



ENVIRONMENTAL MANAGEMENT SYSTEM

El Paso Corporation – Pipeline Group

September 2006



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1.0 MANAGEMENT COMMITMENT

1.1 *Corporate Values*

Within our business, we believe that the company's core values should guide our decisions, actions, and conduct. We strive to ensure that every decision we make and action we take demonstrates our values. We believe that putting our values into practice creates lasting benefits for all our associates, shareholders and the communities in which we operate.

We are a company committed to:

Stewardship: We will serve our fellow employees, our customers and our shareholders by consistently building long-term value.

Integrity: In all we do, we will be ethical, honest, and forthright.

Safety: Safety is an absolute for employees, for contractors, and for the communities where we operate.

Accountability: We expect to be judged by the successful execution of our commitments.

Excellence: We will prevail by setting and meeting the highest standards.

These core values support and guide our leadership in establishing the strategic direction of the company. El Paso Corporation employees, officers and directors and the company's business partners are expected to conduct their business in accordance with these ethical principles. We must not simply comply with laws, regulations, and policies; we must work according to our ethical principles and endeavor to conduct ourselves in a manner beyond reproach. El Paso's reputation is based on the personal integrity of each of its employees, officers, and directors and those with whom we do business. Sound judgment must be exercised to support our reputation as a global business leader, employer of choice and good corporate citizen.



It is El Paso's policy that compliance with applicable laws and regulations is a minimum standard. At the El Paso Pipeline Group, we value environmental stewardship and it plays an integral role in our operation.

It is my pleasure to provide you the updated Pipeline Group Environmental Management System (EMS) document. The EMS incorporates the five core values of the Company: Stewardship, Integrity, Safety, Accountability, and Excellence. The EMS document outlines the processes and organization that form the foundation for our environmental compliance and stewardship programs.

Our environmental program is built on compliance with regulatory requirements utilizing knowledge, training, personal accountability, and sound judgment. Each worker, from the newest employee to the Chief Executive Officer, must demonstrate a personal commitment to environmental compliance and stewardship.

Compliance with environmental regulations is not only a legal requirement, but will also protect the quality of the environment, reduce company liability, and maintain El Paso's reputation as a good corporate citizen and the neighbor to have. Your adherence to the elements of this EMS is what has allowed our program to be successful, yielding continuous improvement in our environmental performance.

Please use this document as one of your tools to achieve excellent environmental performance. I appreciate your commitment and support.

Doug Foshee



1.2 El Paso Environmental Policy

The Pipeline Group will conduct its business with respect and care for the environment. We will implement those strategies that build successful businesses and help meet the needs of the present generation without compromising the ability of future generations to meet their own needs. To ensure this, we will:

- ***COMPLY*** fully with all applicable laws and regulations and with permit and FERC Certificate environmental requirements.
- ***MINIMIZE*** environmental impacts from all of our operations.
- ***SYSTEMATICALLY*** manage our environmental activities.
- ***FOSTER*** open communication with our stakeholders.
- ***ROUTINELY*** monitor and report on our environmental performance.
- ***CONTINUOUSLY*** improve.



2.0 ORGANIZATION, PERSONNEL AND OVERSIGHT OF EMS

2.1 Purpose

The Pipeline Group's Environmental Management System (EMS) establishes a framework for identification and implementation of environmental compliance measures. Additionally, the EMS includes monitoring and auditing measures to provide Senior Management with feedback on environmental performance and the effectiveness of the EMS. Implementation of the EMS requires various groups and departments within the Pipeline Group to provide technical support, resources and improvement recommendations. The purpose of this document is to communicate the appropriate aspects of the Pipelines Group's EMS expectations.

2.2 Applicability and Scope

The EMS applies to all Pipeline Group activities with the intent of fulfilling the Company's environmental policies and standards.

The elements of the EMS are:

- Management Commitment
- Organization, Personnel and Oversight of EMS
- Accountability and Responsibilities
- Environmental Requirements
- Assessment, Prevention and Control
- Environmental Incident and Non Compliance Investigations
- Environmental Training, Awareness, and Competencies
- Environmental Planning and Organizational Decision Making
- Maintenance of Records and Documentation
- Pollution Prevention Program
- Continuing Program Evaluation and Improvement
- Public Involvement/Community Outreach

2.3 Management Commitment to Performance

The Board of Directors for El Paso Corporation has chartered a Health, Safety, and Environmental Committee. It's primary purpose is to assist the Board in fulfilling its oversight responsibilities with respect to the Board's and the Company's continuing commitment to improving the environment and ensuring that the Company's businesses and facilities are operated and maintained in a safe manner. The Senior Management of the Pipeline Group has pledged to include protection of the environment as a responsible business practice. These commitments are documented in Section 1 of the EMS. The full cooperation of all Pipeline Group employees and its contractors is necessary and expected to support this pledge.



The Board HSE Committee has established an EHS Excellence Award to recognize, on an annual basis, outstanding environmental and health & safety performance within a pipeline division or department.

The VP of Operations has established a Pipeline Environmental Excellence Award. On an annual basis, the award will recognize outstanding environmental performance of a pipeline division or department in the Pipeline Group based on pre-established criteria.

2.4 Roles and Responsibilities

Table 1 outlines responsibilities according to the position within the organization.

TABLE 1 EMS RESPONSIBILITIES	
Position	Responsibilities
EHS Committee (Company Officers)	<p>Provide leadership, direction and resources to include EHS issues as an integral part of the Pipeline Group's business.</p> <ul style="list-style-type: none"> • Communicate information and ideas up, down, and across the organizations. • Establish and implement corporate policies. • Provide a forum for addressing EHS issues. • Monitor and report the status of attaining stated goals and objectives. • Strive for continuous improvement.
Director, EHS - Pipelines	<p>Implement the Pipeline Group EMS.</p>
Department Heads Directors	<p>Provide final approval of activities, thereby ensuring that the EHS Philosophy and Environmental Policy are implemented.</p> <ul style="list-style-type: none"> • Provide environmentally sound workplace for employees and contractors. • Support the EHS Philosophy and Environmental Policy. • Set an example for managers, supervisors, employees and contractors to follow. • Provide adequate resources to achieve environmental goals.
Line Managers and Supervisors	<p>Ensure that contractors and employees under their supervision perform in a manner that protects the environment.</p> <ul style="list-style-type: none"> • Support and implement the programs, plans, procedures and directives outlined in the EMS. • Be familiar with the associated risks/hazards of all job tasks under their supervision, and ensure that the risks/hazards are communicated and employees are trained to control those risks/hazards. • Communicate requirements and applicability of EMS elements to all employees and contractors. • Take necessary steps to correct or stop any environmentally unsound condition and communicate employee/contractor responsibilities in such instances. • Report environmental incidents to higher management and the environmental department • Set example for employees, contractors and visitors to follow.
Environmental, Health and Safety Department	<p>Support all business units in implementing the elements of the EMS.</p> <ul style="list-style-type: none"> • Provide environmental support and guidance to assist the business units in achieving and maintaining compliance. • Acquire and maintain the necessary environmental tools and training to support the EMS. • Serve as the primary interface with regulatory agencies in communicating the EMS. • Periodically audit, review and revise the EMS.



