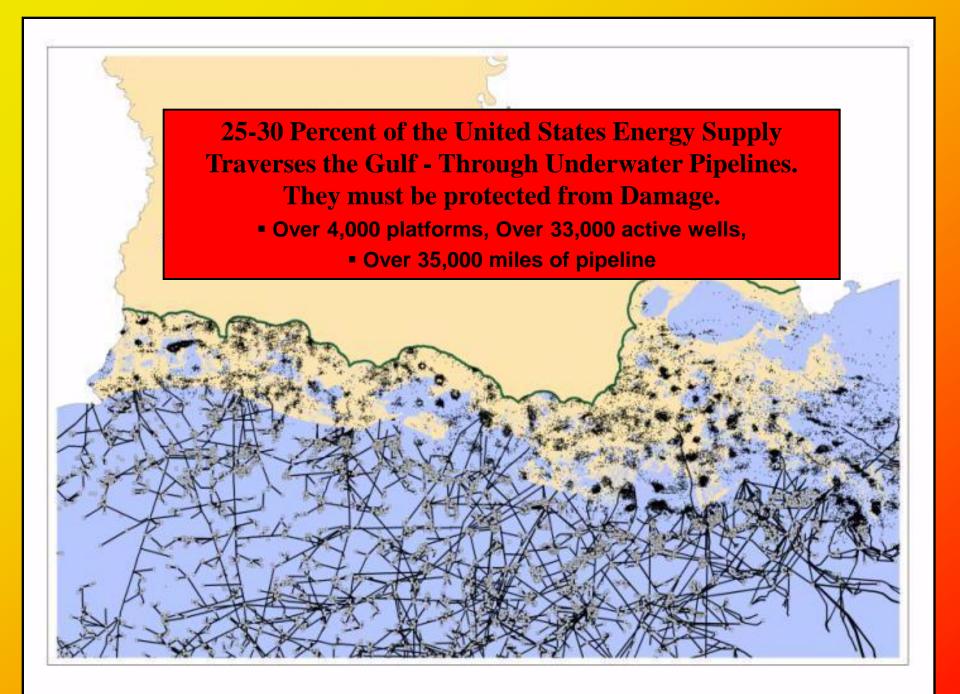


East Coast Freight and Distribution Infrastructure



From the Gulf Coast...





Gulf Coast Region



Pipeline Industry - Unknown and 3rd party damage is one source of our industries largest spills.

Marine or On Land



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CAMO Initiative - Preventing Third Party Damage and Unauthorized Encroachments to Coastal and Marine Pipelines

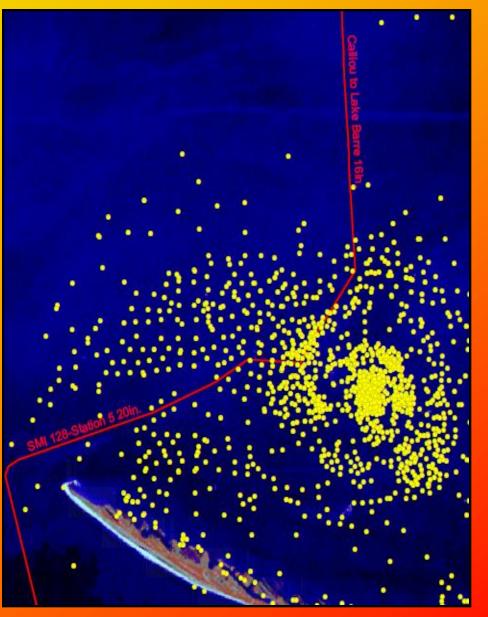
Things to consider -

 On land One Call Laws are very specific – but in coastal and marine areas the law needs enhancements to protect pipelines and the environment from releases

• Excavator Operators vs. Marine Vessel Operators

• (Left) Large amount of wells near PL's – all need many types of marine vessel work

• Pipeline operators need to be in the loop for <u>Any Activity</u> that contacts the water bottom near pipelines

