<u>STATE'S LNG FACILITIES MEET SAFETY REGULATIONS</u> *Investigation continues into security breach at Keyspan's Lynn facility*

Governor Mitt Romney today accepted a report prepared by the Department of Telecommunications and Energy (DTE) and the Executive Office of Public Safety (EOPS) regarding security inspections of the Commonwealth's liquefied natural gas plants. The report finds that Massachusetts' LNG facilities are in substantial compliance with state and federal safety and security regulations.

A number of minor issues were identified as a result of the security review and remediation will be ordered, such as tree trimming around the facilities, addressing rust on fences and proper documentation of procedures. The security breach at Keyspan's Lynn facility which prompted the inspections remains under both a separate criminal and regulatory investigation. The plant is currently in compliance due to specific remedial measures taken after the incident.

"Public safety is government's number one priority," said Romney. "The safety of the state's LNG facilities is critical to our overall homeland security strategy. This report provides assurance that plants are meeting state and federal security requirements."

The safety inspections were ordered by Romney in response to the security breach occurring at Keyspan's LNG facility in Lynn in August. The report summarizes the findings of inspections conducted at the Commonwealth's LNG storage facilities over the last 30 days.

Romney directed DTE to immediately enhance current state and federal inspection requirements. Currently, DTE inspects LNG plants every two years. The enhancements will now include surprise random security inspections in addition to the two year inspection cycle.

Romney also directed DTE to require facilities to provide written notification that they are coordinating with local law enforcement officials, that all safety-related incidents have been reported to DTE and that all personnel have the appropriate training. Currently, plant operators are required to take these steps, but not certify them proactively with DTE.

Governor Romney also recommended the following actions:

• Filing legislation to increase the civil penalty that DTE may assess on LNG facilities for safety violations from the current maximum of \$50,000 per day to \$100,000 per day;

- Establishing a DTE-Massachusetts Fusion Center Critical Infrastructure Assessment Unit Task Force to review current LNG security regulations and identify areas of improvement; and
- Implementing regulatory changes to authorize the Commonwealth Fusion Center to have access to security plans.

"The safe storage of LNG is the highest priority of DTE and remains a security focal point for the public safety community," said Office of Consumer Affairs and Business Regulation Director Janice S. Tatarka. "Residents of communities where these facilities are located can be assured that state regulators and public safety officials will continue their vigilant oversight, inspections and monitoring. DTE will continue to hold operators of LNG facilities to strict security standards as well as institute severe penalties for non-compliance."

"I'm pleased with the thorough review conducted by the team from DTE and the Commonwealth Fusion Center Critical Infrastructure Assessment Unit," said Public Safety Secretary Robert C. Haas. "Because many of the state's critical infrastructures are owned by private companies, homeland security and public safety concerns can only be assessed and remedied through effective, efficient partnerships like this coupled with collaboration of our private sector stakeholders."

This report was a collaboration between DTE's Pipeline Safety Division and the Commonwealth Fusion Center Critical Infrastructure Assessment Unit. DTE has jurisdiction over the security measures and plans at LNG facilities. The Critical Infrastructure Unit has expertise in analyzing and protecting the Commonwealth's most sensitive structures and locations in conjunction with the US Department of Homeland Security.

To view the report, please visit www.mass.gov/dte