TABLE 1 EMS RESPONSIBILITIES	
Position	Responsibilities
Employees	<p>Ensure protection of the environment during the performance of work tasks.</p> <ul style="list-style-type: none"> • Be familiar with the associated risks/hazards of all job tasks. • Follow directives that support the implementation of EMS elements. • Take necessary steps to correct or stop any environmentally unsound condition during the performance of a job task. • Report all environmental incidents to management. • Participate in environmental training.
Contractor	<p>Ensure that work is performed in accordance with EMS elements, as applicable.</p> <ul style="list-style-type: none"> • Follow, at a minimum, responsibilities detailed in this table for Employees. • Contractor supervisors should additionally follow the responsibilities for Supervisors. • Provide documentation of environmental planning as to how they will execute such responsibilities

2.5 Resources

Primary technical support and guidance are provided by the Environmental, Health and Safety (EHS) Department to achieve and maintain compliance. Through the use of the EHS Department’s internal and external resources, the Pipeline Group seeks to implement the components of the EMS. The following describes the structure and function of the EHS Department’s internal and external resources.

2.5.1 Internal Resources

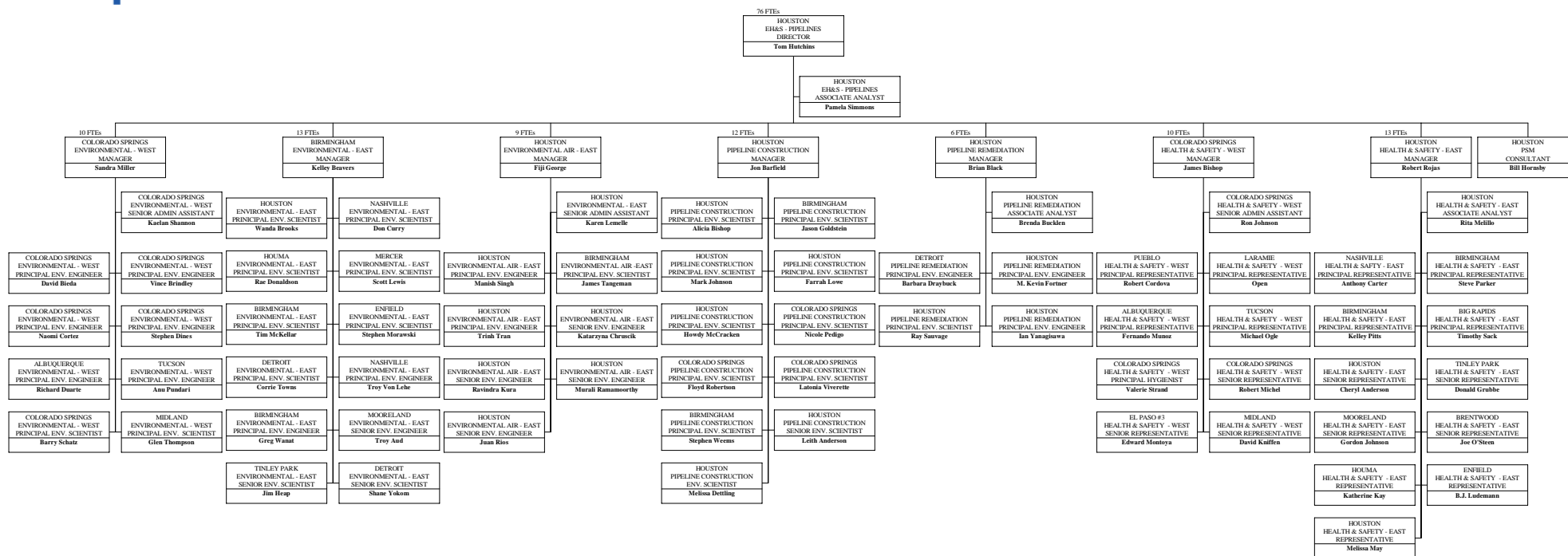
The EHS Department provides strategic permitting, planning, regulatory compliance, and safety support for all of the Pipeline Group’s assets and functions. The EHS Department management consists of an EHS Director, one PSM/RMP Consultant, and seven managers over the following groups: Environmental Project Management, Pipeline Remediation, Environmental Compliance - East, Environmental Compliance - West, Air – East, Safety - East, and Safety - West. The primary responsibility of the groups is to support the following major pipelines:

- Tennessee Gas Pipeline Company
- Southern Natural Gas
- El Paso Natural Gas
- ANR Pipeline Company
- Colorado Interstate Gas.

The EHS Department consists of approximately 76 professionals including analysts, specialists, engineers and scientists. Staff positions range from entry-level to principal level. The EHS Department’s organizational chart is shown below.



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The Pipeline Group also relies upon other internal resources within the Pipeline Group's organization. These resources include Accounting, Property Rights Services (right-of-way), Engineering, Operations Services, Legal, Operations and Materials and Contract Management (MCM).

2.5.2 External Resources

2.5.2.1 Contractors

Supplemental expertise and support are provided by contractors. These contractors are utilized to provide technical expertise as a means of supporting internal work resources. The Pipeline Group maintains contracts for outside professional services including but not limited to construction, maintenance, environmental, and engineering services. Contractors are subject to satisfying contracting requirements established by MCM.

2.5.2.2 Trade Organizations

Trade Organizations such as the Interstate Natural Gas Association of America (INGAA), the Western Energy Institute (WEI), the Southern Gas Association (SGA), and the American Gas Association (AGA) are sources of professional exchange and peer review. By working with these trade organizations, Best Management Practices (BMPs) that are specific to the natural gas industry can be developed and shared.

2.5.2.3 Regulatory Agencies

The Pipeline Group works closely and cooperatively with the local, state, and federal regulatory agencies. The Pipeline Group's staff utilizes agency resources such as websites, seminars, and regulatory guidance documents.

2.6 Documentation

The Pipeline Group maintains documentation systems to demonstrate the extent of compliance with the Pipeline Group's Philosophy and Policies. These documentation systems include:

The policies, procedures, and plans for the activities of concern

Annual goals, objectives, and ongoing status reports

Communication of key roles and responsibilities

EMS elements and their interactions

Changes and improvements to the EMS

Cross-references related to documentation and links with other aspects of the overall management system

Results of environmental evaluation and risk management



Relevant legislative and regulatory requirements, applicable industry standard recommendations and application to the activity of concern

Necessary procedures and work instructions for key activities and tasks

Emergency plans and responsibilities, and the means of responding to incidents and potential emergency situations.

This system will also record the extent to which planned objectives and performance criteria have been met (inclusive of audit/inspection reviews). The Pipeline Group's EMS will be evaluated annually at a minimum and revised as necessary.

2.7 Communication

The open exchange of information, ideas, issues, problems, and solutions are critical to the success of the Pipeline Group's EMS.

The information in this EMS will be communicated through training programs and existing mechanisms in the workplace (i.e., EHS Committees, staff meetings, locations meetings, etc.). The training will be sufficient to provide personnel with the information necessary to perform their duties in adherence to the El Paso's Values, EHS Philosophy, and Environmental Policy. This training will also include necessary resources to comply with applicable legislation/regulations, and lenders, insurers, and industry standard recommendations.

References:

[Materials and Contract Management](#)
[Regulated Environmental Health & Safety](#)



3.0 ACCOUNTABILITY AND RESPONSIBILITY

This section outlines the accountability and responsibility for environmental performance within the Pipeline Group. A description of the employee performance evaluation program administered by Human Resources that describes how environmental performance is incorporated into an employee's overall performance and compensation is included. A section from the El Paso Code of Business Conduct is presented to describe the disciplinary action policy. The ultimate accountability for compliance with environmental regulations and policies lies with the Chief Executive Officer of El Paso Corporation.

