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*House of Representatives*  
COMMONWEALTH OF PENNSYLVANIA  
HARRISBURG

**COMMITTEES**

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**Testimony on House Bill 1817  
House Consumer Affairs Committee  
September 8, 2010**

Thank you, Chairman Preston, Chairman Godshall, and members of the House Consumer Affairs Committee for scheduling this hearing on H.B. 1817, the Mid Atlantic Area Natural Gas Corridor Compact Act.

Under the Federal Natural Gas Act of 1938, states are granted authority to enter into interstate compacts for purposes of siting interstate natural gas transmission lines. It is important to note that this only applies to pipelines that cross state borders (Maryland to Pennsylvania, for example), the 36 inch or 42 inch lines that take the natural gas to East Coast markets. Such a compact would not

apply to gathering lines and intrastate lines. I would note that the PUC is working on a proposal to obtain jurisdiction for safety purposes over the intrastate lines.

Why is legislation to take siting authority for interstate pipelines away from the Federal Energy Regulatory Commission (FERC) and placing it in an interstate compact being proposed? From what I have seen and based upon the experience of Chester County residents and municipalities, the current system of siting natural gas pipelines is broken. Understand, that it works just fine from the perspective of the pipeline company because FERC acts primarily as a rubber stamp to accommodate the wishes of the pipeline company to take the least expensive route to their destination.

When this happens, individual and commercial property owners pay the price. The use of their land is

devoured by pipeline easements and natural and historic resources are often threatened. The individual is left without recourse except to plead their case to a distant and unresponsive federal bureaucracy whose only mission seems to be to facilitate the pipeline company's desires. In order to level the playing field and provide a review and approval process that will facilitate reasonable pipeline expansion while protecting our citizens, neighborhoods, and natural resources, I have introduced this legislation. An interstate compact will bring decision making closer to the people and force pipeline companies to be more responsive to the needs and concerns of the community.

We will no doubt hear vigorous objections from the natural gas and pipeline industry. Keep in mind, however, that their legions of engineers, legal experts and lobbyists have worked the current system for many years. This

comfort level is enhanced by the revolving door nature of individuals who learn the game at FERC, then take high-paying jobs with the pipeline companies where they utilize their inside knowledge of the process. A new process that eliminates the current one is a threat to their dominance and rightfully so!

House Bill 1817 will require that the need for a pipeline be considered. It will also take into consideration

- areas designated for protection or conservation including agricultural land, monuments, historic sites, wilderness areas, scenic rivers, waterways, etc.,
- impact on environment, fish and wildlife population,
- it would require that rights of way be minimized in size. This has been a huge problem as companies seem to want maximum right of way in order to

facilitate future pipeline expansion of width or even running a parallel pipeline, and

- impacts on historic, cultural or archaeological resources.

These are all necessary and important protections that are either not required to be considered by FERC or are ignored.

You will hear shortly from some Chester County residents who will convey their experience with FERC and the pipeline companies. I ask that you consider their experience and testimony and I thank you for your consideration of House Bill 1817.