

The AGA Peer Review Program

During 2013 and 2014, the American Gas Association (AGA) piloted a voluntary peer-to-peer safety and operational practices review program composed of ten AGA member companies. As a result of the pilot's success, AGA is instituting a national Peer Review Program that will be open to the more than 200 natural gas utilities in its membership. The insights gained and industry-based collaborations built will help advance safe and reliable natural gas delivery throughout the United States.

Pursuing a Leading Safety Program

In 2011, as part of an ongoing effort to enhance industry safety, the North American energy pipeline trade associations analyzed safety programs and information exchange initiatives used in the aviation, chemical, firefighting, nuclear, rail and trucking industries. An opportunity was identified to develop a peer-to-peer discussion program that would offer an effective venue for operators to compare safety and operational initiatives and identify leading practices and opportunities to enhance their performance. In early 2013, the AGA Board of Directors approved pilot testing of a peer-to-peer safety and operational practices review program.

**19
BILLION**

Natural gas utilities spend more than \$19 billion annually to help enhance the safety of natural gas delivery

The AGA Peer Review Program Pilot

Ten AGA member companies located in the United States and Canada volunteered to participate in the pilot peer review program. The companies ranged in customer count from 550,000 to nearly 4.5 million, and were divided into three peer groups. The companies included:

- Atmos Energy
- Consumers Energy
- Enbridge (Canada)
- Piedmont Natural Gas
- Public Service Gas & Electric
- Pacific Gas & Electric
- National Grid
- Union Gas (Canada)
- UGI
- Washington Gas

For each group, companies took turns as the host company to be reviewed and the remaining companies sent subject matter experts to interview the host company's employees, management, and contractors. Reviews focused on three topics relevant to employee, public, and pipeline safety and system reliability to determine leading practices as well as opportunities for improvement. The three topics were:

- Safety Management Systems
- Worker Procedures
- Pipeline Safety Risk Management

The reviews took place from June 2013 through the last week of March 2014. Each review lasted four days, with the final day featuring a verbal report which highlighted the review team's observations to the host company's leadership.

Each review team's objective was to gain an understanding of the host company's practices, procedures and standards in an effort to identify strengths and leading initiatives of the host company along with areas that potentially need attention or improvement. Subject matter experts from each of the participating companies, chosen by company leadership for their expertise and experience, visited companies in their peer group to observe facilities and operations, and to interview employees and contractors throughout all sectors of the organization on practices, procedures, initiatives and safety culture. Participating companies devoted significant time and resources to the effort, demonstrating their commitment to enhancing the safety of the industry, their belief in the benefits of the peer review process and their dedication to the success of the program.

The AGA Peer Review Program

Results

Feedback from the pilot program participants and executives was overwhelmingly positive, with participating companies finding the reviews to be a valuable resource in helping to identify leading practices and ways to further enhance their safety performance. The nature of the program allowed participants to build a strong level of trust, which, in addition to their deep industry knowledge, led to an honest, open and productive process. Executives and participants alike made it clear they viewed the reviews a success and expressed a sincere belief that the review team's observations would help enhance and improve operations.

The experience granted participants the opportunity to form relationships with peers that will continue to facilitate information sharing and trust across the natural gas industry. Reviewers benefited from the opportunity to learn from the programs they observed, gaining a deep understanding of fellow company practices that could guide their own efforts in enhancing employee, public, and pipeline safety.

Observations

While each company's review provided unique observations and recommendations, there were some themes that were frequently, though not uniformly, identified. Some areas of focus identified include: technology—looking at ways to build technological consistency throughout all parts of an organization, and helping to ensure that the best technology devices are in place to meet a company's goals; workforce development—the challenges of managing knowledge transfer and developing new employees as long-time experts retire and the contracting of additional qualified contractor resources; management and training issues—helping address balancing administrative and field activities, as well as details and logistics related to training employees; and, education and enforcement surrounding 3rd party damage. There was consistency that the leadership of companies continue to stress the importance of safe work environments and personal safety throughout the industry. This tone being set from senior leadership seems to permeate throughout companies, giving employees confidence and authority to help promote the safety culture and principles that are core to the work they do.

A National Program

In addition to offering immediate valuable insights that will serve to shape upcoming initiatives and advance the entire natural gas industry, the lessons learned from the pilot peer review program have helped steer AGA and its member companies as they design the final model for the national AGA Peer Review Program. The national program is scheduled to launch in January 2015.

"The connections formed through the national AGA Peer Review Program will help ensure that local natural gas utilities throughout the nation can continue to enhance their record of excellent, safe and reliable service."

Christina Sames, Vice President of Operations and Engineering.

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