3.1 Compliance Responsibility

Pipeline Group personnel are responsible for environmental compliance while conducting day-to-day activities. These activities are closely supported by the environmental staff. When an environmental incident (e.g., permit exceedance, release, record keeping error, etc.) occurs, local management is responsible for implementing the corrective actions necessary to return the facility or project to compliance. Environmental staff will provide guidance on how to respond or will respond on behalf of the facility or project. Filing of reports to regulatory agencies is primarily the responsibility of the environmental staff.

Line Managers and Supervisors are responsible for ensuring that employees under their supervision receive appropriate environmental training and perform their work in accordance with all environmental rules and regulations. Line Managers and Supervisors are accountable for the proper environmental performance of their location, department, project, or function.

3.2 Employee Performance Evaluations

Environmental commitment within the Pipeline Group is demonstrated by its inclusion as part of our Performance Management Program. An employee's overall performance rating determines the amount of annual bonus and compensation adjustments received. The performance dimension of the Safety Value in the El Paso Performance Management Program also reflects environmental behaviors that are required of all employees by corporate policy.

An expected level of performance in this category requires compliance with all applicable laws, regulations and company policy. Expected level of performance requires that the employee:

Perform all activities in a manner that protects the environment and complies with all relevant laws and regulations

Is familiar with and demonstrates support for the Company's Environmental Policy and conducts work activities in a manner consistent with its principles

Reports what he/she believes to be environmental deviations and/or violations.



3.3 Code of Business Conduct

The El Paso Code of Business Conduct is intended to help employees conduct themselves in a manner consistent with our values. It states that the Company is dedicated to complying with all relevant environmental laws and regulations and requires employees to comply with these laws and regulations as well. It is the duty of each employee to report what he/she believes to be environmental violations to his/her supervisor; an environmental manager; Director of EHS; the Ethics & Compliance Helpline; or the Law Department.

Employees who fail to comply with relevant environmental laws and regulations may be subject to disciplinary action as outlined in El Paso's Code of Business Conduct.

References:

[El Paso Code of Business Conduct](#)

[Ethics and Compliance](#)

[Human Resources Policies](#)



4.0 ENVIRONMENTAL REQUIREMENTS

This section describes the primary tools and programs used to ensure compliance with environmental requirements and how those tools and programs are communicated to the affected parties. This section also addresses how environmental requirements are identified.

4.1 Written Documentation of Requirements

The Pipeline Group utilizes numerous programs to assist in the management of environmental requirements. The following is an overview of the various programs. Additional information on these programs can be found in Sections 5, 6, and 8.

Administrative Processes – Standardized processes exist for addressing invoices, contract bids and work requests. The Pipeline Group has implemented an Alliance Contractor process that identifies third-party businesses that are evaluated on their environmental performance. Additional information is available on the Accounts Payable and the MCM website.

Air Handbook – This handbook is a guidance document to address air permitting and compliance issues.

Categorical Clearance Memos – State and federal clearance letters allow the Pipeline Group to complete certain construction projects without further consultation.

CIRTS – (Comprehensive Incident Reporting and Tracking System) Is a computerized software program that allows Pipeline Group personnel to track Spills, Incidents, Notices of Violations (NOV's) Permit Exceedances, Agency Inspections and Employee Environmental Observations. The CIRTS system provides notifications of these events to appropriate individuals. On a monthly basis the EHS departments prepares and incident report that provides a summary of all Notices of Violation, Fines, Federal Reportable Quantity (RQ) Releases and Agency Inspections. The report is distributed to senior management, legal and environmental staff and to the Pipeline and Corporate Executive EHS committees each quarter

Compliance Action Plan (CAP) – A CAP summarizes key environmental requirements primarily in the area of Title V air permit reporting deadlines, recordkeeping, and testing schedules. A CAP may also be utilized to communicate NPDES/storm water recordkeeping and reporting deadlines, and any other applicable permits at a facility. Key departments (EHS and Operations) review the elements and the reporting deadlines are subsequently incorporated into the MAXIMO database. The database generates work orders to specific employees and allows operations to track compliance. The CAPs are maintained on the intranet and training is provided to ensure compliance.

Environmental awareness and training programs educate and train Pipeline Group employees and contractors on best management practices in order to conform to applicable laws, regulations and internal requirements. The EHS Department conducts periodic roundtables with other stakeholders within the Pipeline Group as well as oversees required training. At pre-job meetings, the EHS Department and Property Rights Services review permit requirements (air compliance, hydrostatic discharge permit, cultural resources, threatened and endangered species,



remediation activities, drill crossings and road permits) and spill notification/response procedures for new construction projects with Pipeline Group personnel and contractors.

Environmental Compliance Manual – This manual summarizes state and federal regulations and Company policies to assist environmental professionals with day-to-day operations.

Environmental Construction Manual – This manual identifies general environmental requirements for pipeline construction projects. Additional project-specific requirements are applied to each project as outlined in the permit, certificate or environmental license.

Environmental Handbook – This handbook is a guidance document on work practices and procedures for Operations and Engineering.

Laboratory Management Program – This program provides a consistent laboratory QA/QC and analytical request procedure. The program includes a corrective action process that tracks laboratory performance.

MAXIMO – MAXIMO is a tool to document regular, deadline-driven activities. It is a computerized maintenance management software program which allows the Pipeline Group to document preventative maintenance activities. It also serves to track regulatory deadlines, Environmental Operations Review action items, and provides reminders to the appropriate personnel to perform the required work.

Polychlorinated Biphenols (PCB) Standard Operating Procedures – These procedures provide guidance concerning PCBs at Pipeline Group operations. Procedures include use, storage, transportation, remediation, treatment, and disposal options for PCB-related articles and wastes.

Project Documents – Project documents, such as a Project Input Form (PIF), Project Data Sheets (PDS), Tab B forms, Authorization for Expenditures (AFEs), and Permit Applicability Reviews (PAR), ensure that environmental permitting requirements are identified and satisfied prior to initiation of construction.

Quality Assurance Project Plan (QAPP) - A QAPP for remediation programs is prepared by the Pipelines Remediation Group specifically for the investigation and removal of hazardous and/or toxic chemicals. The QAPP presents the policies and specific quality assurance/quality control (QA/QC) activities to be implemented to ensure that the project data quality objectives (DQOs) are met.

4.2 Updating Documentation

Recordkeeping practices are reviewed and updated as required by the specific regulatory-driver or the corporate policy. As environmental requirements or processes change, the frequency will be modified accordingly.

4.3 Monitoring and Improvement of Proposed and Existing Environmental Regulation/Legislation

The Pipeline Group obtains regulatory updates from various sources: CyberRegs™, *Federal Register*, State and Federal web-sites and newsletters, the Interstate Gas Association of America Federal Energy Regulatory Commission (FERC), the American Gas Association State Historic



Preservation Office (SHPO), United States Fish and Wildlife Service (USFWS), United States Army Corps of Engineers (USACE), Ad Hoc Groups, Consultants, Legal Reviews, Business and Legal Reports, Internal Governmental Affairs, industry newsletters and trade associations. As appropriate, regulatory information is summarized and disseminated to affected parties within the Pipeline Group. Pipeline Group representatives also hold leadership positions in environmental organizations and programs.

