ENSURING SAFETY AND RELIABILITY: EXAMINING THE REAUTHORIZATION NEEDS OF THE PIPELINE AND HAZARDOUS MATERIALS SAFETY ADMINISTRATION

(118–57)

HEARING

BEFORE THE

SUBCOMMITTEE ON RAILROADS, PIPELINES, AND HAZARDOUS MATERIALS

OF THE

COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE

HOUSE OF REPRESENTATIVES

ONE HUNDRED EIGHTEENTH CONGRESS

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CONTENTS

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MAY 3, 2024

SUMMARY OF SUBJECT MATTER

TO: Members, Subcommittee on Railroads, Pipelines, and Hazardous Materials

FROM: Staff, Subcommittee on Railroads, Pipelines, and Hazardous Materials

RE: Subcommittee Hearing on "*Ensuring Safety and Reliability: Examining the Reauthorization Needs of the Pipeline and Hazardous Materials Safety Administration*"

I. PURPOSE

The Subcommittee on Railroads, Pipelines, and Hazardous Materials of the Committee on Transportation and Infrastructure will meet on Tuesday, May 7, 2024, at 10:15 a.m. ET in 2167 of the Rayburn House Office Building to receive testimony at a hearing entitled, "*Ensuring Safety and Reliability: Examining the Reauthorization Needs of the Pipeline and Hazardous Materials Safety Administration*." The hearing will discuss current legislative proposals to reauthorize the pipeline safety programs at the Department of Transportation's (DOT's) Pipelines and Hazardous Materials Safety Administration (PHMSA) and review outstanding congressional mandates at PHMSA. The hearing will provide Members with the opportunity to hear testimony from pipeline stakeholder organizations and PHMSA on critical pipeline safety issues at the agency and how reauthorization legislation can address those concerns. Members will receive testimony from Tristan Brown, Deputy Administrator, PHSMA, DOT; Christina Sames, Senior Vice President, Operations, Engineering & Security, American Gas Association; Robin Rorick, Vice President, Midstream Policy, American Petroleum Institute; and Bill Caram, Executive Director, Pipeline Safety Trust.

II. BACKGROUND

ABOUT PHMSA

PHMSA was created under the Norman Y. Mineta Research and Special Programs Improvement Act of 2004 (P.L. 108–426) (2004 Act). Prior to enactment of the 2004 Act, DOT's Research and Special Programs Administration administered the DOT's pipeline and hazardous materials safety programs.[1] PHMSA's mission is to protect people and the environment by advancing the safe transportation of natural gas and hazardous liquids through roughly 3.4 million miles of pipelines, which account for the transportation of 65 percent of the energy commodities consumed in

[1] *Norman Y. Mineta Research and Special Programs Improvement Act of 2004*, Pub. L. No. 108–426, 118 Stat. 2423 [hereinafter the 2004 Act].

the United States.[2] PHMSA also is charged with the safe and secure movement of over one million daily shipments of hazardous materials by all modes of transportation.[3]

The first statute regulating pipeline safety was the Natural Gas Pipeline Safety Act of 1968, which Congress amended in 1976.[4] Congress added hazardous liquid pipelines to the statute in the Pipeline Safety Act of 1970.[5] Recent enacted legislation regulating the safety of natural gas and hazardous liquid pipeline facilities and that reauthorize pipeline safety programs at PHMSA include the Protecting our Infrastructure of Pipelines and Enhancing Safety Act of 2016, and the Protecting our Infrastructure of Pipelines and Enhancing Safety (PIPES) Act of 2020.[6] The current authorization for PHMSA's pipeline safety programs expired at the end of Fiscal Year (FY) 2023 on September 30, 2023.[7] The Consolidated Appropriations Act, 2024 (P.L. 118–42) provided PHMSA with $371.2 million in total budgetary resources for FY 2024.[8] PHMSA requested $400.6 million in its FY 2025 request.[9]

PHMSA sets Federal minimum safety standards for pipeline safety functions, including developing, issuing, and enforcing regulations for the safe transportation of natural gas (including liquefied natural gas) and hazardous liquids by pipeline through the Office of Pipeline Safety (OPS).[10] Pipelines are one of the safest and most efficient methods of transportation for gas and hazardous liquids, and account for some of the lowest greenhouse gas emissions in the transportation sector.[11] However, according to PHMSA data, in the past 20 years 12,722 pipeline incidents, 278 fatalities, and $11.4 billion in property damage have occurred.[12] The Agency's regulatory programs are focused on the design, construction, operation, and maintenance or abandonment of pipeline facilities, and in the construction, operation, and maintenance of LNG facilities.[13] PHMSA has jurisdiction over transportation-related facilities; not drilling, siting, or production facilities.[14]

H.R. 6494, THE PROMOTING INNOVATION IN PIPELINE EFFICIENCY AND SAFETY (PIPES) ACT OF 2023

Prior to introduction of the PIPES Act of 2023, the Subcommittee on Railroads, Pipelines, and Hazardous Materials held a hearing on March 8, 2023, entitled, "*Pipeline Safety: Reviewing Implementation of the PIPES Act of 2020 and Exam-*

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[2] PHMSA, *Pipeline Safety Program Budget and Grants Presentation* (Jan. 25, 2023) (on file with Comm.) [hereinafter *PHMSA Budget and Grants Presentation*].

[3] *See* Infrastructure Investment and Jobs Act, Pub. L. No. 117–58, 135 Stat. 429; *see also PHMSA Budget and Grants Presentation*.

[4] Natural Gas Pipeline Safety Act of 1968, Pub. L. No. 90–481 (amended by the Natural Gas Pipeline Safety Act Amendments of 1976, Pub. L. No. 94–477, 90 Stat. 2073).

[5] Pipeline Safety Act of 1970, Pub. L. No. 96–129, 93 Stat. 989.

[6] Pipeline Safety Reauthorization Act of 1988, Pub. L. No. 100–561, 102 Stat. 2805; Pipeline Safety Act of 1992, Pub. L. No. 102–508, 106 Stat. 3289; Accountable Pipeline Safety and Partnership Act of 1996, Pub. L. No. 104–304, 110 Stat. 3793; Pipeline Safety Improvement Act of 2002, Pub. L. No. 107–355, 116 Stat. 1757; The 2004 Act; Pipeline Inspection, Protection, Enforcement and Safety Act of 2006, Pub. L. No. 109–468, 120 Stat. 3486; Pipelines Safety, Regulatory Certainty, and Job Creation Act of 2011, Pub. L. No. 112–90, 125 Stat. 1904; the Protecting our Infrastructure of Pipelines and Enhancing Safety Act of 2016, Pub. L. No. 114–183, 130 Stat. 514; Protecting Our Infrastructure of Pipelines and Enhancing Safety Act of 2020, Pub. L. No. 116–260, 134 Stat. 2210 [hereinafter PIPES Act of 2020].

[7] PIPES Act of 2020, *supra* note 6, § 101.

[8] Consolidated Appropriations Act, 2024, Pub. L. No. 118–42, 137 Stat. 112.

[9] DOT, BUDGET ESTIMATES FISCAL YEAR 2025, PHMSA, *available at* https://www.transportation.gov/sites/dot.gov/files/2024-03/PHMSA__FY__2025__CJ__508__Compliant.pdf.

[10] PHMSA, *Office of Pipeline Safety, available at* https://www.phmsa.dot.gov/about-phmsa/offices/office-pipeline-safety (last updated Dec. 13, 2018).

[11] PHMSA, *Pipeline Safety Regulations, available at* https://primis.phmsa.dot.gov/comm/SafetyStandards.htm; PHMSA, *PHMSA Climate Considerations*, (last updated Jul. 24, 2023), *available at* https://www.phmsa.dot.gov/planning-and-analytics/environmental-policy-and-justice/phmsa-climate-considerations.

[12] PHMSA, *Serious Incident 20 Year Trends*, (last updated Dec. 11, 2023), *available at* https://www.phmsa.dot.gov/data-and-statistics/pipeline/pipeline-incident-20-year-trends.

[13] PHMSA, *Pipeline Safety Regulations, available at* https://primis.phmsa.dot.gov/comm/SafetyStandards.htm?nocache=8847.

[14] *See* PHMSA, *PHMSA Regulations, available at* https://www.phmsa.dot.gov/regulations (last updated May 5, 2021); *see also* FED. ENERGY REGULATORY COMMISSION, *Natural Gas Pipelines, available at* https://www.ferc.gov/industries-data/natural-gas/overview/natural-gas-pipelines (last updated Feb. 10, 2021); *see also* Library of Cong., *Oil and Gas Industry: A Research Guide, available at* https://guides.loc.gov/oil-and-gas-industry/laws/agencies.

ining Future Safety Needs." [15] The hearing reviewed PHMSA's progress on implementation of the PIPES Act of 2020 and examined future needs in pipeline safety. In the Spring of 2023, the Transportation and Infrastructure (T&I) Committee solicited input from Members of the Committee and pipeline safety stakeholders to help inform the development of the bill.[16] The T&I Committee received 89 requests from 23 Members of the Committee and over 100 requests from stakeholders.

On November 29, 2023, Chairman Sam Graves (R–MO–6), Ranking Member Rick Larsen (D–WA–2), Subcommittee on Railroads, Pipelines, and Hazardous Materials Chairman Troy Nehls (R–TX–22), and Ranking Member Donald M. Payne, Jr. (D–NJ–10) introduced H.R. 6494, the Promoting Innovation in Pipeline Efficiency and Safety (PIPES) Act of 2023, which reauthorizes the pipeline safety activities at PHMSA and provides the legislative foundation for the continued safety improvement of the United States natural gas and hazardous liquid pipeline network.[17]

On December 6, 2023, the T&I Committee held a full Committee markup to consider the PIPES Act of 2023 and reported the bill out of Committee by voice vote.

OTHER LEGISLATIVE ACTION

The House Committee on Energy and Commerce (E&C Committee) shares jurisdiction of pipeline safety reauthorization legislation with the T&I Committee pursuant to House Rule X(1)(f), which gives E&C jurisdiction over the regulation of energy resources, conservation of energy resources, and National energy policy generally.[18]

On July 25, 2023, E&C Committee Chair Cathy McMorris Rodgers and Energy, Climate, and Grid Security Subcommittee Chair Jeff Duncan released a discussion draft of pipeline safety reauthorization legislation, the Pipeline Safety, Modernization, and Expansion Act.[19] On January 18, 2024, the Energy, Climate, and Grid Security Subcommittee held a legislative hearing on the discussion draft, and on March 6, 2024, the Subcommittee held a markup, including the discussion draft bill.[20] The discussion draft bill was favorably reported to the full Committee by a roll call vote of 14 yeas to 10 nays.[21]

On March 13, 2024, Energy, Climate, and Grid Security Subcommittee Chair Jeff Duncan introduced H.R. 7655, the Pipeline Safety, Modernization, and Expansion Act of 2024. On March 20, 2024, E&C held a full Committee markup, including H.R. 7655.[22] The bill was favorably reported out of Committee by a roll call vote of 27 yeas to 18 nays.[23]

In the Senate, the Committee on Commerce, Science, and Transportation (Commerce Committee) has legislative jurisdiction over pipeline safety at PHMSA.[24] The Commerce Committee has yet to introduce any legislation on pipeline safety reauthorization.

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[15] *Pipeline Safety: Reviewing Implementation of the PIPES Act of 2020 and Examining Future Safety Needs: Hearing Before the Subcomm. on Railroads, Pipelines, and Hazardous Materials of the H. Comm. on Transp. and Infrastructure*, 118th Cong. (Mar. 8, 2023).