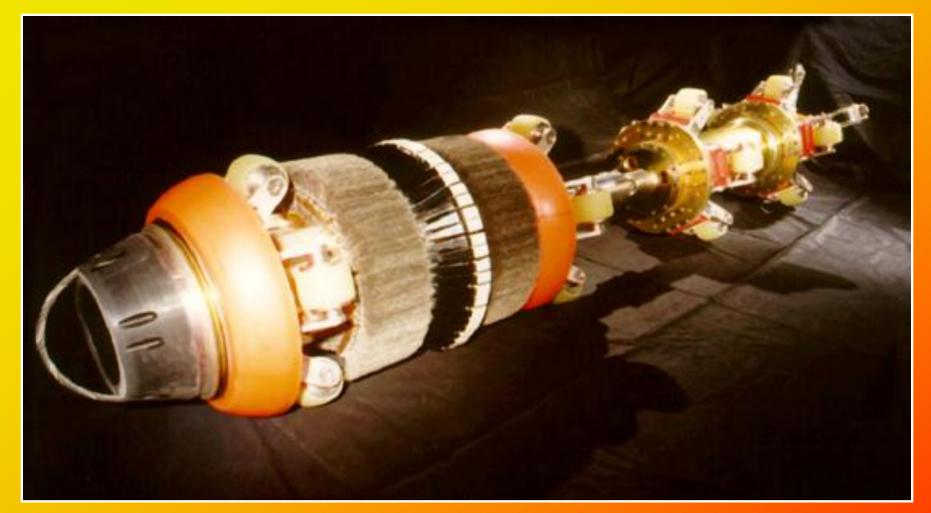




Coastal and Marine Areas should require a One Call no different than on land.

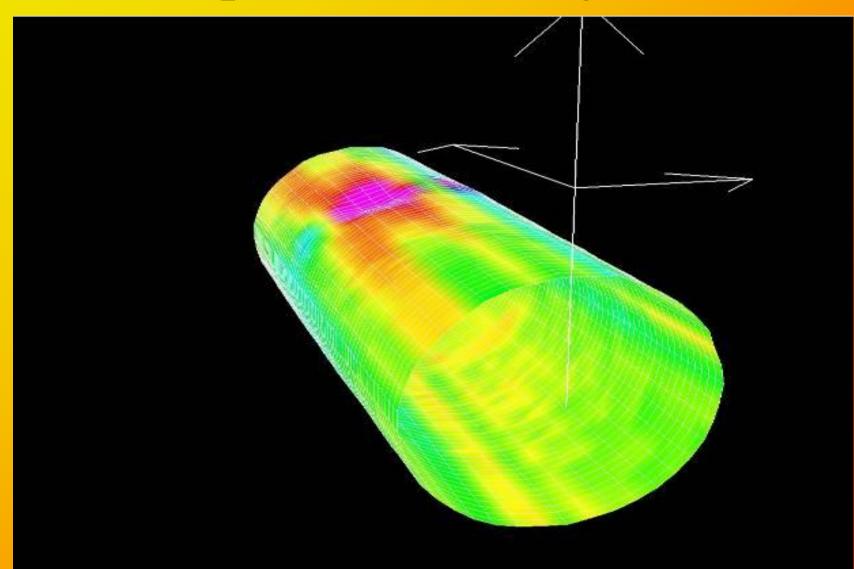
Typical Third Party Marine Pipeline Damage where no "One Call" was made (can lead to fatigue failure)

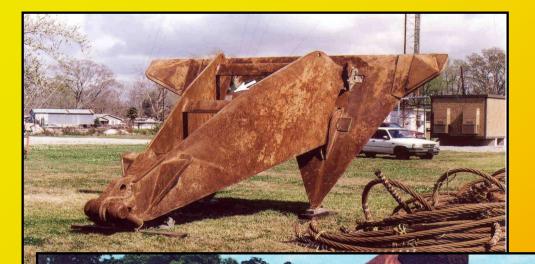




- "Smart" Pigs are used to internally scan a pipelines integrity
- Smart pigs can detect dents, corrosion, etc.
- "Standard" Pigs are run more frequently to help keep the Pipeline clean

Sample of Smart Pig Data





Marine Pipeline -3rd Party Damage from a Vessel Anchor Drag

Pipeline System Near Miss, a Spud Barge over the pipeline (No notification was made)



20" Oil Pipeline of 400,000 bbls a day

Recent Vessel Damage to a 16" Natural Gas Pipeline



Worker Safety and Releases in marine environments can be very serious

Spills in Costal/ Marine Environments can average over \$10,000 a bbl. just to clean up





Wheel Washing from Large Boats is a huge damage threat.