The EHS Department provides guidance to the Pipeline Group as a result of reviewing federal, state and local requirements. For example, with the changes in the EPA's Clean Air Act Program, the Pipeline Group developed a core group to support these regulations. This core group, known as the Clean Air Team (CAT), monitors regulatory developments in the natural gas pipeline industry and develops compliance strategies and technology requirements for compliance. The CAT provides feedback to El Paso's Clean Air Steering Committee. The Steering Committee consists of executive-level management that meet semi-annually to provide direction to the CAT.

References:

[Air Handbook](#)

AFEs

[Compliance Action Plan \(CAP\)](#)

[Environmental Compliance Manual](#)

[Environmental Handbook](#)

[El Paso Livelink](#)

[MAXIMO](#)

[Project Input Form \(PIF\)](#)

[Project Data Sheets \(PDS\) East](#)

[Project Data Sheets \(PDS\) West](#)

[Tab B Forms](#)



5.0 ASSESSMENT, PREVENTION, AND CONTROL

This section describes the major tools and programs that are used to assess compliance status, prevent non-compliance, and provide controls for minimizing risks associated with operations, construction, and remediation.

5.1 Assessments

The Pipeline Group has processes in place to assess operations, new construction projects and historical liabilities. The goal of these processes is to provide environmental protection and to maintain compliance with federal, state and local regulatory requirements. This overview details the various assessment processes:

Air Audits - In consultation with the Legal Department, air-specific audits of selected operating facilities (i.e., compressor stations or warehouses) may occur. The purpose of such audits is to assess existing and historical air compliance status. Items identified for follow-up are communicated with management.

Air Permitting Process – This process identifies construction permit requirements for new, reconstructed or modified facilities.

Coal Tar and Asphaltic Pipe Coating Management Plan – This plan contains procedures for the inspection, removal, containment, storage, transportation and disposal of coal tar enamel and asphaltic pipe coating.

Construction Process – When a capital or O&M project is identified for construction, the Construction Process describes the steps from project inception through operations management.

Environmental Construction Reviews – The EHS Department routinely schedules Environmental Construction Reviews (ECRs) to assess compliance with applicable federal, state, and local permits during the construction phase of a project. Potential problem areas or areas of noncompliance are discussed with the project personnel on-site and typically are corrected prior to leaving the construction site. A report is developed following the ECR to identify the action items.

Environmental Due Diligence Process - The Pipeline Group performs Due Diligence Reviews when there are plans to acquire, sell or lease a property/right-of-way or a facility. The purpose of these reviews is to understand any associated environmental liabilities and to adequately communicate said liabilities to internal stakeholders such as the Legal Department and the Company negotiators. The Property Rights Services Department in consultation with management, Legal, and EHS Department assess the need and extent of the due diligence reviews.

Environmental Operations Review - The EHS Department in consultation with the Legal Department completes Environmental Operations Reviews (EORs) of operating facilities (i.e., compressor stations or warehouses) to assess the existing environmental compliance status. On an annual basis, the Environmental Managers perform a risk assessment to determine which facilities will be assessed for the year. A risk assessment matrix is available to aid the Managers in this decision.. The assessment is based on such factors as facility permits, number and types of



tanks, waste generation, regulatory agency findings, previous EOR findings and operational history. Items identified for follow-up are communicated with Management and, where applicable, incorporated into the MAXIMO database.

- Managing Pipe Coating That May Contain PCBs - El Paso learned that PCBs may be present in coal tar or asphaltic-type pipe coating that was applied prior to the mid-1980s. This guidance is designed to collect data to determine whether this is an issue on the pipelines and to provide guidance on handling pipe with PCB-containing pipe coating that is removed from service.

MAXIMO Process – This process identifies how to input environmental task into MAXIMO for tracking.

Pre-construction Surveys – In accordance with the National Environmental Policy Act (NEPA), the Pipeline Group performs surveys to assess environmental impacts of new projects on water quality, protected species, cultural resources, protected environmentally sensitive lands or nationally significant lands, and potential contaminated sites. These surveys assist with project planning activities and permit application preparation.

Regulatory/Legislative Review Process- This process identifies the methods by which the Pipeline Group becomes aware, monitors, and, as appropriate, provides comment on legislative initiatives that may impact the Pipeline Group's operations.

Sampling and Characterization - The Pipeline Group has procedures in place to sample and characterize any material, discharge or waste stream. This process supports environmental compliance with applicable permits or regulations as well as the environmental health, welfare and safety of employees and the surrounding environment. Historical spills or releases of materials are also assessed to determine if they pose a risk to human health or the environment.

Sarbanes-Oxley (SOX) Process – This process is used to identify when a project should become part of the Pipeline Group's environmental reserve. This identifies environmental risks and liabilities to the company's shareholders.

Title V Permit Renewal Process – This process identifies the method of ensuring renewal of Title V air permits.

Waste Services Provider Process – Wastes generated from the Pipeline Group are transported to approved facilities. Requests to add a new TSDF or inspect approved facilities are routed through MCM, Legal, and the EHS Department. By utilizing only approved facilities minimizes future Pipeline Group liabilities should a TSDF be subject to environmental cleanup.

Water Discharge Permitting Process – This process identifies the sequence of steps that is necessary to maintain compliance with NPDES permits as they relate to point-source and non-point source discharges at operating facilities and construction sites.

5.2 Prevention

The Pipeline Group has developed systems or standard operating practices that define a uniform process for developing, approving, and implementing preventative measures. These measures are described in more detail below.



Training - The Pipeline Group ensures that company and contractor personnel receive training on the implementation of environmental and safety mitigation measures appropriate to their responsibilities. The goal of training is to prevent non-compliances and to protect the environment. For example, training is conducted on air compliance, waste management, construction practices, and spill prevention. More details on training are provided in Section 7.0.

Spill Prevention Control and Countermeasure Plans – At applicable facilities and projects, the Pipeline Group maintains a Spill, Prevention, Control and Countermeasure Plan (SPCC) to prevent the release of oil to the environment and to describe actions to initiate spill response.

Best Management Practices – The Pipeline Group has implemented BMPs to assist in controlling air emissions, managing storm water discharges and waste. BMPs have also been developed by trade organizations that address pipeline construction and engineering methods. The Engineering Department incorporates these BMPs into the designs of new pipelines and facilities.

Unanticipated Discovery Plan – The EHS Department has developed an Unanticipated Discovery Plan for identifying procedures in the event that unknown cultural resource sites or human remains are discovered during ground disturbance activities. The procedures minimize potential for inadvertent impacts to cultural resources, and ensure that the Pipeline Group maintains compliance with all federal, tribal, and state regulations concerning the protection of cultural resources.

Storm Water Pollution Prevention Plans – Where construction or remediation by the Pipeline Group could result in disturbance on one or more acres, a Storm Water Pollution Prevention Plan (SWPPP) is developed and maintained. Compliance with this plan will limit effects of erosion and prevent unintentional releases to the environment. This SWPPP ensures compliance with storm water discharge regulations of the EPA and related state agencies. A SWPPP is also developed on existing facilities where there is a potential discharge of storm water to a navigable waterway of the United States.

Critical Habitat Maps – The Pipeline Group’s facilities and projects may affect critical habitat of species listed by the USFWS as endangered or threatened. Maps and descriptions of these designated critical habitat areas are published and maintained by the USFWS. The EHS Department maintains updated mapping of these locations with coordinated mapping of its facilities and pipeline locations. Any activity that could affect these mapped areas is evaluated for potential impacts to the habitat and the species. This process assures that the Pipeline Group and its contractors remain in compliance with regulations associated with the Endangered Species Act.