[16] Email from Staff, H. Comm. on Transp. & Infrastructure to Comm. Legislative Assistants (Mar. 10, 2023, 9:18 a.m. EST) (on file with Comm.)

[17] H.R. 6494, the Promoting Innovation in Pipeline Efficiency and Safety (PIPES) Act of 2023 [hereinafter PIPES Act of 2023].

[18] *See* RULES OF THE HOUSE OF REPRESENTATIVES, 118th Cong., (2023), Rule X(1)(f). and Rule X(1)(r).

[19] H. COMM ON ENERGY AND COMMERCE, *Chairs Rodgers and Duncan Unveil Draft Legislation to Modernize and Expand U.S. Pipeline Infrastructure, available at* https://energycommerce.house.gov/posts/chairs-rodgers-and-duncan-unveil-draft-legislation-to-modernize-and-expand-u-s-pipeline-infrastructure.

[20] *Fueling America's Economy: Legislation to Improve Safety an Expand U.S. Pipeline Infrastructure Before the Subcomm. on Energy Climate and Grid Security of the H. Comm on Energy and Commerce*, 118th Cong. (Jan. 18, 2024); Memorandum from Majority Staff, H. Comm on Energy and Commerce to Members of the Subcommittee on Energy, Climate, and Grid Security (March 4, 2024), *available at* https://energycommerce.house.gov/events/energy-climate-and-grid-security-subcommittee-markup-of-six-bills.

[21] United States House of Representatives Committee Repository, *Markup of Subcommittee on Energy, Climate, and Grid Security, available at* https://docs.house.gov/Committee/Calendar/ByEvent.aspx?EventID=116937.

[22] *Full Committee Markup of 28 Bills: Markup Before H. Comm. on Energy and Commerce*, 118th Cong. (March 20, 2024), *available at* https://energycommerce.house.gov/events/full-committee-markup-of-28-bills.

[23] United States House of Representatives Committee Repository, *Markup of Committee on Energy Commerce Markup, available at* https://docs.house.gov/meetings/IF/IF00/20240320/117014/HMKP-118-IF00-20240320-SD023.pdf.

[24] STANDING RULES OF THE SENATE RULE, (Revised Jan. 24, 2013), Rule XXV.

III. H.R. 6494, THE PIPES ACT OF 2023: KEY PROVISIONS

The PIPES Act of 2023 reauthorizes PHMSA's Office of Pipeline Safety for four years through FY 2027.[25] The bill supports the reliability and safety of American energy infrastructure and PHMSA's pipeline safety mission through rulemaking direction, studies, and programs that increase pipeline safety, transparency, and stakeholder engagement. These provisions will improve the performance and safety record of the United States natural gas and hazardous liquid pipeline network.

Safety Improvements and Supporting PHMSA's Mission

The pipeline safety program at PHMSA is responsible for carrying out a National program to ensure the safe, reliable, and environmentally-sound operation of the Nation's natural gas and hazardous liquid pipeline transportation system.[26] The PIPES Act of 2023 supports and improves upon these efforts. Section 24 of the bill directs PHMSA to establish a voluntary information sharing system that encourages pipeline operators and stakeholders to share pipeline safety data through a confidential platform to be analyzed and reported, so that pipeline safety lessons learned can be shared with stakeholders.[27]

The bill also works to reduce the number of excavation damage incidents, which, according to PHMSA data, in the past 20 years accounted for over 1,400 incidents, 66 fatalities, and $665.5 million in property damage to pipelines, representing 11 percent of all pipeline incidents.[28] Section 18 of the PIPES Act of 2023 updates the assessment criteria for State Damage Prevention programs and requires adoption of leading practices for state one-call programs.[29] These best practices include requiring states to limit exemptions to one-call program participation and increasing the use of commercially available technology to locate underground facilities.[30] The bill ensures PHMSA and state pipeline safety programs have necessary resources to conduct pipeline safety oversight, including $56 million over four years for increases to state pipeline safety program budgets.[31]

Increases Transparency

The PIPES Act of 2023 works to improve pipeline safety by promoting information sharing among pipeline safety stakeholders. It requires PHMSA to review industry safety standards every four years and incorporate into existing regulations as needed and improves public access to such standards.[32] Section 7 of the bill directs PHMSA to report on its inspection and enforcement priorities, as well as report on the number of inspections completed and violations found.[33] Section 8 of the bill requires PHMSA to provide notification to Congress of the reasons when it does not to follow the recommendations of the external technical safety standards advisory committees.[34] Further, Section 29 directs PHMSA to assess how pipeline operators engage and share information with the public and state or local emergency response organizations and issue updated guidance if necessary.[35]

Emerging Fuels and Technologies

PHMSA is responsible for setting and enforcing safety standards for the safe operation of the Nation's gas and hazardous liquid pipelines, including those that may transport new and emerging fuels, such as hydrogen and carbon dioxide pipelines.[36] As such, the PIPES Act of 2023 supports these efforts so PHMSA can provide efficient regulatory oversight of the transportation of any such fuels. Section 20 of the bill requires the Government Accountability Office (GAO) to study existing natural gas pipelines systems that blend hydrogen at a volume greater than five percent and use that information to inform rulemaking if necessary.[37] Additionally, Section 14 of the bill requires PHMSA to study the potential and existing use of pipelines constructed with composite materials to safety transport hydrogen and hydrogen

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[25] PIPES Act of 2023, *supra* note 17, at § 2.
[26] PHMSA, *Office of Pipeline Safety*, *available at* https://www.phmsa.dot.gov/about-phmsa/offices/office-pipeline-safety (last updated Dec. 13, 2018).
[27] PIPES Act of 2023, *supra* note 17, § 24.
[28] PHMSA, *Serious Incident 20 Year Trends*, (last updated Dec. 11, 2023), *available at* https://www.phmsa.dot.gov/data-and-statistics/pipeline/pipeline-incident-20-year-trends.
[29] PIPES Act of 2023, *supra* note 17, § 18.
[30] *Id.*
[31] *Id.* at § 2.
[32] *Id.* at § 6.
[33] *Id.* at § 7.
[34] *Id.* at § 8.
[35] *Id.* at § 29.
[36] 49 C.F.R. § 100–199 (2024).
[37] PIPES Act of 2023, *supra* note 17, § 20.

blended with natural gas, and issue a rulemaking allowing for the use of such materials following the completion of the study.[38] Lastly, the bill directs PHSMA to update its regulations that govern the transportation of carbon dioxide, including the requirement that operators utilize dispersion modeling in high consequence areas.[39]

IV. OUTSTANDING MANDATES

Pipeline safety reauthorization legislation provides legislative authority to the pipeline safety programs at PHMSA and typically includes Congressional mandates to issue regulations to improve pipeline safety. PHMSA has experienced delays meeting the mandates included in previous pipeline safety reauthorization laws.[40]

The PIPES Act of 2023, permanently continues the requirement that PHMSA publicly post the status of each outstanding mandate and includes authorization increases to address PHMSA's workforce needs.[41] The current status of outstanding mandates can be found here: https://www.phmsa.dot.gov/legislative-mandates/pipes-act-web-chart. At the time of this SSM's publication, PHMSA has five outstanding rulemaking mandates from previous reauthorization laws, with the longest outstanding mandate originating from the Pipelines Safety, Regulatory Certainty, and Job Creation Act of 2011.[42] Of the five outstanding items, PHMSA has issued two proposed rules, and plans to do so for the remaining three by the end of the year.[43] The PIPES Act of 2023 includes two provisions for PHMSA to address class location and idled pipeline rulemakings.[44]

V. WITNESSES

- Mr. Tristan Brown, Deputy Administrator, Pipeline and Hazardous Materials Safety Administration, United States Department of Transportation
- Ms. Christina Sames, Senior Vice President, Safety, Operations, Engineering, and Security, American Gas Association
- Mr. Robin Rorick, Vice President, Midstream Policy, American Petroleum Institute
- Mr. Bill Caram, Executive Director, Pipeline Safety Trust

ADDENDUM

Section-by-section of the House Committee on Transportation and Infrastructure-passed pipeline safety reauthorization bill, the PIPES Act of 2023.

Sec. 1. Short Title; Table of Contents; Definition.

This Act may be cited as the "Promoting Innovation in Pipeline Efficiency and Safety Act of 2023" or the "PIPES Act of 2023". This section also contains the table of contents.

Sec. 2. Authorization of Appropriations.

This section authorizes $1.065 billion over four years in total budgetary resources for pipeline safety programs administered by the Pipeline and Hazardous Materials Safety Administration (PHMSA). PHMSA is authorized to collect fees paid by operators and owners of pipelines and underground natural gas storage facilities. Of these total budgetary resources, this section authorizes the following amounts over four years: $804 million for the pipeline safety programs, which is funded by fees; $123 million from the Oil Spill Liability Trust Fund for safety programs; $130 million from the General Fund for PHMSA's operating expenses; $8 million from the General Fund for the State Damage Prevention program and authorizes set-asides for recruitment and retention and several grant programs.

Sec. 3. Definitions.

This section defines terms referenced in the underlying bill applicable to pipeline safety, pursuant to Section 60101 of title 49, United States Code.

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[38] *Id.* at § 14.
[39] *Id.* at § 25.
[40] PHMSA, *PIPES Act 2020 Web Chart, available at* https://www.phmsa.dot.gov/sites/phmsa.dot.gov/files/2024-03/2024%20March%20PIPES%20Act%20Chart.pdf.
[41] PIPES Act of 2023, *supra* note 17, §§ 4, 5.
[42] PHMSA, *PIPES Act Web Chart*, (last updated Mar. 7, 2024), *available at* https://www.phmsa.dot.gov/legislative-mandates/pipes-act-web-chart.
[43] *Id.*
[44] PIPES Act of 2023, *supra* note 17, §§ 11 and Section 12; *see also* PIPES Act of 2020, *supra* note 6.

Sec. 4. Workforce Development.

This section authorizes an increase in the number of PHMSA employees with certain subject matter expertise to develop and implement pipeline safety policies and regulations and fulfill congressional rulemaking mandates. This section also includes a one-year reporting requirement on PHMSA's progress and challenges to hiring and retaining employees, and any additional workforce needs.

Sec. 5. Regulatory Updates.

This section directs the Secretary of Transportation (Secretary) to publish a status update on the completion of outstanding congressional mandates on PHMSA's website every 30 days.

Sec. 6. Incorporation By Reference.

This section directs the Secretary to review and update as necessary, every four years, incorporated industry safety standards that have been partially or fully adopted as part of the Federal pipeline safety regulatory program. This section also requires adopted industry standards to be made publicly available, as well as a list of standards considered and PHMSA's reasoning for not adopting a standard. Further, it directs the Government Accountability Office (GAO) to review and report on compliance with the public access requirements of this section.

Sec. 7. Inspection Activity Reporting.

This section directs PHMSA to make a report on inspection and enforcement priorities of the Office of Pipeline Safety for fiscal year (FY) 2024 through FY 2027 publicly available and open for public comment.

Sec. 8. Technical Safety Standards Committees.

This section requires PHMSA to hold two meetings annually of the Gas Pipeline Advisory Committee (GPAC) and the Liquid Pipeline Advisory Committee (LPAC).

Sec. 9. Sense of Congress on PHMSA Engagement Prior to Rulemaking Activities.