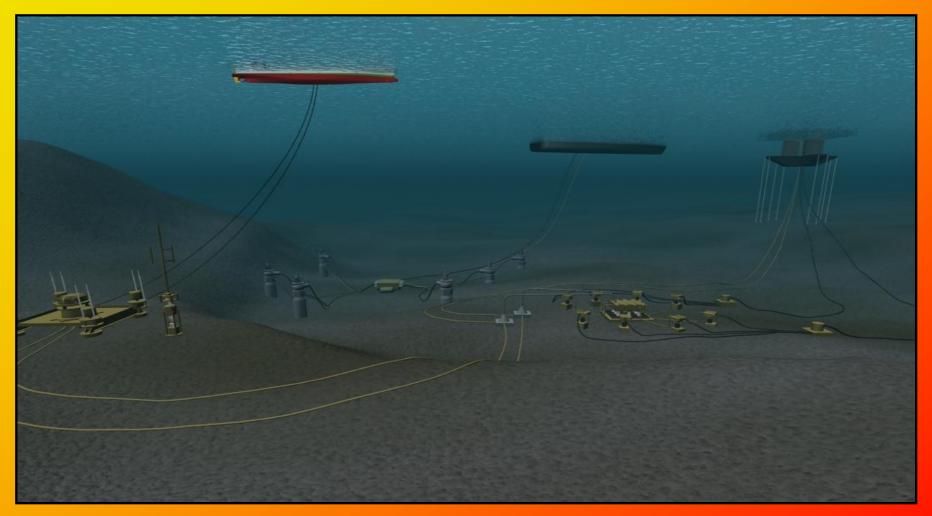
Construction that requires a One Call?







Offshore – GulfSafe: Provides a notification system for offshore operations, which mimics each State's "Call Before You Dig" system Onshore - Louisiana One Call also has a Marine Ticket



In State Waters Call 811



48 hrs before you work, Your ticket is good for 10 days! It's a free service and It's the Law!

State Police can enforce "One Call Law" Violations





LOUISIANA STATE POLICE UNDERGROUND UTILITIES COMPLAINT FORM

The purpose of this complaint form is for State Police to review for possible violations <u>only</u> to the <u>UNDERGROUND</u> <u>UTILITY/FACILITY DAMAGE PREVENTION LAW</u>. Underground utility complaints should be reported to the Louisiana State Police complaint line # 225-925-4893 and <u>COMPLAINT FORM MUST BE COMPLETELY FILLED</u> <u>OUT AND FAXED BACK TO LA. STATE POLICE AT #225-922-1588</u> Hours 08:00 - 4:30

Provide the following information as completely as possible. PART A – WHO IS SUBMITTING THIS INFORMATION

 Who is providing this information?
 □
 Excavator
 □
 Locator

 If Facility owner
 □
 Property Owner
 □
 Other
 □

Kesta Hicener OK (Shell Pipe Daytime phone number: 945-873-342

ame of person providing informati

PART B – DATE AND LOCATION OF THE EVENT

Location of the excavation and/or damage (include city and parish) Date the damage or downtime No de N 29 12.807 W90 28.039 (Terrebonne Parish) occurred: 5-11-09 or do Terrebonne Ban Trete Course La.

In Perroboing Bay - Medit (oberve, Ce PART C-AFFECTED UTILITY/FACILITY INFORMATION

What type of utility/facility operation was affected?
Gas Gas Sewer Cable TV Electric Other
Is the utility owner a member of one-call?
yes no

PART D - EXCAVATION INFORMATION

 Type of Excavator:

 Contractor

 Municipality

 Railroad

 Developer

 Parish

 Occupant

 Utility

 State

 Farmer

 Unknown / Other

 Marriag

 Jackup

PART E- NOTIFICATION

Did the excavator notify the one-call notification center?	IF YES, PROVIDE THE ONE-CALL NOTIFICATION TICKET NUMBER: None made

PART F - LOCATING AND MARKING

	Were the utility/facilities marked correctly?	
🛛 yes 🗆 no	🖬 yes 🗆 no	

PART G - DESCRIPTION OF DAMAGE

Was there damage to a utility/facility?	If yes, duration of the outage:	
🖬 yes 🖼 no	Approximately how many customers were affected?	
	Number of people injured: Number of fatalities:	

PART H - DESCRIPTION OF THE ROOT CAUSE

What was the root cause of the damage, downtime, or near-miss? This information is meant to be a guide and does not cover the law in its entirety. Examples of violations are not all inclusive.

- Facility was not located or marked
- Notification to the one-call center made but not sufficient
 Digging outside of the physical area of the requested locate
- Digging later than the 10 day expiration
 Digging prior to the mark by time
 - Not reporting damage of the underground utilities/facilities
- Yo notification made to the one-call center-Not calling before digging Other

PART I - EXCAVATOR INFORMATION

N

ame of XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX
hone: 985- 86-8577 Fax:	E-Mail:
Vas Citation Issued? Ves No	Citation number

Coastal and Marine Third Party

Damage Incident Examples

- Terrebonne Bay, May 1997, 5000 bbls. crude oil released, cause Spud Barge
- Catfish Lake, Sept 2001, Boat Prop
- Little Lake, Vessel Damage
- Bayou Perot, Jan 2007, 10,000 bbls barge hit
- Poseidon Pipeline, over 3000 bbls crude oil, anchor drag
- Safety West Cote Blanche Bay Oct 2006 kills six, spud barge
- 2010 Morgan City Area Dredge Gas PL Hit and Delta Release Spud Barge Hit crude line



West Cote Blanche Bay: Spud Barge Kills 6 October 6, 2006



Coastal and Marine Third Party

Damage Incident DATA

The data below was compiled from PHMSA, Minerals Management Service, United States Coast Guard and the National Transportation Safety Board.