EPA Star Program – The Natural Gas STAR Program is a voluntary partnership that encourages companies across the natural gas industry to adopt cost-effective technologies and practices that improve operational efficiency and reduce fugitive emissions of natural gas. The Pipeline Group is a partner in the EPA Natural Gas Star Program. This program is part of the Pipeline Group’s overall pollution prevention program.

Equipment Maintenance Programs – The Compressor Operations Policies and Procedures (COPP) Manual and the Pipeline Operations Policies and Procedures (POPP) Manual provide



guidance on maintaining the Pipeline Group's natural gas transmission assets. Frequency of oil changes, mechanical inspections and engine analysis are detailed in these manuals. In some cases, maintenance activity triggers environmental notifications to local, state and federal agencies. In other cases, approvals from agencies are required prior to the maintenance activity. The EHS Department has participated in the development of project documents (PIF, PDS, AFEs, and Tab B forms) to document regulatory requirements associated with operations and maintenance activities.

Greenhouse Gas Programs – The pipeline group is participating in voluntary reporting of greenhouse gases (GHG) through Department of Energy 1605 B program and California Climate Action Registry (CCAR). Participation in these programs provide information on GHG related activities to customers, decision-makers and legislative bodies who are concerned about climate change and help develop initiatives to reduce emissions.

5.3 Control

The Pipeline Group has systems in place to minimize risk to the environment by implementing control measures such as inspections, written documentation, and administrative programs. Examples of control methods implemented by the Pipeline Group are described in more detail below.

Air Audits – Air audits provide an in-depth review of historical and current air compliance issues. Action item lists and follow up corrective actions are reviewed by legal representatives and, as appropriate, completed to ensure that recommended measures have been implemented. As described above in Section 5.1, the air process identifies the responsible parties to ensure the process is completed successfully and controls are being met.

Alliance Contracts – Where applicable, through the use of an alliance contract program, contractor's goals and objectives are aligned with the Pipeline Group's to comply with all applicable laws and regulations. Contractor's performance is evaluated to document how well safety and environmental requirements are met.

CIRTS – (Comprehensive Incident Reporting and Tracking System) Is a computerized software program that allows Pipeline Group personnel to track Spills, Incidents, Notices of Violations (NOV's) Permit Exceedances, Agency Inspections and Employee Environmental Observations. The CIRTS system provides notifications of these events to appropriate individuals. On a monthly basis the EHS departments prepares and incident report that provides a summary of all Notices of Violation, Fines, Federal Reportable Quantity (RQ) Releases and Agency Inspections. The report is distributed to senior management, legal and environmental staff and to the Pipeline and Corporate Executive EHS committees each quarter

Compliance Action Plan – A CAP summarizes key environmental requirements for Title V air permit, NPDES/storm water permitting, and other applicable permits at a facility. The CAP describes the applicable permit requirements, the responsible party delegated in meeting that permit requirement, the nature of the work to be completed to fulfill the permit requirements, and the deadline for completion of the tasks.



Dakota Tracer – It is a computerized software program which allows the Pipeline Group to document and track Environmental Operations Review action items, and provides reminders to the appropriate personnel to perform the required work

Environmental/Chief Inspectors – The Pipeline Group utilizes inspector(s) on construction projects to monitor compliance on a daily basis. These inspector(s) have responsibilities including, but not limited to:

- Ensuring the work is performed in approved areas and in compliance with the stipulations of the environmental permits associated with the project;
- Understanding all applicable project-related documents;
- Facilitating proper communication between regulatory agencies and project personnel; and,
- Ensuring that the work is completed in accordance with the guidelines in applicable permits and approvals.

Environmental Operations Reviews/Environmental Construction Reviews – As a result of an EOR or ECR, action item lists and follow up inspections are completed to ensure that recommended measures have been implemented. A root cause analysis is completed for action items, where applicable. As described above in Section 5.1, the EOR/ECR process identifies the responsible parties to ensure the process is completed successfully and controls are being met.

MAXIMO – The Pipeline Group currently utilizes MAXIMO, a comprehensive management tool, to document all maintenance tasks and key regulatory requirements. The database tracks project- or facility-related environmental deadlines and recurring activities. MAXIMO also identifies operator qualifications, type of work to be performed, environmental permitting tasks, when the work is to be performed and other maintenance-related activity. MAXIMO identifies the responsible party for all activities that need to be completed. MAXIMO tracks an activity until it has been completed.

PeopleSoft® – PeopleSoft® database is used to track the progress of the project from inception to completion. No project is authorized for construction until personnel representing the EHS, Engineering, Regulatory Affairs, and Property Rights Departments verify permit acquisition is complete through individual sign off in the PeopleSoft® database. The Manager of the Certificates and Regulatory Compliance Group is responsible for ensuring that projects are signed off in PeopleSoft prior to the project going to construction.

Performance Metrics - El Paso EHS performance metrics have been evolving over the past several years from compliance lagging indicators to proactive, leading indicators with interest to drive continuous improvement to the organization.

Restricted Use of Treatment Storage and Disposal Facilities (TSDFs) – In conjunction with the Pipeline Group's MCM department, wastes generated from the Pipeline Group are transported to approved facilities. The outside provider process provides guidance on selecting and retaining these facilities. Any solicitations of new business by a TSDF are routed through MCM, Legal, and the EHS Department. Waste Services Provider process. This process identifies the responsible parties for ensure the process controls are being met.



Signature Authority – The Pipeline Group has an established delegation of signature authority for permits and other regulatory compliance documents. The signature authority is determined by the relevant environmental regulation in conjunction with company policy. The Director of EHS is responsible for ensuring that the appropriate signatures authority requirements are being met.

References:

[Air Handbook](#)

AFEs

[Compliance Action Plan \(CAP\)](#)

[Environmental Compliance Manual](#)

[Environmental Handbook](#)

[El Paso Livelink](#)

[MAXIMO](#)

[Project Input Form \(PIF\)](#)

[Project Data Sheets \(PDS\) East](#)

[Project Data Sheets \(PDS\) West](#)

[Tab B Forms](#)



6.0 ENVIRONMENTAL INCIDENT AND NONCOMPLIANCE INVESTIGATIONS

This section describes the general procedures and requirements for addressing environmental incidents. Environmental incidents include agency inspections, Notices of Violation, fines, and releases. It also addresses procedures for corrective action and investigation of incidents.

6.1 Reporting

Environmental incidents are reported internally to the local supervision and to the appropriate levels in the Pipeline Group organization as well as Corporate. Environmental incidents include spills, leaks, or releases that require agency notification. Reporting procedures are outlined in detail in the Environmental Handbook and the Environmental Compliance Manual, and, where applicable, the facility's SPCC plan. Releases from operations or construction activities are reported electronically into the Comprehensive Incident Reporting and Tracking System (CIRTS). Through the CIRTS system, notifications are made to the appropriate individuals. On a monthly basis, the EHS Department publishes an incident report that provides a summary of all agency inspections, reported Notices of Violation, Fines and Federal Reportable Quantity Releases. This report is distributed to senior management, Legal and the environmental staff each month and to the Pipeline and Corporate Executive EHS Committees each quarter.

Releases are reported externally to the appropriate environmental agency in accordance with regulatory requirements and site response plans. Should a potential non-compliance situation arise, the EHS Department is responsible for consulting with Legal and, as appropriate, notifying the appropriate agency.