This section encourages the Department of Transportation (DOT) to engage with pipeline stakeholder groups, including state pipeline safety programs certified by PHMSA, during the pre-drafting stages of rulemaking activities.

Sec. 10. Office of Public Engagement.

This section designates the existing Community Liaison Services as the Office of Public Engagement and assigns specific duties to engage with the public, government officials, public safety organizations, and pipeline operators, and assist with inquiries regarding pipeline safety best practices and regulations. The Office will also promote the adoption and increased use of safety programs.

Sec. 11. Class Location Changes.

This section requires the Secretary to finalize a rule on class location changes due to population shifts around pipelines within 90 days of enactment.

Sec. 12. Pipeline Operating Status.

This section requires the Secretary to advance a notice of proposed rulemaking (NPRM) establishing safety requirements for idled pipelines within 180 days of enactment.

Sec. 13. Rights-of-Way Management.

This section provides pipeline operators the opportunity to voluntarily develop alternative methods of maintaining rights-of-way for pipelines and pipeline facilities, including methods that incorporate conservation or habitat management practices for pollinators, that ensure equivalent levels of pipeline safety.

Sec. 14. Study on Composite Materials for Pipelines.

This section requires the DOT to complete a study within 18 months on the safety of composite pipeline material for the transportation of hydrogen and hydrogen blended with natural gas and issue a regulation allowing for use of such pipeline material not later than 18 months following the study's completion and a public meeting.

Sec. 15. Competitive Academic Agreement Program.

This section improves the ability of small and mid-sized institutions to participate in PHMSA's Competitive Academic Agreement Program (CAAP) grant program, which supports student academic research on pipeline safety challenges, by permitting PHMSA to waive the current cost share requirement for these institutions.

Sec. 16. Geohazard Mitigation Study.

This section requires a GAO study on Federal and state requirements relating to geohazards, including seismicity, land subsidence, erosion, and other potential natural hazards that could impact pipeline safety.

Sec. 17. Special Permit Program.

This section requires that any terms placed on safety waivers (special permits) are specific to the pipeline safety regulation being waived and establishes timelines for the consideration of special permit applications. It also mandates a report to Congress on the status of safety waivers sought under the special permit program and directs the GAO to provide a report on PHMSA's implementation of this provision.

Sec. 18. Excavation Damage Prevention.

This section updates PHMSA's assessment criteria for state damage prevention programs and describes additional leading practices state one-call programs shall implement to prevent excavation damage to pipelines and other underground utilities and requires PHMSA to report to Congress on such implementation.

Sec. 19. Integrity Management Study.

This section requires a National Academies study on the effectiveness of integrity management regulations and their impact on safety.

Sec. 20. Hydrogen Study.

This section directs the GAO to study existing natural gas pipeline systems in the United States and overseas that are blending hydrogen into natural gas pipeline systems that can inform a potential future rulemaking related to the safety of hydrogen-natural gas blending.

Sec. 21. Penalty for Causing a Defect in or Disrupting Operation of Pipeline Infrastructure.

This section extends existing criminal penalties to those who knowingly and willfully damage a pipe, pump, compressor, or valve under construction or disrupt the operation of a pipeline by the unauthorized turning of a valve.

Sec. 22. Civil Penalties.

This section increases the maximum civil penalty for a pipeline safety violation by 25 percent to $2,500,000.

Sec. 23. Liquefied Natural Gas Regulatory Coordination.

This section creates a working group of Federal agencies with regulatory jurisdiction and oversight of liquefied natural gas (LNG) facilities to assess each agency's area of jurisdiction to ensure safety regulations are in the public interest, and to reduce or eliminate duplicative oversight of LNG facilities.

Sec. 24. Pipeline Safety Voluntary Information-Sharing System.

This section establishes a confidential voluntary information sharing (VIS) system to encourage the sharing of pipeline safety data and information and authorizes $31 million over four years for this purpose. This section also requires PHMSA to issue a report on the effectiveness of the VIS and recommendations to ensure sufficient funding to continue VIS activities beyond the initial stand-up period for the program.

Sec. 25. Carbon Dioxide Pipelines.

This section requires the Secretary to complete a rulemaking to establish minimum safety standards for the transportation and temporary storage incidental to transportation of carbon dioxide in a gaseous state. This provision also makes conforming changes to the United States Code to facilitate the regulation of carbon dioxide pipelines.

Sec. 26. Opportunity for Formal Hearing.

This section provides operators the opportunity to obtain a formal hearing before a DOT Administrative Law Judge on certain notice of probable violation enforcement actions. This section also requires publishing protocols for hearings that are open to the public.

Sec. 27. State Pipeline Safety Grants Reporting.

This section requires the Secretary to include a summary of funding for the preceding three fiscal years and estimated funding necessary to fund 80 percent of the costs of personnel, equipment, and activities for the State Pipeline Safety Grant program in the agency's annual budget estimate.

Sec. 28. Inspection of In-Service Breakout Tanks.

This section permits the Secretary to amend safety regulations to allow for risk-based inspections that would determine the schedule of inspection of storage tanks based on safety risk, if the Secretary determines an equivalent level of safety will be provided.

Sec. 29. Disclosure of Safety Information Assessment.

This section directs the Secretary to assess how pipeline facility owners and operators engage with, and provide safety information to, the public and state or local emergency response organizations. It also allows the Secretary to issue guidance to improve pipeline safety information sharing with the public and other interested parties.

Sec. 30. Assessment of Certain Pipeline Safety Definitions.

This section directs the Secretary to evaluate the definitions of buildings and occupied outdoor facilities, to determine whether the definition of the occupancy counts of these areas should be revised. It further provides the Secretary with the ability to issue regulations to modify the definitions.

Sec. 31. Report Assessing the Costs of Pipeline Failures.

This section requires a National Academies study on the direct and indirect costs related to the failure or shutdown of a pipeline facility.

Sec. 32. Study on Localized Emergency Alert System for Pipeline Facilities Incidents.

This section directs the GAO to issue a study on the need and ability to create a localized emergency alert system to provide the public with alerts related to pipeline accidents or incidents.

Sec. 33. Maximum Allowable Operating Pressure.

This section defers PHMSA enforcement of regulations that require gas transmission pipeline operators to reconfirm the maximum allowable operating pressure of previously tested pipelines for 180 days until the report of a working group's recommendations on the minimum pressure and contemporaneous records that are sufficient to confirm the material strength of a pipeline and any subsequent rulemaking or technical correction to previous rulemaking.

ENSURING SAFETY AND RELIABILITY: EXAMINING THE REAUTHORIZATION NEEDS OF THE PIPELINE AND HAZARDOUS MATERIALS SAFETY ADMINISTRATION

TUESDAY, MAY 7, 2024

HOUSE OF REPRESENTATIVES,
SUBCOMMITTEE ON RAILROADS, PIPELINES, AND HAZARDOUS MATERIALS,
COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE,
Washington, DC.

The subcommittee met, pursuant to call, at 10:21 a.m. in room 2167 Rayburn House Office Building, Hon. Troy E. Nehls (Chairman of the subcommittee) presiding.

Mr. NEHLS. The Subcommittee on Railroads, Pipelines, and Hazardous Materials will come to order.

I ask unanimous consent that the chairman be authorized to declare a recess at any time during today's hearing.

Without objection, so ordered.

I also ask unanimous consent that the Members not on the subcommittee be permitted to sit with the subcommittee at today's hearing and ask questions.

Without objection, so ordered.

And as a reminder, if Members want to insert a document into the record, please email it to DocumentsTI@mail.house.gov.

Before we discuss today's hearing, I would like to take a moment to remember our colleague, Congressman Donald Payne, Jr., who passed away a few weeks ago. It was a privilege to work with Donald as my counterpart on this subcommittee. It was clear to all who knew him how strong his commitment to public service was and to his constituents. I am grateful for the opportunity to have worked alongside Donald, especially with his leadership in putting together our bipartisan pipeline safety legislation. He will be deeply missed here on the committee, and I want to send my condolences and prayers to his family, friends, and staff as they deal with this great loss.

I will now recognize myself for the purpose of an opening statement for 5 minutes.

OPENING STATEMENT OF HON. TROY E. NEHLS OF TEXAS, CHAIRMAN, SUBCOMMITTEE ON RAILROADS, PIPELINES, AND HAZARDOUS MATERIALS

Mr. NEHLS. In today's hearing, we will examine the need to reauthorize the Pipeline and Hazardous Materials Safety Administra-

tion, or PHMSA, including providing it new direction and authority over emerging energy sources.

This past fall, myself, Chairman Graves, Ranking Member Larsen, and Ranking Member Payne introduced H.R. 6494, the Promoting Innovation in Pipeline Efficiency and Safety Act of 2023, or the PIPES Act of 2023. Last December, the committee passed H.R. 6494 out of committee on a bipartisan basis. In crafting this bill, the committee solicited input from a wide range of parties and, in turn, received about 90 priorities, 90 of them, from Members and over 100 requests from pipeline safety stakeholders. I am grateful for the support from members of this committee in putting together this important piece of bipartisan legislation.

In our country, roughly 3.3 million miles of onshore pipelines safely and efficiently carry natural gas, crude, hydrogen, hazardous liquids, and other energy sources vital for our Nation's energy independence, making it of the utmost importance for Congress to ensure PHMSA is focused on its core mission of advancing the safe transportation of these resources.

The PIPES Act of 2023 reauthorizes PHMSA for 4 years and provides the necessary resources and direction for the agency to fulfill its pipeline safety oversight responsibilities in an efficient and effective manner. The bill contains several provisions to accomplish this, including an authorization for additional pipeline safety technical experts to complete outstanding congressional mandates.

Over the past 20 years, more than 1,400 excavation damage incidents have occurred. H.R. 6494 includes measures to strengthen State programs to reduce the number of excavation damage incidents, promoting the public's safety.

The PIPES Act of 2023 will also support PHMSA's efforts to oversee the safe transportation of new and emerging fuels by directing PHMSA to update regulations for the safe transportation of carbon dioxide and to study the use of hydrogen blending in natural gas. These and other provisions in the PIPES Act of 2023 will ensure the safety and reliability of the United States pipeline network and the transportation of our critical energy resources.

It is more important than ever for PHMSA to receive a regular reauthorization from Congress. This will provide both the agency and regulated community much needed certainty in Federal pipeline safety policy and also provide legislative direction to addressing pressing areas of concern in pipeline safety.

I want to thank our witnesses for being here today and sharing their perspectives on pipeline safety reauthorization and what it means for PHMSA, the industry, and the communities where the transportation of our energy products take place.

I will also note that my colleagues on the House Energy and Commerce Committee have also passed pipeline safety reauthorization legislation through committee based on their jurisdiction. Despite such action in the House, we have yet to see any movement in the Senate from Leader Schumer and his majority. As the House has shown, it is possible to legislate in a bipartisan manner in the name of pipeline safety. I call on the Senate to follow suit, and I hope to work with them in the near future.

[Mr. Nehls' prepared statement follows:]

Prepared Statement of Hon. Troy E. Nehls, a Representative in Congress from the State of Texas, and Chairman, Subcommittee on Railroads, Pipelines, and Hazardous Materials

Today's hearing will examine the need to reauthorize the Pipeline and Hazardous Materials Safety Administration, including providing it new direction and authority over emerging energy sources. This past fall, myself, Chairman Graves, Ranking Member Larsen, and Ranking Member Payne introduced H.R. 6494, the Promoting Innovation in Pipeline Efficiency and Safety (PIPES) Act of 2023.

