



FERC and IRWA Partner on Public Outreach

BY VAL K. HATLEY, SR/WA

It is always advantageous to understand the primary challenges and goals facing governmental agencies, especially those with regulatory jurisdiction over right of way projects.

The Federal Energy Regulatory Commission (FERC) is an independent federal agency that has far-reaching authority in regulating various energy-related projects. In the broadest sense, the primary mission of FERC is to regulate and oversee energy industries in the economic, environmental and safety interests of the American public. Historically, FERC has been best known for approving the siting of interstate natural gas pipelines. They also have some regulatory responsibility for oil pipelines engaged in interstate commerce and review proposals for building liquefied natural gas terminals, as well as licensing and inspecting hydropower projects.

FERC's Office of Energy Projects was created to foster economic and environmental benefits for the United States through the approval and oversight of hydroelectric and natural gas pipeline energy projects that are in the public interest. Its Division of Gas-Environment and Engineering (DG2E) is responsible for the environmental review of interstate natural gas certificate applications for the construction and operation of facilities under Section 7(c) of the Natural Gas Act (NGA), and applications for import and export authorization under Section 3 of the NGA, including liquefied natural gas import facilities.

One of DG2E's responsibilities is public outreach to facilitate dialogue between the key stakeholders on any project, including landowners, other agencies, the community and the applicant.

Recent outreach efforts by DG2E includes collaborating with IRWA and other industry stakeholders.

The need for increased outreach became apparent with the emergence of the current boom period for oil shale development and the resulting need for long-haul pipelines to transport natural gas from oil shale discoveries throughout the country. The high demand for energy industry professionals during this period created a surge of new individuals coming into the energy industry to fill this need. In some cases, these new professionals received little or no training in how to properly work with landowners to purchase the required land rights or effectively address landowner questions or concerns. The number of landowner-related complaints to agencies, including FERC, and to congressional representatives at both the state and federal level began to increase during this period.

In response to these complaints, several states took action to strengthen their eminent domain laws and enact statutory requirements to provide landowners with some basic information prior to the start of easement negotiations. Pressure from Congress was also being applied to FERC to determine if the increased number of landowner related complaints was a problem with untrained workers or if this was a manifestation of the culture of how interstate pipeline companies treated landowners.

In response to growing pressure from FERC, the Interstate Natural Gas Association of America (INGAA) developed and published a report called "America's Natural Gas Transporters' Commitment to Landowners" in 2008. INGAA member companies agreed to

adhere to the specific eight commitments established in the report and to review the commitments with any personnel who might one day be in contact with landowners or other stakeholders on new interstate natural gas pipeline projects. One of these commitments is that of “Industry Ambassadors.” This is based on the recognition that, to landowners, the face of the industry is not the president of the company, but it is every employee that touches the right of way, such as a surveyor, engineer, or a land agent. Consequently, these representatives should be trained to interact with all stakeholders in accordance with the commitments.

In another commitment, interstate natural gas pipeline companies are encouraged to perform ongoing training to ensure issues and questions are being addressed in a consistent manner during a pipeline project. Few companies have this type of training and as a result, IRWA was asked to help develop a training module/seminar specifically targeted to the right of way agent in the field that would address specific methods and approaches to help those individuals representing pipeline companies—including those engaged in the transportation of both gas and liquids—to be more effective at addressing concerns of landowners and stakeholders.

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IRWA’s International Pipeline Committee was assigned the task of developing this training module. To spearhead the project, a subcommittee was formed, led by Dave Anderson, SR/WA of El Paso Corporation in conjunction with Douglas Sipe, FERC’s Outreach Manager for DG2E. Doug plays an advisory role to the natural gas industry, including federal, state, and local agencies and other stakeholders on the pre-filing process and outreach initiatives. Doug is also responsible for educating federal and state agencies on the implementation of the FERC’s regulations for the coordination and processing of federal authorizations.

The subcommittee’s work resulted in the Pipeline Personnel Right of Way training course, which is currently undergoing IRWA approval. This training module provides a core curriculum of information considered essential to successful communications with landowners. The course focuses on the need to treat landowners and stakeholders respectively, honestly and fairly, while giving them a voice in the discussions and addressing their issues and concerns in a timely manner. With the INGAA commitment principles at its core, the module is designed to equip participants with a uniform message and the methods to communicate that message with consistency and integrity. Essential components of the message will be legal aspects of right of way acquisition, ethical behavior, good faith negotiating and communications skills, and eminent domain processes.

The module is also recommended for operational personnel when a project parallels an existing facility and these individuals are likely to come into contact with landowners during the normal course of operations even though they may not be directly involved in the project’s development. Other individuals that could benefit from the training include:

- Right of way supervisors/agents
- Project managers and their field support staff
- Design engineering
- Surveyors and their field support staff
- Environmental team members
- Cultural/archeological team members
- Inspectors
- Any office and/or field office personnel who are subject to receive or respond to calls, correspondence or electronic communications from landowners
- Any construction personnel involved in the design and/or layout of the project or its associated facilities, such as construction spread foremen or constructability experts
- FERC and other Federal and state agency representatives that have the potential to interface with the landowner and other stakeholders

A pilot presentation of the course is scheduled to occur later this year at El Paso Corporation for a multi-disciplinary group who are most likely to come into contact with landowners and/or their representatives and who are involved in project development through construction, clean-up and restoration.

In a related outreach effort, Doug has been conducting one-on-one meetings with the industry where he visits various companies and answers any process-related questions from the staff. The thinking behind this is that his audiences are more likely to freely ask questions if they are not in a public setting around other companies or consultants. In these meetings, Doug encourages different disciplines be represented so that all participants can hear what others are asking and better understand their issues and challenges.

Many of the outreach initiatives underway at FERC are designed to inform and assist the right of way professional. According to Doug, the efforts to date have been deemed a success, and he expects more requests and inquiries for future outreach efforts.



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Val is currently the Director, West Coast Region for Percheron Acquisitions LLC and a longstanding member of IRWA’s International Pipeline Committee. During his 32-year career with Shell Pipeline Company, Val managed pipeline land acquisition projects and negotiated partnerships with government agencies and utility company.