In addition to the above, the Pipeline Group utilizes the following procedures, where applicable, in the event of an environmental incident:

Crisis Response – The Pipeline Group utilizes the Crisis Communication and Response Procedures to provide a framework for personnel responding to an emergency or crisis situation. The Crisis Communication and Response Procedures describe the Pipeline Group's Crisis Response teams, notification requirements, and incident classifications. These Procedures are found in each area office that has direct responsibility for operations, Division Offices and Corporate Offices.

Deviation Reports – When a deviation from a permit term or condition occurs a report of the deviation is often required. The EHS Department completes such deviation reporting.

Spill Prevention, Control and Countermeasure Plan – The EHS Department develops and maintains SPCC Plans to prevent releases to the environment and to describe actions to implement in the event of a spill.

6.2 Investigation

Significant environmental incidents are investigated according to the Root Cause Analysis. This process outlines what incidents are subject to the investigation process and what roles various



individuals play in completing the incident investigation. The process prescribes various requirements for completing the investigation report, identifying root causes and establishing a process for corrective actions.

The Pipeline Group Incident Investigation Procedures provide guidelines for employees on conducting incident investigations. This procedure is used by the Pipeline Group in conducting incident investigations involving company personnel or assets, and/or third parties. In particular, this Procedure identifies criteria, standardized forms and recommended practices for investigation of incidents and near misses. The level of investigation on any incident or near-miss is determined by the Incident Category ranking (Category 1 thru 3). Category 3 represents the highest incident category. Incidents not meeting the criteria set forth by this policy may be investigated on a case-by-case basis.

The investigation process involves a root-cause analysis of identified problems to aid in developing recommendations, including corrective actions. The root cause is defined to be a contributing factor which if changed would prevent the incident from occurring. This analysis evaluates the causal components which lead to the noncompliance or environmental incident and seeks to identify preventative measures to minimize the potential for future incidents.

6.3 *Corrective Actions*

Corrective actions may be necessary when an environmental incident occurs or an area of non-compliance is identified through the observation system or the auditing process. Where appropriate, these corrective actions are entered into the Pipeline Group's work management system (e.g. MAXIMO) for documentation and completion. Other corrective actions may be part of written reports that are monitored by management for timely and complete implementation. An overview is provided as follows:

Administrative Orders of Consent – Corrective actions are identified in an agreement with an agency. Upon successful completion of the corrective actions, the issuing agency acknowledges that the noncompliant issue has been resolved.

EOR/ECR/Air Audit Action Item Lists – The intent of the EOR/ECR/Air Audit process is to ensure current and historical regulatory compliance regarding the operation and/or construction of facilities. In some cases, legal consultation is provided to assess compliance status. Issues identified during these audits are recorded and a corrective action(s) list prepared and administered to appropriate personnel. Subsequent EORs/ECRs/Air Audits not only verify execution of the corrective action(s) but continued compliance in all areas of construction/operation of the facilities. MAXIMO is used to track EOR findings on the East and Dakota Tracer is used on the West.

Permit Revisions - Permit revisions may be necessary dependent upon the site-specific conditions or change(s) in scope at the time of implementation whether for construction or operation of facilities. If a revision(s) is necessary, a formal request must be filed with the applicable agency(ies) in consultation with the Pipeline Group's Legal Department.

Resources:



[Air Handbook](#)

[Compliance Action Plan \(CAP\)](#)

[Crisis Communication and Response Procedures](#)

[Environmental Compliance Manual](#)

[Environmental Handbook](#)

[Environmental Processes](#)

[El Paso Livelink](#)

[Incident Investigation Procedures](#)

[MAXIMO](#)

[Spill Prevention, Control and Countermeasure Plans](#)



7.0 ENVIRONMENTAL TRAINING, AWARENESS AND COMPETENCIES

This section describes the environmental training provided to Pipeline Group staff.

7.1 Training

Training required for various personnel is evaluated and assigned depending on position and job responsibilities. Field personnel are provided basic training in environmental concepts and application. Where job requirements warrant, specific training is given to targeted individuals in areas such as equipment operation, wastewater sampling, stack sampling, waste handling or emergency response. Formal training is recorded by the Training and Development Department.

The EHS Department provides formal training to appropriate operations personnel, line management and executive-level management. Through the Environmental Leadership Training, Pipeline Group personnel become aware of the impact of operations and assets on the environment. The Environmental Leadership Training programs encompass the Pipeline Group's philosophy on environmental stewardship, hazardous waste training, air permit training, and storm water pollution prevention training.

The Pipeline Group provides in-house and third-party training for personnel for environmental compliance as it relates to a particular project, FERC's Plan and Procedures, biological and cultural impacts, waste disposal, and spill response. The Pipeline Group also encourages the development of environmental staff through technical seminars, conferences and trade shows.

CAPs are used as a training tool at the facilities for the Air and Water permits. The CAP contains the relevant environmental requirements for the facility. Similar training for pipeline construction projects is provided in accordance with the Pipeline Environmental Construction Manual.

7.2 Awareness

Awareness of environmental issues is communicated to personnel through training, internal and external communications, intranet resources, and Pipeline Group management. The Pipeline Group's environmental professionals provide the location environmental representatives and third-party contractors with training. The EHS Department maintains a website that promotes employee awareness and has developed an Environmental Handbook that provides personnel with guidance on incorporating environmental considerations into daily operations. The Environmental Handbook establishes the minimum work practices and procedures for pipeline personnel. Contractor Forums, sponsored by Pipeline Group Operations and Engineering Departments, are Executive-level meetings between the Pipeline Group and Third-Party Contractors to facilitate understanding at the highest levels for areas for improvement.

The Pipeline Executive EHS Committee meets quarterly and is composed of senior executives representing all five pipelines. This committee provides a forum for discussion of key existing



and emerging environmental issues as well as reviews of environmental performance. The Corporate and Pipeline Executive EHS Committees establish environmental goals.

7.3 The Pipeline Group also has a Clean Air Steering Committee that is comprised of senior level executives and environmental personnel to ensure that the company is integrating air issues with operations and construction. Competence

The EHS employees are evaluated annually as a key element of the employee Performance Management Program. The employee evaluation process includes an opportunity to identify required training. On-going training to maintain competency is provided through seminars, conferences, classes and other informal means. A key element of maintaining competence is the internal and external sharing of knowledge with peers. This is accomplished by participation in trade organizations, internal meetings of environmental professionals, and management encouragement to share knowledge.

The EHS Department maintains professional certifications (professional engineer, registered environmental manager, or certified hazardous materials manager) and employees are encouraged to obtain continuing education units (CEUs) to maintain proficiency in their respective areas of expertise.

Resources:

[Air Handbook](#)

[Compliance Action Plan \(CAP\)](#)

[Environmental Handbook](#)

Web-based Resources (via Company Intranet)

Company Training Program:

[Training Server Online](#)

[EP Values University](#)



8.0 ENVIRONMENTAL PLANNING AND ORGANIZATIONAL DECISION MAKING

This section describes how environmental planning is integrated into organizational decision-making. It also describes the process for setting goals and tracking the performance in meeting those goals.

8.1 Environmental Planning and Organizational Decision Making

Projects necessary to establish, maintain and improve environmental performance, and identify and minimize risk are typically identified by the EHS Department and communicated to the Pipeline Group. This information is used by the Pipeline Group to develop annual and five-year maintenance and capital forecasts as well as establishing environmental reserves where appropriate.