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Mr. NEHLS. I will yield back and now recognize Ranking Member Wilson for 5 minutes for an opening statement.

OPENING STATEMENT OF HON. FREDERICA S. WILSON OF FLORIDA, RANKING MEMBER, SUBCOMMITTEE ON RAILROADS, PIPELINES, AND HAZARDOUS MATERIALS

Ms. WILSON OF FLORIDA. Thank you, Chair Nehls, for holding this hearing today. And thank you, Ranking Member Larsen, for your faith in me.

It is with a heavy heart that I take on the role of ranking member of this subcommittee. Congressman Donald Payne, Jr., was not just a colleague, but a cherished friend whose legacy I am dedicated to honoring and advancing. His exemplary leadership on the

railroad subcommittee sets a standard of excellence that I am committed to upholding and building upon.

For many years, we were soldiers in the army to uplift Black men and boys, whether that be Trayvon Martin or fighting for health disparities among Black men and boys.

He fought the good fight to bring back our girls from Africa. I sat next to him in committee for years, and we were table-mates every year at the Congressional Black Caucus gala, and he shared many memories with me.

He was so proud to be the father of triplets and to let me know that he married a Florida girl.

I will miss him, and I am committed to honoring his legacy and continuing his work on this committee.

As we all know, part of his mission was to ensure the safety of all people, and he had a goal of never wanting to miss a vote, regardless of his health, and speaking every day on the floor to honor his constituents. He loved his constituents. He was a man for all seasons, and we will miss him dearly.

Before coming to Congress, I was a school principal, and nothing is more important to me than the safety and education of our children. I do not want to see any pipeline incidents, but I am particularly concerned when they occur at or near a school. At least two recent incidents in the last year happened at or near schools. One was near an elementary school in Conway, Washington, and another was at a school in the Mississippi Delta in Merigold, Mississippi.

Yes, believe it or not, just last month in Merigold, there was a pipeline explosion at Hayes Cooper Center, a pre-K through eighth-grade school. Although no children were injured, two school staff members were injured and taken to the hospital for treatment.

I want to know how pipeline operators work with communities and schools to prevent such incidents. Are they working with the impacted schools for additional tutoring or student support for those children's lost instruction time? What about their mental health? How does having to evacuate impact students' learning?

With regard to the PIPES 2023 bill, I supported the bill because it has essential provisions that Mr. Payne championed, and I associate myself with his work on these efforts. Among them, the bill includes increased funding for the Pipeline and Hazardous Materials Safety Administration to support the Office of Pipeline Safety for its critical safety mission. I am proud that this bipartisan pipeline safety bill strongly focuses on pipeline safety.

This bill also makes changes to the Competitive Academic Agreement Program to provide funding for academic research and develop the pipeline safety workforce of the future. The changes will help most Historically Black Colleges and Universities and other minority-serving institutions participate in the program. These are positive changes, and I urge Congress to adopt them.

Lastly, I want to say to Mayor Kaag of West Reading, who is leading her city through the aftermath of the deadliest pipeline explosion the country experienced in 2023, thank you for watching today. I am so sorry for your loss. Seven people died after showing up for work to make chocolate, 10 people were injured, and I understand in your volunteer firefighting capacity, you also showed

up to help with the immediate emergency response. We hear you, we see you, and we will never forget.

I look forward to hearing from our witnesses today, and I yield back my time.

[Ms. Wilson of Florida's prepared statement follows:]

Prepared Statement of Hon. Frederica S. Wilson, a Representative in Congress from the State of Florida, and Ranking Member, Subcommittee on Railroads, Pipelines, and Hazardous Materials

Thank you, Chair Nehls, for holding this hearing today and thank you, Ranking Member Larsen, for your faith in me.

It is with a heavy heart that I take on the role of Ranking Member of this Subcommittee.

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For many years, we were soldiers in the army to uplift Black men and boys, whether that be Trayvon Martin or fighting for health disparities among Black men and boys.

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The bill also makes changes to the competitive academic agreement program to provide funding for academic research and develop the pipeline safety workforce of the future. The changes will help most historically black colleges and universities and other minority-serving institutions participate in the program.

These are positive changes, and I urge Congress to adopt the measures.

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I look forward to hearing from our witnesses, and I yield back my time.

Mr. NEHLS. The gentlelady yields. I now recognize the ranking member of the full committee, Mr. Larsen, for 5 minutes for an opening statement.

OPENING STATEMENT OF HON. RICK LARSEN OF WASHINGTON, RANKING MEMBER, COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE

Mr. LARSEN OF WASHINGTON. Thank you, Chair Nehls, for calling this hearing on pipeline safety and for your kind words about our colleague and friend, Representative Donald M. Payne, Jr. And we continue to mourn today after his death just 2 weeks ago.

Don was a leader on the PIPES Act of 2023 that our committee voted unanimously to advance in December. He strongly supported ensuring PHMSA and the State pipeline safety programs have the funding they need to do their work. Don also helped lay the groundwork for strong rail funding in the Bipartisan Infrastructure Law. Because of Don's work, we will see replacements of century-old rail bridges and tunnels on the Northeast Corridor, including the suite of Gateway projects.

He was a friend and advocate for rail workers, supporting their bid for sick leave, higher wages, and improved working conditions. His efforts helped support a historic agreement that would strengthen the safety and quality of life for essential rail workers. Don's work to advance rail safety legislation, especially in the wake of the derailment in East Palestine, will remain an important part of his legacy that Congress must continue to realize.

On June 10, 1999, an Olympic pipeline explosion in Bellingham, Washington, in my district claimed the lives of two 10-year-old boys and an 18-year-old young man. The explosion also released 237,000 gallons of gasoline into a creek that flowed through Whatcom Falls Park in Bellingham. This explosion at the time spurred my commitment, which has been steadfast for over 20 years, to the highest level of pipeline safety. For my entire tenure in Congress, I have fought to reduce the risk of pipeline incidents, promote transparency of pipeline safety information for local communities, and increase accountability for pipeline operators.

According to PHMSA data, in the past 20 years, there have been 12,722 pipeline incidents claiming 278 lives and causing $11.4 billion in property damage. So, while we work on the PIPES 2023 bill, the pipeline industry continues to experience deadly accidents causing damage to the environment.

According to the Pipeline Safety Trust, 2023 was the deadliest year for pipelines in two decades.

On March 24, 2023, a UGI pipeline explosion in West Reading, Pennsylvania, killed 7 people, injured 11, displaced 3 families from a neighboring apartment building, and evacuated many more from the area.

In November 2023, as well, Third Coast Infrastructure released 1.1 million gallons of crude oil from an underwater pipeline into an "unusually sensitive area" in the Gulf of Mexico about 20 miles southeast of Venice, Louisiana.

More recently, in January 2024, two homes less than 1 mile from each other in Jackson, Mississippi, exploded 3 days apart from Atmos Energy pipeline leaks. The first home explosion resulted in

one fatality and one injury. The resulting fire from the second explosion spread to a neighboring home. These incidents happened after Atmos had identified leaks in their pipelines in the area, but failed to repair them.

Putting safety first means greater oversight and accountability of the activities of pipeline operators. It also means greater transparency for local communities and the public. PIPES 2023 accomplishes this by creating an Office of Public Engagement, an idea championed by my Washington State colleague, Representative Strickland. It requires PHMSA to review operator emergency management response plans.

Improving safety means preventing incidents. PHMSA and the State pipeline safety programs need the resources and staff to inspect pipelines, conduct investigations when incidents occur, and take appropriate enforcement actions. PIPES 2023 does this by increasing the authorizations for both PHMSA and State pipeline safety organizations. I am pleased that our bill includes $56 million for State pipeline safety programs over 4 years.

I appreciate each of our witnesses being here today to talk about the PIPES Act of 2023. I want to welcome PHMSA Deputy Administrator Tristan Brown, who visited my district to tour the Olympic pipeline site in Bellingham, and Bill Caram of the Pipeline Safety Trust, whose organization was created in response to that tragedy and is headquartered in my district in Bellingham.

I also want to thank PHMSA and their response to the Conway, Washington, pipeline leak that happened last year. And cleanup continues, but nears the end for that.

In addition to its safety initiatives, the BIL created the first-ever Natural Gas Distribution Infrastructure Safety and Modernization grant program. PHMSA has announced $588 million for 167 projects from the $1 billion made available to municipalities and community-owned utilities to repair or replace natural gas pipelines and help reduce incidents and improve safety.

Pipelines play a critical role in the Nation's infrastructure and the daily lives of Americans. We are here today to make sure the national pipeline network safely delivers energy across the country.

I look forward to today's discussion.

And with that, I yield back.

[Mr. Larsen of Washington's prepared statement follows:]

Prepared Statement of Hon. Rick Larsen, a Representative in Congress from the State of Washington, and Ranking Member, Committee on Transportation and Infrastructure

Thank you, Chairman Nehls, for calling this hearing on pipeline safety and for your kind words about our colleague and friend, Representative Donald M. Payne, Jr. We continue to mourn today after his death just two weeks ago.

Don was a leader on the PIPES Act of 2023 that our Committee voted unanimously to advance in December.

He strongly supported ensuring PHMSA and the state pipeline safety programs have the funding they need to do their work.

Don also helped lay the groundwork for strong rail funding in the Bipartisan Infrastructure Law (BIL). Because of Don's work, we will see replacements of century-old rail bridges and tunnels on the Northeast Corridor, including the suite of Gateway projects.

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Pipelines play a critical role in the nation's infrastructure and the daily lives of Americans. We are here today to make sure the national pipeline network safely delivers energy across the country. I look forward to today's discussion.

Mr. NEHLS. Mr. Larsen yields.

Thank you, sir. I would like to welcome our witnesses and thank them for being here today. Briefly, I would like to take a moment to explain our lighting system to our witnesses.

There are three lights in front of you. Obviously, green, go; yellow, you are running out of time; and red is conclude your marks, please.

I ask unanimous consent that the witnesses' full statements be included in the record.

Without objection, so ordered.

I also ask unanimous consent that the record of today's hearing remain open until such time as our witnesses have provided answers to any questions that may be submitted to them in writing.

Without objection, so ordered.

I also ask unanimous consent that the record remain open for 15 days for any additional comments and information submitted by Members or witnesses to be included in the record of today's hearing.

Without objection, so ordered.

As your written testimony has been made part of the record, the subcommittee asks that you limit your oral arguments to 5 minutes.

Mr. Brown, I appreciate you handing me the book, the "2024 Emergency Response Guidebook," 2 million of these going to first responders. Well done, but I have an issue. And before I recognize you for 5-minute testimony, I would like to take a moment of personal privilege.

Without objection, so ordered.

The committee notified you on April 15 of 2024—that is 21 days ago—that today's hearing was taking place. You also have been asked for feedback on the PIPES Act far longer than that. And we, on a bipartisan basis, re-asked for this on February 7, so that is 90 days ago, 3 months. Yet, you were unable to provide your written testimony to this committee in a timely fashion, denying all of the members of this subcommittee the ability to adequately review your testimony. Your agency was also unable to share feedback on the bill until last night after 10 p.m. I find it completely, completely unacceptable and inexcusable.

Now, due to your delay on both fronts, many Members may have questions following the hearing, as well, and I want to make sure it expects a full answer. We want a full answer from you to all Members' questions today.

I would also like you to commit to responding to all Members' questions for the record. So, give me a reasonable expectation here. Can you commit to providing an answer, what, 2 weeks, 3 weeks? Could you give me a number?