Interactions between Vessels / Anchors / Pipelin	<u>nes (1987 - 2007)</u>
Pipeline Strikes Reported	118
<u>Fatalities</u>	25
Injuries	17
Environmental Impact from Pipelines Spills	100,000 bbls
Property Damage to Regulated	\$100,000,000

Unknown and 3rd party damage and is the source of our industries largest

spills.



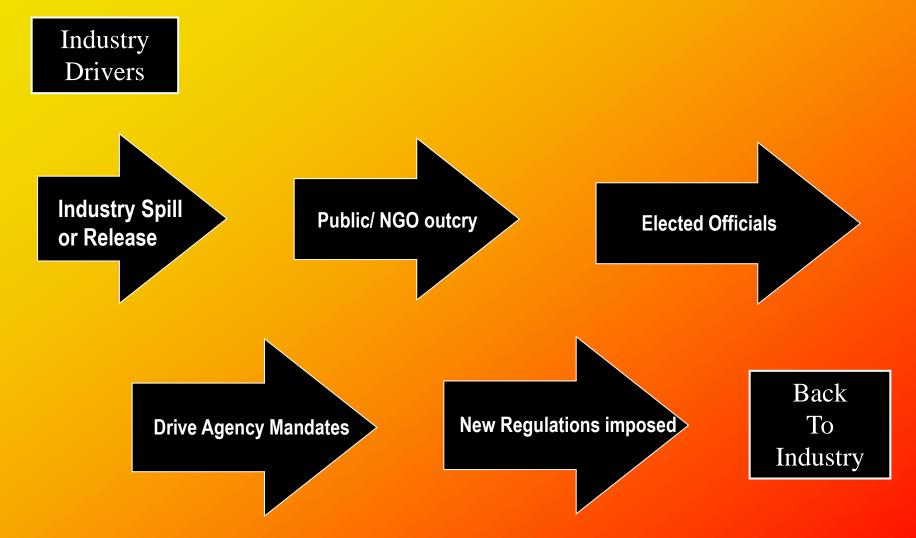




What To Do If A Leak Occurs

- Leave the area immediately (upwind) warn others.
- Do not touch, breath or make contact with leaking liquid.
- Do not attempt to stop the leak by operating pipeline equipment.
- Do not light a match, or make a spark
- From a safe distance, call 911 or local emergency response number.

I. P. E. A. R. stop gap system overview Industry, Public/ NGO, Elected Official, Agency, Regulations



So what's at Stake?

- Expanded Energy Access in the Gulf and US...
- Industry Perception we have too many spills or releases
- Doesn't demonstrate continuous improvement
- State and National economy and energy security
- Worker Safety, Preserve our License to Operate
- Your legal liability both Personally and Corporately
- Reasons to support CAMO initiatives
 - Environmental Responsibility
 - Reduce both Oil and Gas releases
 - Reduce system downtime which protects state revenue
 - Public safety
 - Sustain effective operations

• New Regulations? All 50 States have a "One Call Law" why not the GOM?







- Help protect the community and the environment.
- Help eliminate injuries caused by pipeline accidents.
- Help reduce damages.
- Protect the US economy



CAMO Upcoming Initiatives

- Fall Bi annual meeting Nov. 11
- International Work Boat Show, CAMO exhibit December
- Execute the CAMO Grant initiatives, DVD, Web site design/ population, Ads, education and awareness materials etc.

Address: CAMOgroup.org

- Get more One Call Language in Coastal Permits, and work with USCG and State Regulators on Marine Enforcement
- Formalize structure for CAMO and Near/ Long term Goals
- Secure funding from membership dues and Grants for our awareness, education and outreach initiatives
- Work with CGA and PHMSA to assist with CAMO initiatives
- Main objective is to close the gap between On Land and Marine Damage Prevention initiatives

Coastal and Marine Pipeline Threats and Challenges

- Wheel Washing
- Soil Erosion and Land Loss
- Drilling Rigs & Ships
- Jack-ups & Work Boats
- Lay/Derrick Barges & Large Anchors
- Spud Barges & Supply Boats
- Tropical Storms & Hurricanes
- Mudflows & Shifting Land
- Saltwater Corrosive Atmosphere
- Sensitive Environment