The EHS Department provides input when projects are in the planning stage which can be useful in determining where to locate facilities to balance environmental impacts with business needs and to establish timing requirements for obtaining necessary approvals. The EHS Department also assists in identifying equipment and control measures necessary to meet environmental regulations and minimize environmental impact. The Pipeline Group utilizes the PeopleSoft® electronic system to track projects. Where PeopleSoft® is utilized, the EHS Department must review and sign off on each project before it can be implemented.

The Pipeline Remediation Group identifies required remediation activities and provides cost estimates to senior management and to the financial departments. As environmental liabilities are identified, the Pipeline Remediation Group prepares and submits an accrual request. Environmental reserves are evaluated and adjusted quarterly, if needed. The Pipeline Group has developed a process that complies with the Sarbanes Oxley Act (SOX) that identifies environmental liabilities. Reserved environmental liabilities are reported in the Company's 10Q and 10K financial reports.

Planning for emergency situations is a critical element of the environmental program. The EHS Department typically prepares or oversees preparation of primary response plans such as SPCC Plans, Oil Spill Response Plans and RCRA Contingency Plans. The EHS Department participates in tabletop exercises and mock drills to test the effectiveness of the plans.

The Pipeline Group uses other mechanisms to assist in the planning and decision-making process and they are outlined as follows:

Capital and Maintenance Environmental Costs – Environmental costs incurred by the Pipeline Group are separated into capital and maintenance projects. Property Accounting defines capital projects as asset installation. Maintenance projects are defined as expense items. The process for establishing environmental costs is outlined as follows: evaluation of the project, defining the closure requirements, reviewing all projects to determine priorities, and completing the project schedule. In an effort to address consistency in project cost, estimates and budgets are developed in conjunction with approved contractors and the Pipeline Group.



Corporate Goals – The El Paso Executive Committee defines and reviews annual environmental and safety goals and addresses environmental and safety trends. Based on this review, the Executive Committee identifies new goals and measures for the next calendar year. These goals and measures are communicated throughout the Pipeline Group.

Emergency Response – The Pipeline Group responds to system operating emergencies through the activation of processes and personnel within the organization. Crisis Communication and Response Manuals exist at each level of the organization and guidelines are provided to allow for an expedient and thorough response. The manual addresses system emergencies which include: significant employee or contractor injuries, public safety hazards or injuries, significant interruption of processes, fires, explosions or pipeline ruptures, significant property damage, public evacuations, environmental damage and media coverage. The Pipeline Group is involved in mock emergency drills and table-top emergency exercises with the Corporate emergency response task group as required under the Oil Pollution Act of 1990.

Environmental Action Plans – The Environmental Action Plan is developed annually at the request of Senior Management to identify environmental goals for the Pipeline Group. The EHS Department obtains feedback from Operations and Engineering on additional goals and the plan is finalized during the first quarter of the year. The plan is used as a performance indicator.

New Regulation Planning – The Legal and Government Affairs Groups and the EHS Department review new regulations and assess the impact to the Pipeline Group. Budgetary impacts are identified in budget plans, the 10K and 10Q reports.

Permitting Analysis – A Permit Applicability Review (PAR) is completed for each new project using a standardized format (project description, regulatory analysis, estimated timeline, and air permit requirements). The analysis process allows the EHS Department to provide recommendations which are consistent with the Clean Air Act and beneficial to the corporation. After the PAR is completed, it is distributed to the appropriate departments within the Pipeline Group.

Remediation Analysis – The purpose of the analysis is to identify all federal and state regulatory requirements and reduce or manage the long-term liability of remediation sites by remedial measures which may include engineering controls, deed restrictions, and treatment or removal of affected media.

8.2 Organizational Decision Making

Environmental goals and objectives are established for the purpose of continuous improvement. Goals for training completion, EOR/FSR/Corp Audit/PSM findings and Agency inspection findings are established annually by the Executive EHS Committees. Subsequently, the Pipeline Group incorporates these goals into development of specific EHS action plans. Progress in meeting these goals is tracked on a monthly basis by the EHS Department and reviewed at regularly scheduled Executive EHS Committee meetings. Opportunities to adjust environmental activities and correct environmental deficiencies are addressed at these meetings as well.



9.0 MAINTENANCE OF RECORDS AND DOCUMENTATION

This section addresses systems in place for managing documents and information that support the EMS and the overall environmental program.

9.1 Files

The Pipeline Group has implemented filing systems that address the transmission and retention of data. This data includes drawings, figures, reports, analytical data, correspondence, employee training, and other written and electronic forms of communication. The documents are retained on a schedule that reflects regulatory obligations, and best management practices. Documents utilized for on-going business or environmental purposes are retained for accessibility. The Records Retention Schedule defines which documents are retained and for what period of time.

The Pipeline Group has developed a Manual of Standard Procedures that addresses the transferring and retrieving of records from storage. Privileged and confidential documents are coded using the Bates Filing System and kept in secure locations.

9.2 Electronic Systems

The Pipeline Group has developed or purchased several electronic systems to document and track environmental performance. PeopleSoft® is the main tool used by the Company to track financial expenditures. The EHS Department professionals have access to the MAXIMO and COMET databases to assist in recordkeeping, reporting and monitoring the Pipeline Group's environmental compliance status. MAXIMO is discussed in Section 4.1. The COMET database allows employees to complete emission inventory information, assess and report on engine performance parameters (i.e., suction and discharge pressures, horsepower utilization, operation temperatures, etc.), and monitor fuel gas. The EHS Department Pipeline Remediation Group utilizes the Pipeline Environmental Projects (PEP) database to document site data, history, and cleanup strategy as well as remedial costs. Pipeline Group personnel utilize multiple scheduling programs to ensure continued compliance with environmental regulations and the terms and conditions of respective permits.

Pipeline Group documents are categorized, stored, and retrieved utilizing *Stellent*™ computer program. This program performs document retrievals based on subject matter, date of document generation, document type, and/or document location.

EPLive is a document management tool that allows for knowledge sharing, project team collaboration, and business process automation. EPLive uses "workspaces" to organize the types of information used by the Pipeline Group. Selected administrators in key areas are responsible for maintaining the integrity and content of the system.

As discussed in Section 7.0, the EHS Department maintains an EHS website. The website documents a facility's CAP discussed in Section 4.1, forms needed for compliance purposes, environmental manuals and policies, and regulatory guidance documents.



References:

[MAXIMO](#)

[COMET](#)

[PeopleSoft®](#)

[El Paso Livelink](#)

Manual of Standard Procedures

[Compliance Action Plan \(CAP\)](#)

[Air Handbook](#)

Stellent™



10.0 POLLUTION PREVENTION PROGRAM

The Pipeline Group employs and utilizes several programs aimed at pollution prevention. The first objective is to prevent the generation of wastes and emissions. Where such action is not technologically or economically feasible, the next step is to reduce the quantity and/or the toxicity of wastes and emissions. Subsequently, for any residuals that are generated, materials are evaluated for recycling or reuse. This section describes programs in place for preventing, reducing, recycling, reusing and minimizing wastes and emissions at Pipeline Group facilities. In addition, the Pipeline Group has specific environmental requirements for all contractors. Contractors are expected to adopt the Pipeline Group's pollution prevention programs.

10.1 *Specific Programs*

Targeted programs aimed at meeting the objectives of preventing, reducing, recycling, reusing and minimizing wastes and emissions are described below. Other activities beyond those listed also are utilized.