Mr. BROWN. Well, as you may know, both the TA and the testimony does go through an interagency review process, which does take time. So, I will commit to working as fast as possible.

Mr. NEHLS. Two weeks or three weeks? Just kind of—come on, give me an idea.

Mr. BROWN. You——

Mr. NEHLS [interrupting]. OK, so, we are not going to—OK, here we go.

I look forward to your responses. We here on the subcommittee are interested in what you have to share. You can't come up with a time. I look forward to a productive hearing. I hope we can have a productive hearing.

With that, you are recognized for 5 minutes. Go ahead, sir.

TESTIMONY OF TRISTAN BROWN, DEPUTY ADMINISTRATOR, PIPELINE AND HAZARDOUS MATERIALS SAFETY ADMINISTRATION, U.S. DEPARTMENT OF TRANSPORTATION; CHRISTINA SAMES, SENIOR VICE PRESIDENT, SAFETY, OPERATIONS, ENGINEERING, AND SECURITY, AMERICAN GAS ASSOCIATION; ROBIN RORICK, VICE PRESIDENT OF MIDSTREAM POLICY, AMERICAN PETROLEUM INSTITUTE; AND BILL CARAM, EXECUTIVE DIRECTOR, PIPELINE SAFETY TRUST

TESTIMONY OF TRISTAN BROWN, DEPUTY ADMINISTRATOR, PIPELINE AND HAZARDOUS MATERIALS SAFETY ADMINISTRATION, U.S. DEPARTMENT OF TRANSPORTATION

Mr. BROWN. Thank you, Mr. Chairman. Thank you, Ranking Member Wilson, Ranking Member Larsen, members of the subcommittee, for the invitation to discuss the Office of Pipeline Safety at PHMSA and our work, as well as the reauthorization legislation that you have put together.

I just wanted to start by echoing the sentiments and condolences to the Payne family to those of you who were colleagues, to those of you who were friends, to the Payne office and staff members who I know were all as saddened as I was to learn of his passing. It is a testament to his legacy that he worked across the aisle this past year to help advance legislation to improve pipeline safety and to keep his constituents and all Americans safe from hazardous materials transportation.

As I testified last year before this subcommittee, safety is and remains the top priority of the Department of Transportation and of PHMSA. Specifically, PHMSA is responsible for overseeing the safe transport of hazardous materials through pipelines and via other modes of transportation. That's trucks, trains, planes, vessels, automobiles, drones, among others. We oversee the safe design, operation, and maintenance, as the chairman mentioned, of nearly 3.3 million miles of pipelines, as well as nearly 1 in 10 goods that are classified as a hazardous material transported commercially in the United States, everything from nuclear waste to lithium-ion batteries to spacecraft being transported to spaceports around the United States and around the world.

Nearly two-thirds of the energy we consume in the U.S. is transported via pipeline, and over the past few decades, especially the last few years, in conjunction with America's red hot economic growth, energy production in the United States has continued to increase to record levels. Concurrently, U.S. transportation of these products has necessarily increased, and exports of energy products have also reached record levels. This means heightened demand on our pipelines and refined product storage infrastructure, as well as export facilities, liquefied natural gas terminals, which PHMSA also regulates.

The volume of work before PHMSA and the challenges in carrying out our safety and environmental mission have never been greater. Aging infrastructure requires more maintenance and greater safety scrutiny. A significant portion of the cross-country

pipeline infrastructure was built shortly after World War II, meaning pipelines are over 80 years old. There are even a few gas distribution segments that were installed during the Civil War era, more than 150 years ago, which, thanks to the President's Bipartisan Infrastructure Law, we are finally modernizing through our first-of-its-kind, as the ranking member mentioned, natural gas modernization grant program that we stood up last year, which included grants in multiple districts of multiple members of this subcommittee.

With the increasing challenges and broader demands on our agency, clear direction and resources from Congress are important, and particularly as we close out the final few congressional mandates from the 2020 PIPES Act. PHMSA is grateful for the work that this subcommittee has done in advancing bipartisan legislation, including increased authorization levels.

In closing, I would like to thank you again for the opportunity to discuss with you the critical issues facing our agency, as well as our State partners, in the largest, most sophisticated pipeline system and hazardous materials transportation system in the world.

Each of the areas I outlined in the written testimony are areas in which the rest of the world looks to America for leadership: leadership in the marketplace of products for which we are the most efficient in the world; leadership for establishing safety rules that countries around the world have told me they often adopt in whole to improve their own pipeline safety and environmental protection; leadership in the rule of law when it comes to disputes and compliance; leadership in research, innovation, and new technologies to improve safety and environmental performance that are sold domestically and exported around the world; leadership in transparency and engagement with affected communities which other countries also look to as a new standard; and leadership in efficiencies for all the work that we do.

This work is the result of our collaboration with the congressional committees that authorize and fund our agency, as well as the stakeholders represented here. But the kudos, most of the kudos, for all the achievements of our agency go to the nearly 650 full-time Federal employees and nearly 200 contractors that make up what I always say is the most unsung agency in the Government.

Thank you for your efforts to advance bipartisan reauthorization legislation. I look forward to working with you and your colleagues as Congress considers a pipeline safety reauth bill and honors the efforts of your colleague, Mr. Payne. I look forward to your questions.

[Mr. Brown's prepared statement follows:]

Prepared Statement of Tristan Brown, Deputy Administrator, Pipeline and Hazardous Materials Safety Administration, U.S. Department of Transportation

INTRODUCTION

Good morning, Chairman Nehls, and members of the Subcommittee. Let me begin by expressing my sincere condolences to the Payne family, to those of you who were friends and colleagues of Ranking Member Payne, and to his office and staff mem-

bers, who I know are all as saddened as I was to learn of his passing. It is a testament to his legacy that he worked across the aisle this past year to help advance legislation to improve pipeline safety and to keep his constituents and all Americans safe from hazardous materials transportation.

Thank you for inviting me to testify today on the U.S. Department of Transportation's (DOT) Pipeline and Hazardous Materials Safety Administration's (PHMSA) pipeline safety program. As I testified last year before this Subcommittee—Safety is, and remains, the top priority for DOT and PHMSA. Specifically, PHMSA is responsible for overseeing the safe transport of hazardous materials—through pipelines and also via other modes of transportation—aviation, rail, motor carrier, and marine. PHMSA oversees the safe design, operation, and maintenance of the Nation's nearly 3.3 million miles of oil, gas, and other hazardous materials pipeline and storage facilities, including for hydrogen, carbon dioxide, and other emerging fuels. Additionally, PHMSA's oversight of hazardous materials transport via other modes includes nearly 1 in 10 goods that are transported commercially in the U.S., everything from nuclear waste to lithium-ion batteries, to spacecraft being transported to spaceports around the world.

Nearly two-thirds of the energy we consume in the U.S. is transported via pipeline. Over the past few decades—and especially over the last few years in conjunction with America's red-hot economic growth—energy production in the United States has continued to increase to record levels. Concurrently, U.S. transportation of these products has necessarily increased, and exports of energy products have—according to the Energy Information Administration—also reached record levels. This means heightened demands on our pipeline and refined products storage infrastructure, as well as export facilities, such as liquefied natural gas (LNG) terminals, the safety and environmental risks over which PHMSA also oversees.

Put simply: the volume of work before PHMSA, and the challenges in carrying out our safety and environmental mission established by Congress, have never been greater. Aging infrastructure requires more maintenance, and, greater safety scrutiny. A significant portion of the cross-country pipeline infrastructure was built shortly after World War II—meaning many pipelines are over 80 years old. Furthermore, there are even a few gas distribution segments that were installed during the Civil War era, more than 150 years ago—which, thanks to the President's Bipartisan Infrastructure Law, we are finally modernizing through our first-of-its kind community natural gas modernization grant program.

With increasing challenges and broader demands on our agency, clear direction and resources from Congress are important, particularly as we close out the final few congressional mandates from the 2020 PIPES Act. PHMSA is grateful for the work that this Subcommittee has done in advancing bipartisan legislation—particularly increased authorization levels—and I look forward to providing additional feedback on the reauthorization needs of the agency during this hearing.

Bipartisan Infrastructure Law Grant Program

After enactment of the PIPES Act of 2020, Congress also enacted the 2021 Bipartisan Infrastructure Law. So as PHMSA has worked to implement the 2020 PIPES Act, PHMSA has also awarded three rounds of funding for our first-ever infrastructure grant program—a substantial undertaking for our agency. Congress created the Natural Gas Distribution Infrastructure Safety and Modernization (NGDISM) Grant Program, providing $1 billion over five years to improve the safety of high-risk, leak-prone, legacy natural gas distribution infrastructure with a specific emphasis on benefiting disadvantaged rural and urban communities. Municipality- or community-owned utilities are eligible, and funds are available to these entities seeking assistance in repairing, rehabilitating, or replacing high-risk, leak-prone natural gas distribution infrastructure, or acquiring equipment to assist in identifying and reducing natural gas incidents and fatalities. This grant funding is helping communities of all sizes make their infrastructure safer, creating good jobs, reducing heat-trapping methane from the atmosphere, and saving residents and businesses money on their energy bills. As previously mentioned, there is plenty of aging infrastructure across the country that can benefit from this program. For example, PHMSA awarded funding to multiple projects—in both Massachusetts and Nebraska—where the pipeline systems date back to the 1890s. Additionally, for the past two funding rounds, Congressman Burlison's district was awarded a total of over $30 million for the City Utilities of Springfield to acquire methane leak detection equipment, as well as to replace over 38 miles of legacy plastic natural gas lines and around 3,400 legacy plastic gas services and meter sets. Communities neighboring Congressman Burchett's district also received funds this year totaling over $4 million for pipe replacement and equipment needs. Congressman Troy Carter joined Senator Cassidy

and me in his district to announce more than $27 million for community owned systems throughout Louisiana last year. We have been delighted to see the interest and excitement from grant applicants and recipients and are happy to say that the NGDISM program is working. During our first year of project solicitations, the program attracted nearly $1.8 billion worth of applications for $200 million in funding. We had similar interest when we announced the FY23 and FY24 round of funding. This year we were able to issue grants to Texas, North Carolina, Kentucky, and New York (among others) for the first time. Last year we issued first-time grants to Kansas, Tennessee, Georgia, Indiana, Massachusetts, and Florida (among many others). And this week, we are issuing another Notice of Funding Opportunity for the FY25 round of funding, which I know applicants are eager to apply for.

Although the program is funded through 2026, PHMSA anticipates the work in carrying out and overseeing the infrastructure projects from the NGDISM program won't be completed until 2033. In anticipation of this, and to address burdens on underserved community applicants, PHMSA has streamlined its National Environmental Policy Act review process—establishing a first-of-its-kind, tiered approach to conduct environmental assessments of these important projects. Utilizing the administrative funding granted to us by Congress in the Bipartisan Infrastructure Law, PHMSA took on the financial and administrative burden of conducting a tier 1 programmatic review of potential environmental impacts from this new grant program—instead of placing that burden on grant recipients. PHMSA, along with our partners at the Volpe National Transportation Systems Center in Massachusetts, as well as the White House Council on Environmental Quality, created a tier 2 template that community grant recipients can use to identify project-specific impacts for these pipe repair/replacement projects and streamline the project-specific environmental review process—saving months of time, as well as saving communities and taxpayer money that would otherwise need to be spent on these potentially lengthy reviews. PHMSA was honored to be asked by the White House Council on Environmental Quality to present our work last year as an example for other agencies to replicate to help get projects completed faster and more efficiently, without sacrificing important environmental values.

RULEMAKING

As I noted in my March 2023 testimony before this Subcommittee, our regulatory agenda over the past several years has been extraordinarily full. In addition to closing out a record number of long-awaited rules related to National Transportation Safety Board (NTSB) and U.S. Government Accountability Office (GAO) recommendations, and older congressional mandates, we've also published two important new proposed rulemakings from the 2020 PIPES Act and issued a final rule for Periodic Updates of Regulatory References to Technical Standards and Miscellaneous Amendments.

The 2020 PIPES Act directed us to address the methane leak detection and repair rule, which covers both gas and hazardous liquid pipelines, in an effort to improve public safety and protect our environment. The broad bipartisan support in Congress for this new directive, as signed into law by President Trump, demonstrated that America is serious about addressing methane emissions. The private sector has shown, too, that America is the leading innovator when it comes to methane mitigation and we have a workforce of pipeline workers and skilled tradesmen who are the most skilled and efficient in the world at finding and fixing methane leaks—keeping Americans safe, reducing harmful and costly pollution, and ultimately saving consumers money when a valuable commodity is not leaked into the atmosphere.

The consequences of failing to address methane leaks can be tragic. Just a few weeks ago, I joined Congressman Bennie Thompson and NTSB Chair Jennifer Homendy for a community meeting in Jackson, MS, where the community is still recovering from a tragic pipeline leak on Atmos Energy Corporation's gas distribution system that led to the death of a beloved community member, Ms. Clara Barbour. PHMSA is a party to and supporting the NTSB's investigation into this matter. The NTSB's preliminary report indicated that "Before these explosions, Atmos identified and classified leaks on their distribution system near locations 1 and 2. The leak nearest to location 1 was discovered on November 11, 2023, and classified as a grade-2 leak, meaning that it was nonhazardous but would require repair in the future. The leak nearest to location 2 was discovered on December 1, 2023, and was classified as a grade-3 leak and therefore nonhazardous. Neither leak was repaired before the explosions." In addition to PHMSA being a party to the NTSB investigation, Atmos Energy recently, and voluntarily, agreed to an independent safety review by PHMSA of their processes and operations—which NTSB

and our state partners are also participating in. We anticipate sharing the results of this review with the public.

Last May, PHMSA proposed the Gas Pipeline Leak Detection and Repair Rule (LDAR Rule), which seeks to enhance public safety and lower methane emissions and other air pollution by significantly improving the requirements for the detection and repair of leaks from natural gas distribution, gas transmission, and gas gathering pipelines. The Notice of Proposed Rulemaking (NPRM) updates decades-old, Federal leak detection and repair standards in favor of new requirements that add an additional layer of safety by deploying commercially available, advanced technologies to find and fix gas leaks that previously may have gone unrepaired in perpetuity. This rule would ensure that leaks—each of which involves a loss of pipeline integrity—are discovered and repaired before they can degrade into more serious ruptures or explosions and to limit the atmosphere's exposure to methane. This rule also encourages innovation in technologies that help keep natural gas in our pipes instead of leaking into the atmosphere, which can be unsafe, costly for consumers, and harm our environment.

PHMSA held a Gas Pipeline Advisory Committee (GPAC) meeting on the proposed LDAR Rule in November of 2023, and held a second public advisory committee meeting on the proposed rule in March 2024—after the initial meeting extended beyond the full scheduled week of day-long discussions. PHMSA is in the process of considering and addressing all GPAC recommendations, and will address comments received within the comment period, prior to finalizing this rule. In addition to discussing the LDAR NPRM at the November meeting, PHMSA also planned to address the proposed Class Location Change rule—of interest to many members of this Subcommittee. Due to the extended proceedings on the LDAR rule, the Class Location Rule was taken up at the March 2024 GPAC meeting and recommendations were completed and received from the GPAC. At the request of many stakeholders representing entities directly affected by the Class Location Rule, PHMSA has granted an extension of comments for that rule, which we will review upon submission to inform our final rulemaking.

The PIPES Act of 2020 also directed PHMSA to promptly complete the "Safety of Gas Distribution Pipelines and Other Pipeline Safety Initiatives" Rulemaking. This NPRM was published in September 2023, and received comments from over 200 commenters. The NPRM proposes to require operators of gas distribution pipelines to update their distribution integrity management programs, emergency response plans, operations and maintenance manuals, and other safety practices as envisioned in the Leonel Rondon Pipeline Safety Act, and which is informed by NTSB recommendations aimed at preventing catastrophic incidents resulting from overpressurization of low-pressure gas distribution systems similar to that which occurred on a gas distribution pipeline system in Merrimack Valley on September 13, 2018—tragically taking the life of young Leonel Rondon. In this rule, PHMSA has also proposed codifying use of its State Inspection Calculation Tool, which is used to help our state pipeline inspection partners determine the base-level amount of time needed for inspections to maintain an adequate pipeline safety program. Further, PHMSA proposes other pipeline safety initiatives for all part 192-regulated pipelines in this NPRM, including gas transmission and gathering pipelines, such as updating emergency response plans and inspection requirements. We are currently preparing for a future GPAC meeting on that NPRM.

In addition to Congressionally mandated rules, many of PHMSA's rulemakings underway address important recommendations from NTSB, resulting from safety issues identified during investigations in the aftermath of some tragic accidents. PHMSA's rules also address recommendations from the GAO, the DOT Inspector General, and the agency's own safety findings. As a result, PHMSA continues to work on updates to the LNG facilities regulations, and we also recognize the need to address emerging issues, like the design and operation of pipelines transporting carbon dioxide in different physical states. We understand that these priorities are in line with this Committee's expectations, based on the Promoting Innovation in Pipeline Efficiency and Safety (PIPES) 2023 bill that was introduced and moved through Committee on a bipartisan basis by Chairman Graves, Ranking Member Larsen, Chairman Nehls, and the late-Ranking Member Payne.

ENFORCEMENT AND COMPLIANCE

While the number of PHMSA's administrative enforcement cases has remained relatively steady, continued diligence of PHMSA staff to hold responsible parties accountable has resulted in the agency setting records for our civil penalties in 2021, 2022, and 2023. In 2023, PHMSA issued over $12.5 million in proposed civil penalties against operators who violated safety regulations. Additionally, recognizing

that timely enforcement is important to increase deterrence and shorten the time unsafe conditions are allowed to persist, PHMSA has substantially expedited its enforcement processes. From 2019 to 2023, for administrative enforcement cases involving civil penalties or proposed compliance actions, PHMSA reduced its average time to initiate and fully close an enforcement case by approximately 40 percent.

Additionally, as a mandate of the PIPES Act of 2020, PHMSA inspected implementation of the Act's self-executing mandate requiring operators to update their inspection and maintenance plans to address the elimination of hazardous leaks and minimizing releases of natural gas (including intentional venting during normal operations) from their pipeline facilities. In 2022, PHMSA conducted 380 inspections of operators' plans, covering 803 PHMSA-identified pipeline inspection systems, 39 Federally inspected gas distribution systems, 37 Federally inspected LNG units, and 178 Federally inspected underground natural gas storage facilities, to ensure they addressed the congressional directive to assess the need to replace or remediate pipeline facilities that are known to leak based on their material, design, or past operating and maintenance history. In addition to the number of PHMSA-performed inspections, PHMSA's state partners conducted an additional 4,724 inspections. This is the first time PHMSA completed inspections of each operator that it regulates within a calendar year—and was a tremendous undertaking by our dedicated field personnel across the country and the dedicated field personnel of our state partners.

Additionally, sections 205(a) and (b) of the PIPES Act of 2020 directed PHMSA to assess the implementation of Pipeline Safety Management Systems (PSMS) by gas distribution operators and provide guidance and recommendations to encourage voluntary implementation of PSMS by gas distribution pipeline operators. PHMSA conducted a voluntary information collection among gas distribution operators on the current state of PSMS implementation. To collect this data efficiently, PHMSA designed a new information collection form and online reporting portal. PHMSA and our state partners encouraged operators to submit their PSMS data and, though it took longer than anticipated, we received a statistically adequate number of responses to allow for reasonable inference to the entire gas distribution operator community. The accompanying report to Congress is expected to be completed and transmitted to you and shared publicly on our website in the coming months. In the meantime, PHMSA continues to work with regulated entities in promoting the use of PSMS, as also directed by section 205(c), and notes that further evaluation of PSMS frameworks will commence following issuance of the report. It's also worth noting that PSMS was included in a recent NTSB recommendation, so we look forward to working with NTSB to address the relevant aspects of their recommendation as well.

Research, Development, and Inter-Agency Efforts

While PHMSA continues to advance pipeline safety by strengthening its regulations and enhancing its inspector training, inspections, and enforcement programs, research and technological innovation is essential to aid in the design, construction, operation, and maintenance of pipelines and to address the root causes of incidents.

PHMSA's Pipeline Safety Research Program works with academia, the regulated community, private research consortiums and Federal partners to sponsor research and development (R&D) projects focused on providing near-term solutions for pipeline transportation infrastructure issues that will improve safety, reduce environmental impact, and enhance reliability. PHMSA periodically holds public R&D forums to help generate a national research agenda that identifies technical challenges and fosters solutions to improve pipeline safety and protect the environment. PHMSA's most recent forum was held in the fall of 2023, and included five working groups focusing on carbon dioxide, hydrogen, leak detection/monitoring, threat prevention, and anomaly detection and repair. The forum discussions regarding both carbon dioxide and hydrogen drew extended interest as more projects are being proposed for CCUS and hydrogen blending of natural gas pipelines. Both of these research areas are necessary and timely as we look towards transportation of gaseous carbon dioxide and varying hydrogen blending of natural gas pipelines, both of which may involve additional rulemaking efforts at PHMSA.

PHMSA issued its solicitations for its Cooperative Academic Agreement Program (CAAP) on March 18, 2024, and it Core Program on April 15, 2024. PHMSA's solicitation topics included Carbon Dioxide and Hydrogen Safety, Leak Detection, Liquefied Natural Gas, Threat Prevention, Anomaly Detection and Characterization, and Hazardous Liquids Tanks. Based on PHMSA's review of data and trends, there is a continued need to fund research activities intended to evaluate and mitigate threats to prevent damage to our Nation's infrastructure. The most present risks center around geohazard monitoring, data integration, and corrosion control, all of

which are included in the research solicitations for 2024. Of note for the Subcommittee—PHMSA's 2023 appropriations bill directed PHMSA to utilize a significant portion of its existing research funding as part of the creation of a National Center of Excellence for Liquefied Natural Gas (LNG). PHMSA has been working to partner with other Federal agencies in the creation of this National Center of Excellence—to leverage broader Federal resources to advance LNG safety.

Hydrogen/Carbon Dioxide (CO2)

In FY 2023, PHMSA awarded approximately $4 million in research investments on hydrogen projects. Specifically, under the Core Program, PHMSA awarded two projects: 1) to Investigate Damage Mechanisms for Hydrogen and Hydrogen/Natural Gas Blends to Determine Inspection Intervals for In-Line Inspection Tools, and 2) to Investigate the Integrity Impacts of Hydrogen Gas on Composite/Multi-Layered Pipe. In addition, PHMSA entered into an Interagency Agreement with the Department of Energy (DOE) to "Establish the Technical Basis for Enabling Safe and Reliable Underground Hydrogen Storage Operations." PHMSA currently has twelve active hydrogen projects from FYs 2021, 2022, and 2023 awards, totaling approximately $11 million in research investments. These projects will research how to safely transport and store hydrogen and hydrogen blends by repurposing existing infrastructure used for natural gas transport and underground storage, improving hydrogen leak detection, and characterizing hydrogen specific pipeline integrity threats.