Fugitive Emissions Reduction Program – In response to the EPA Natural Gas Star Program, the Pipeline Group has implemented the Fugitive Emissions Reduction Program. The EPA Star Program is a voluntary partnership that encourages companies across the natural gas industry to adopt cost-effective technologies and best management practices that improve operational efficiency and reduce methane emissions. By performing fugitive emission surveys and implementing the resulting remedies, natural gas previously lost and emitted into the environment can be retained, improving pipeline efficiency and reducing greenhouse emissions. Additional efficiency is achieved for the Pipeline Group by sharing the findings and results of this program and incorporating the best management practices of each system wide.

Product Substitution – Another means utilized to prevent pollution is to substitute more environmentally benign products where feasible such as substituting non-chlorinated solvents for chlorinated solvents. It can also include use of low-VOC paints or the use of non lead-based paints. Another area of successful product substitution has been incorporation of organic biocides to replace chlorine gas in cooling water systems. Materials are evaluated to determine if less environmentally intrusive substitutes are available and effective.

Prohibited Materials – The Pipeline Group has issued guidance on materials or chemicals that are prohibited from purchase due to their extreme hazardous or toxic nature. These include PCBs, leaded paints, chromium-based cooling water treatment and mercury-filled meters.

Waste Minimization – In certain situations it is not feasible to eliminate waste. In those applications efforts are employed to minimize the quantity and toxicity of the waste generated. The Pollution Prevention and Waste Minimization Plan, and Contractor's Environmental Guidelines addresses specific actions to be taken to minimize waste generation. In keeping with this policy, Pipeline Group personnel are expected to actively participate in waste minimization. The Pipeline Group's Waste Minimization Plan is readily available for reference to pipeline employees and can be found on the Intranet under http://corhouiis03b/RegEHS/default_Regulated.htm



Spill Prevention, Control and Countermeasures Plans – Each facility that stores sufficient quantities of oil that have the potential to reach the waters of the United States maintains an SPCC Plan. This Plan outlines emergency response procedures in the unlikely event that a release would occur and describes cleanup procedures. Site specific information regarding bulk storage of materials, response and cleanup procedures and agency notifications have been developed for each applicable facility.

Storm Water Pollution Prevention Plans – Storm Water Pollution Prevention Plans (SWPPPs) are implemented to minimize run-off from land during construction projects. Mitigation measures include silt fences, hay bales, earthen containment structures, and secondary containment of hazardous materials stored on site. These mitigation measures are maintained throughout the course of construction until adequate vegetation or other permanent physical barriers are installed.

Recycling – Recycling of materials and products that would otherwise be disposed of as a waste is essential to preserving our natural resources. The Pipeline Group supports recycling efforts of its employees at all of its facilities. For example, oil from compressor stations is recycled by an approved vendor.

Resources:

http://corhouiis03b/RegEHS/default_Regulated.htm



11.0 CONTINUING PROGRAM EVALUATION AND IMPROVEMENT

The EMS will be evaluated annually. During this evaluation the Pipeline Group's existing performance relative to stated goals also will be assessed. In addition, improvements to environmental performance of the Pipeline group will be analyzed. Proposed revisions to the EMS and to the Pipeline Group's goals will be reviewed by the EHS Department and recommendations communicated to the Pipeline Group EHS Committee for consideration. Upon approval, the changes will be communicated to the Pipeline Group. The revised EMS will be posted on the EHS intranet site. Should conditions exist that warrant a more frequent review, such review will occur as necessary.

An Environmental Management Information System (EMIS) strategic plan has been developed to address the environmental information management business processes and systems needs of the EHS Group. The Strategic Plan is the result of an analysis of current El Paso environmental information management systems and processes at the corporate and facility levels. It is designed as a blueprint from which to develop a best in class environmental information management program. This Strategic Plan is intended to remain a dynamic document.

The Pipeline Group employs an EOR for facility locations and an ECR for selected construction projects or modifications to existing assets. Air audits are completed to review historical air issues. Key components of the EOR, ECR, and air audits are located in Section 5.0. The EOR, ECR, and the air audits provide a feedback mechanism for continuous improvement to the Pipeline Group's environmental performance.



12.0 PUBLIC INVOLVEMENT/COMMUNITY OUTREACH

This section addresses the Pipeline Group's programs for community involvement in environmental issues, as they pertain to the public at large, as well as property owners near Pipeline Group facilities. It also addresses programs to fund environmental projects and support non-profit environmental initiatives.

12.1 Public Involvement

For regulated pipeline construction projects, adjacent landowners are notified of pending construction activities and afforded the opportunity for input. This process follows the FERC regulations for pipeline construction. After the project is completed, the Pipeline Group continues an extensive outreach effort to landowners, across whose properties the pipelines traverse.

The Pipeline Group readily participates in public forums and public meetings designed to obtain input on proposed projects or permit applications. Comments are considered in making subsequent decisions about specifics of a project, license or permit.

12.1.1 Complaint Resolution

The Pipeline Group is dedicated to being a good corporate citizen, including environmental awareness and commitment. For example, when a citizen or other entity has a complaint or issue regarding the Pipeline Group's operations, every reasonable effort will be made to ensure a quick and fair response.

12.1.2 Open Houses

The Pipeline Group holds Open Houses for certain major projects to help inform and educate the general public, affected landowners, and other interested citizens. This allows the Pipeline Group to accurately describe the project at hand, hold question and answer sessions and alleviate any concerns the public may have about new projects. This process also allows the general public to play a role in the project planning process. The Pipeline Group generally holds Open Houses during the pre-application phase of a project and also prior to starting construction, if necessary. An added benefit of an open house is to educate and alleviate the protests during the FERC review process.

12.1.3 Public Comment Notices

Pursuant to FERC regulations and other regulatory requirements, the Pipeline Group publishes notices of certain proposed projects in local newspapers and places certain information about proposed projects in public venues (libraries, city halls, etc.) in the local community.



12.1.4 Public Education and Awareness

The Pipeline Group encourages and supports its employees in participating in opportunities to actively promote environmental awareness and commitment. On an individual or group level, employees participate in programs nationwide to support and educate our communities in these philosophies and principles.

12.1.5 State and Local Emergency Planning Committees

In cooperation with the Emergency Planning and Community Right-To-Know Act, the Pipeline Group submits an annual inventory to the State Emergency Planning Committees (SERC), Local Emergency Planning Commission (LEPC), and the local Fire Departments. The inventory identifies certain hazardous chemicals that are stored and used at Pipeline Group facilities. Pipeline Group personnel are members of several LEPC boards throughout the country.

12.1.6 Courtesy Notifications to Agencies

The Pipeline Group works with various regulatory agencies and local officials to ensure and maintain a cooperative working relationship. Verbal and written communication between the Pipeline Group and these authorities are essential to conveying project information and goals.

12.2 Community Outreach

The Pipeline Group supports several environmentally-oriented organizations. Local projects are funded on a case-by-case basis through recommendations of our employees. The Pipeline Group employees are encouraged to donate time and effort to local environmental organizations, which benefit the community.

12.2.1 Corporate Social Responsibility Report

Environmental performance is a component of El Paso's Corporate Social responsibility report, a tool for reporting key performance indicators to its stockholders, employees, and neighbors. Environmental reporting includes items such as greenhouse gas emissions, hazardous waste generation, Board EHS Excellence Award Winners, and other awards and recognition from agencies and industry groups.

12.3 Agency Outreach

The Pipeline Group conducts several Agency Outreach programs with Federal and State agencies, as well as affected Native American tribes to inform and educate them on current pipeline practices. These programs are essential to maintaining positive relationships with agencies.