PHMSA also collaborates with the DOE's Office of Fossil Energy and Carbon Management to establish partnerships on R&D and safety associated with the transport of carbon dioxide via pipelines. Currently, PHMSA has four active projects involving the potential impact radius for carbon dioxide, innovative leak detection methods, and material testing and qualification for repurposing pipelines and underground storage facilities for carbon dioxide transport and storage. The results of these may help inform a current rulemaking related to carbon dioxide pipelines.

PHMSA's limited funding for its Pipeline Safety-related R&D program is divided between pipeline and LNG research. For 2023 and 2024, PHMSA was provided $12.5 million for research, and the 2025 President's Budget requests a total of $14 million for these important research activities.

In terms of PHMSA's efforts on carbon dioxide (CO2) infrastructure, while PHMSA does not have siting authority, it is PHMSA's responsibility to help make sure that newly approved pipeline facilities are designed, constructed, operated, and maintained with a high level of safety. In an effort to further a one-Federal-government approach to the oversight of decarbonization infrastructure, PHMSA continues to seek ways to enhance its coordination with other Federal agencies in the overall carbon capture, utilization, and storage space to help track projects, anticipate safety and environmental risks, and provide more public-facing information. PHMSA is in the process of developing a specific CO2-focused website that will provide cross-references to other agencies in an effort to help clarify the roles the various agencies play in oversight of CO2 transportation and storage. While most proposed CO2 pipeline projects are dense phase pipelines, some proposals are considering converting existing natural gas transmission pipelines to transport gaseous CO2. As noted in my response to your letter on the subject last year, Mr. Chairman, PHMSA is working to issue a proposed rule on CO2 pipeline safety as soon as possible, as updated on a monthly basis in our public rulemaking chart.

Liquefied Natural Gas

Global fluctuations in natural gas supplies and its availability continue to spark investments in LNG. Currently, there are eight LNG export terminals with a total LNG production capacity of approximately 14 billion standard cubic feet per day (bcf/d) in the United States. There are also 17 new facilities expected to be built within the next five years and seven more currently seeking Federal approval, according to the Federal Energy Regulatory Commission (the agency which oversees approval and siting of these facilities)[1]. As the demand is expected to continue to increase, PHMSA continues to fund LNG safety-related research projects; with eleven completed/closed and five currently active projects, all totaling $5.7 million.

As I noted, the Consolidated Appropriations Act of 2023 provided up to $8.4 million to PHMSA for the creation of a National Center of Excellence for LNG Safety (the Center), as authorized in Section 111 of the PIPES Act of 2020. The Center aims to ensure United States remains the leader and foremost expert in LNG operations, globally—including safety and environmental performance, and to improve

[1] See https://www.ferc.gov/media/us-lng-export-terminals-existing-approved-not-yet-built-and-proposed.

collaboration across Federal agencies and with relevant stakeholders. For the last few months, PHMSA has been working to engage other relevant Federal agencies with the goal of establishing a center that leverages agencies' expertise to address the most pressing issues and ensure we continue to raise the bar for the global LNG sector when it comes to safety and environmental performance. We have thus far received broad interest from other relevant agencies.

INCREASED ENGAGEMENT WITH THE PUBLIC

PHMSA is committed to enhancing all stakeholder engagement and has increased the number of public meetings and information briefings it hosts—holding three major public meetings and information briefings in 2023, as well as the week-long November GPAC meeting that was open to public participation. As mentioned before, in March 2024, PHMSA held another week-long GPAC meeting that was open to public participation. Personally, I have visited community members and victims, on-site, where pipeline facilities have failed (e.g., Marshall, MI; Bellingham, WA; Satartia, MS; Freeport, TX, and Jackson, MS). In March 2024, I met with stakeholders in Bent Mountain, Virginia, near Roanoke, to listen to concerns about the impact that the Mountain Valley Pipeline construction project has had on their community.

PHMSA has also increased its engagement with public interest groups, in addition to the Pipeline Safety Trust, to include pipeline worker labor unions, and environmental groups, as well as relevant trade associations actively participating in conferences and meetings to hold a two-way dialogue on important pipeline safety issues, emphasizing that pipeline safety is a shared responsibility.

In 2023, PHMSA's Community Liaisons participated in nearly 195 public meetings, events, and conferences to educate our stakeholders on pipeline safety and damage prevention initiatives and to address questions about the Federal pipeline safety regulations or concerns about pipeline-related matters. Of the 195 events, 56 events were held in transportation disadvantaged and underserved communities which included Tribal Nations, and 16 were engagements with individual landowners and local community representatives. In addition to engaging with Tribal Nations to exchange information and address questions, PHMSA continues to perform advanced communications with Tribes prior to performing inspection activities that may take inspectors through Tribal lands. PHMSA continues to promote the Call 811 Program through participation in events as well as through social media and digital campaigns encouraging safe digging practices.

With increased production and transportation of energy products, we have also seen an increase in engagement from the public in both the work our agency performs as well as the operations of the facilities that we oversee. Currently, there are no requirements in PHMSA's governing statutes for operators to engage the public with information after a major incident occurs. This has often meant that PHMSA personnel have had to fill the gap by explaining what our agency is doing to address safety risks but leaving the public eager to better understand what operators are doing to mitigate risk in the wake of an incident. PHMSA has worked with representatives from the regulated community, public interest organizations like the Pipeline Safety Trust, and industry representatives from the American Petroleum Institute to advance a recommended practice for pipeline public engagement (RP 1185)—which was recently adopted. But more work is necessary to ensure the public receives information about safety and environmental risks—especially in the aftermath of a major incident.

EFFICIENCIES IN OVERSIGHT, TAXPAYER STEWARDSHIP, AND FOCUS ON EMPLOYEES

From 2020 to 2022, the number of PHMSA safety regulated miles for gas distribution, gas transmission, hazardous liquids, and carbon dioxide pipeline systems increased by 36,000 miles, and an estimated 400,000 miles of gas gathering lines are newly regulated. PHMSA also has increasing responsibility for LNG facilities, as new facilities are proposed and come online, and underground natural gas storage. Consequently, PHMSA continues to strive to operate effectively and efficiently to our expanded universe of regulated facilities. We are grateful for the congressional authorities given in the PIPES Act of 2020 to improve efforts to attract and retain a talented pool of professionals. PHMSA has undertaken new recruitment and retention efforts—in coordination with the Office of Personnel Management—including, developing new tuition reimbursement efforts and utilizing new online recruitment methods, expanding the pool of colleges and universities from which we recruit, engaging alma maters of our existing team members, and broadening the public outreach of our agency. New special pay rates for pipeline inspectors were approved in 2023 and PHMSA continues to implement programs to take advantage of

all available hiring flexibilities, to continue to try to meet Congress' hiring directives.

Although PHMSA faces fierce hiring competition from the private sector and other Federal agencies who are also competing with the same limited talent pools, PHMSA is focused on increasing the number of vacancies filled in inspection and enforcement roles. PHMSA continues to explore ways to continue to improve the agency's hiring and recruitment to make it both more efficient and effective in recruiting and retaining talented applicants, including obtaining approval from the Office of Personnel Management (OPM) in April 2023 of a new Special Rate Table covering PHMSA 0801 Engineering series employees in various locations; using Direct-Hire Authority to quickly employ qualified candidates; and promoting the use of student loan repayment benefits, as appropriate. Just last year, PHMSA onboarded a new Human Resources director who has implemented several changes to attract the best qualified candidates. PHMSA has actively used recruitment, relocation, and retention incentives for the most qualified employees. PHMSA's Student Loan Repayment Plan has been created and will be ready for implementation in the next 60-days and employees have also taken advantage of the generous student loan forgiveness program. PHMSA employees has sent over 200 letters to their alma maters inviting their engineering students and alumni to apply for open positions. In the last several months, our team has engaged with the Department of Veterans Affairs and OPM to continue to staff our positions with veterans and their spouses. Moreover, the team has implemented a multi-channel marketing plan that includes LinkedIn, Handshake, X (Twitter), and email to engage with schools of engineering and college career centers. Additionally, in the past few months, the team has visited approximately 25 schools designated as Minority Serving Institutions and Historically Black Colleges and Universities, and participated in the Federal government's Workforce Recruitment Program, and other Federal events dedicated to hiring staff with disabilities—all to expand our pool of potential hires beyond where we've recruited historically.

LOOKING FORWARD: PROMOTING INNOVATION IN PIPELINE EFFICIENCY AND SAFETY ACT OF 2023

PHMSA has followed with interest the efforts of all of its congressional oversight committees as they craft reauthorization language for our pipeline safety program, and particularly the Promoting Innovation in Pipeline Efficiency and Safety (PIPES) Act of 2023. I applaud the work of the Committee and Subcommittee leadership and staff in working to reach a bipartisan consensus on important safety topics that move pipeline safety, accountability, and information sharing efforts forward.

State Oversight

As previously mentioned, our universe of pipelines that are subject to state and Federal jurisdiction continues to expand. To accomplish an ever-expanding mission, PHMSA relies heavily on its extremely important partnership with state pipeline safety programs. New pipeline safety regulations and new—or newly regulated—infrastructure (such as certain gas gathering lines) have required state pipeline safety programs to increase staff to handle the additional infrastructure oversight responsibilities—or in many cases simply expanded the obligations of existing state pipeline inspection teams, which are already lean. These state pipeline safety programs employ approximately 450 inspectors who are responsible for inspecting over 85 percent of the Nation's pipeline infrastructure through certification with PHMSA. State programs experience nearly all of the same challenges PHMSA has experienced in terms of hiring inspectors—but they usually have fewer resources to deal with such challenges.

Therefore, as reflected in the President's Budget, we very much appreciate the efforts of this Subcommittee to increase the vital funding that goes to PHMSA to support state pipeline inspection programs. While statute allows PHMSA to reimburse up to 80 percent of the total cost of the personnel, equipment, and activities reasonably required by the state agency for the conduct of its pipeline safety program during a given calendar year, for fiscal years 2021 to 2023 State Base Grant Federal funding covered less than 70 percent of the actual total state program costs. The 2023 Federal funding is estimated to be only 56 percent of the total state program costs—due, in part, to the increasing workload placed on states because of the increase in regulated pipelines and expansion of pipeline safety regulations. The 2024 appropriation, consistent with the 2024 President's budget, included an additional $21.50 million for State Pipeline Safety Grants to increase the reimbursement rate to states to nearly 80 percent of their pipeline safety program cost, in order to address this need and more robustly support States' vital role in implementing many

of the new regulations previously discussed—representing a bipartisan consensus for this need. The 2025 President's Budget once again requests a total of $82 million for State Pipeline Safety Grants, which would continue to reimburse state pipeline inspection programs at the authorized level. We are very much supportive of this Subcommittee's, and the President's, effort to increase funding to the states commensurate with the increase in their and our oversight responsibilities.

Resource Levels

For this same reason, PHMSA appreciates the action of this Subcommittee in allowing an increase in personnel for the Office of Pipeline Safety to support development and implementation of pipeline safety policies and regulations, and to fulfill existing congressional rulemaking mandates. As I have testified previously, it takes a broad group of personnel to complete our rulemaking efforts, including engineering subject matter experts but also economists, attorneys, and environmental staff to ensure compliance with governing laws. To this point, we have provided technical assistance asking the Subcommittee to consider clarifying this allowance for an increase in personnel to ensure the 30 positions specified can include the variety of experts required to carry out our program who work at PHMSA, although they may not be within the Office of Pipeline Safety. This is to ensure we are authorized to hire the personnel needed to focus on the directive to develop pipeline safety policies and regulations, and to fulfill existing congressional rulemaking mandates.

Emerging fuels and opportunities.

As has been mentioned throughout this testimony, the anticipated expansion of pipeline infrastructure to transport CO2 has made PHMSA's update of current CO2 pipeline regulations a top priority for the agency. PHMSA's proposed rule on Carbon Dioxide and Hazardous Liquid Pipeline Safety will aim to cover operational and maintenance safety issues relevant to different phases (e.g., supercritical, gaseous, etc.) of CO2 transportation via pipeline—and to address each of the issues identified by PHMSA in its investigation and enforcement activities involving its investigation of the 2020 pipeline failure in Satartia, Mississippi.

Additionally, PHMSA is appreciative of this Subcommittee's efforts to understand more about the pipeline industry's use of hydrogen and natural gas blending and the safety impact to existing gas pipeline infrastructure. As previously noted, PHMSA has been studying this topic, and other hydrogen blending related safety impacts for several years, spending approximately $4 million in research investments on hydrogen projects in 2023. Importantly, PHMSA recently published in the Federal Register a draft information collection to allow PHMSA to collect and identify trends related to the blending of hydrogen gas and natural gas within gas pipelines from operator-reported data.

PHMSA understands the Committee's interest in the implementation of a voluntary information-sharing system (VIS) comprised of PHMSA, other Federal and state agencies, the regulated industry (i.e., pipeline and facility owners and operators), and general public safety or environmental advocacy organizations. The VIS concept is one that is used successfully in other industries, particularly in the aviation field. PHMSA has worked for years on developing a VIS concept for the pipeline sector since the initial congressional mandate in the PIPES Act of 2016 to study the feasibility of such a system. PHMSA looks forward to Congress's guidance for implementing a program that seeks to encourage collaborative efforts to improve information sharing with the purpose of improving natural gas, hazardous liquid, and carbon dioxide pipeline facility integrity and safety.

Conclusion: Continued Exceptional American Leadership in Pipeline Safety

In closing, I would like to thank you again for the opportunity to discuss with you the critical issues facing PHMSA, our state partners, and the largest, most sophisticated hazardous materials transportation system in the world. Each of the areas I outlined above are areas in which the rest of the world looks to America for leadership: leadership in the marketplace of products for which we are the most efficient in the world; leadership for establishing safety rules, that countries around the world have told me they often adopt in whole to improve their own pipeline safety and environmental protection and harm mitigation; leadership in the rule of law when it comes to disputes and compliance; leadership in research, innovation, and new technologies to improve safety and environmental performance that are sold domestically and exported around the world; leadership in transparency and engagement with affected communities, which other countries also look to as a new standard; and leadership in efficiencies, for all the work that we do.

This work is the result of our collaboration with the congressional committees that authorize our agency and fund our agency, but the kudos for all of the achieve-

ment of our agency go to the nearly 650 full-time Federal employees and nearly 200 contractors that make up what I always say is the most unsung agency in the Federal Government.

Thank you again for your efforts to advance bipartisan reauthorization legislation. I look forward to working with you and your colleagues as Congress considers a pipeline safety reauthorization bill that honors the efforts of your colleague, Mr. Payne.

Mr. NEHLS. Thank you.

Next, Ms. Sames, you are recognized for 5 minutes for your testimony.

TESTIMONY OF CHRISTINA SAMES, SENIOR VICE PRESIDENT, SAFETY, OPERATIONS, ENGINEERING, AND SECURITY, AMERICAN GAS ASSOCIATION

Ms. SAMES. Chairman Nehls, Ranking Member Wilson, and members of the subcommittee, I am Christina Sames, senior vice president for safety, operations, engineering, and security at the American Gas Association.

Prior to AGA, I worked in research and development at Pipeline Research Council International and spent 12 years in public service working for DOT's Office of Pipeline Safety. I get to officially retire next month after a 34-year career dedicated to pipeline safety. I am proud to have made a difference, and I guess I should thank you all for this retirement gift of putting me in front of a hearing. Thank you.

AGA represents more than 200 utilities that deliver natural gas to 74 million customers. Natural gas pipelines deliver essential energy to 177 million Americans through 2.5 million miles of pipeline system, including 2.2 million miles of local distribution system operated by natural gas utilities. The natural gas utility distribution pipelines are the last critical link in the delivery chain that brings natural gas from the wellhead all the way to the burner tip.

So, basically, AGA's members are the face of the industry. They live in the communities that they serve. They interact daily with their customers and State regulators who oversee pipeline safety. And their customers are their neighbors, their family, and their friends. As such, pipeline safety is and must be our number-one priority.

The primary safety tool that gas distribution operators use is DIMP, Distribution Integrity Management Program. DIMP is a regulatory process that allows an operator to develop a safety plan that addresses the unique operating characteristics of the individual pipeline system and prioritizes the work to strengthen that particular system.

Upgrading distribution pipeline systems is also an important pipeline safety component. Currently, 43 States and the District of Columbia have expedited pipeline replacement programs, and in just the last 17 years, these replacement programs have allowed operators to reduce the amount of cast iron and bare steel by over 50 percent, replacing those lines with plastic which will increase safety, reliability, and limit methane release.

The natural gas distribution industry has proven it can simultaneously increase natural gas delivery and improve safety. But more needs to be done. AGA believes that the provisions within the com-

mittee-passed bipartisan Promoting Innovation in Pipeline Efficiency and Safety, PIPES, Act of 2023 will substantially improve pipeline safety by limiting deaths, serious injuries, property damage, and environmental impacts caused by unintended excavation damage; strengthening criminal penalties for those who sabotage and intentionally damage pipeline operations; studying how natural gas, hydrogen blending, and distribution systems worldwide are safely operated; creating a voluntary information safety system to collect and share best practices and lessons learned with sufficient legal and regulatory safe harbors to guarantee industry participation; and establishing a 4-year reauthorization period so that PHMSA and the industry have sufficient time to complete work authorized in previous reauthorizations.

While not in the bill, AGA strongly supports creating a regulatory process to identify technology alternatives that, if utilized, will meet the intent of existing pipeline safety regulations and provide equal, if not greater, levels of safety.

AGA and its members support fact-based, reasonable, and practical updates to pipeline safety legislation that build upon the lessons learned and the evolving technologies. And in that spirit, AGA looks forward to our continued work with this committee, as well as the House Energy and Commerce Committee and the Senate Commerce Committee, to finalize pipeline safety reauthorization.

Thank you for the opportunity to participate in this hearing.

I look forward to your questions.

[Ms. Sames' prepared statement follows:]

Prepared Statement of Christina Sames, Senior Vice President, Safety, Operations, Engineering, and Security, American Gas Association

The American Gas Association (AGA) is pleased to provide our input for the Transportation and Infrastructure Committee's Subcommittee on Railroads, Pipelines, and Hazardous Materials pipeline safety hearing on May 7, 2024. AGA shares the same goals as safety advocates, the public, pipeline sector industry partners, and Congress: Ensuring America's pipeline system remains the safest, most secure, and most reliable in the world. To that end, we applaud the Transportation and Infrastructure Committee's bipartisan work to draft, negotiate, and pass the Promoting Innovation in Pipeline Efficiency and Safety (PIPES) Act of 2023 (H.R. 6494). We look forward to working with the Committee, and all other House and Senate congressional partners, as pipeline safety reauthorization makes its way through the legislative process.

AGA, founded in 1918, represents more than 200 local energy companies that deliver clean natural gas throughout the United States. There are more than 77 million residential, commercial, and industrial natural gas customers in the U.S., of which 96 percent—more than 74 million customers—receive their gas from AGA members. AGA advocates for natural gas utility companies and their customers and provides a broad range of programs and services for member natural gas pipelines, marketers, gatherers, international natural gas companies, and industry associates. Today, natural gas meets more than one-third of the U.S.' energy needs. Natural gas pipelines are an essential part of the nation's energy infrastructure. Indeed, natural gas is delivered to customers through a safe, approximately 2.7-million-mile underground pipeline system, including 2.3 million miles of local utility distribution pipelines, 100,000 miles of gathering lines, and 300,000 miles of transmission pipelines providing service to more than 189 million Americans.

OUR NUMBER ONE PRIORITY: PIPELINE SAFETY

Distribution pipelines are operated by natural gas utilities, or "local distribution companies (LDCs)." The gas utility's distribution pipes are the last, critical link in the natural gas delivery chain that brings natural gas from the wellhead to the

burner tip. AGA member utilities are the "face of the gas industry," embedded in the communities they serve, and interact daily with customers and the state regulators who oversee pipeline safety locally. The distribution industry takes very seriously the responsibility of continuing to deliver natural gas to our families, neighbors, and business partners as safely, reliably, and responsibly as possible.

The domestic shale revolution has resulted in an abundant supply of clean, affordable, and reliable natural gas. This robust supply has translated into stable natural gas prices and an increasing number of utility customers who use this resource for residential and commercial applications like cooking, space and water heating, and manufacturing. Last year alone, natural gas utilities added 730,000 customers and 20,700 miles of pipeline to serve these new customers. Alongside this tremendous opportunity comes the absolute necessity of operating safe and reliable pipeline infrastructure to help ensure dependable natural gas delivery to homes, businesses, and essential facilities like hospitals. Every year, the industry invests $33 billion on the safety of our natural gas pipeline systems. Unquestionably, pipeline safety is our industry's number one priority, and through critical partnerships with state and federal regulators, legislators, and other stakeholders, AGA members are constantly working to improve pipeline safety, integrity, and resiliency.

Integrity Management

LDCs use "Distribution Integrity Management Programs" (DIMP) to manage systems that consist of many different types of material, of different ages, at different pressures, and in different environments. DIMP is a comprehensive and risk-based regulation that provides an added layer of protection to the prescriptive federal regulations, state regulations that go beyond federal regulations, and voluntary LDC operated safety programs. DIMP takes into consideration the wide differences that exist between natural gas LDCs and allows an operator to develop a safety plan that is appropriate for the unique operating characteristics of its individual distribution delivery system. DIMP requires all LDCs to understand their system (design, material, operating conditions, environment, maintenance, operating history, etc.); manage the threats that could affect the integrity of the system (excavation damage, corrosion, natural force damage, material defects, etc.); assess, prioritize, and mitigate risks; evaluate and alter as necessary program standards to ensure effectiveness; and report on performance to regulators.

DIMP helps LDCs prioritize pipeline replacement work and other measures that strengthen gas system safety. Industry, state regulators, commissioners, and the U.S. Department of Transportation's Pipeline & Hazardous Materials Safety Administration (PHMSA) have collectively prioritized pipeline replacement. Currently, 43 states and the District of Columbia have established rate mechanisms that allow operators to replace pipe faster. As a result, in the past 17 years alone, cast iron pipeline use has declined nearly 60 percent, and cathodically unprotected and bare steel pipelines have decreased over 50 percent. These systems have been replaced by modern plastic pipelines which provide increased gas utility system safety, resiliency, affordability, and environmental protection.

LDCs have demonstrated they can increase natural gas delivery while simultaneously improving safety. PHMSA data shows that significant distribution incidents, those resulting in death, injury or significant property damage, and serious incidents, those that result in a death or injury, have declined over the past 20 years. Significant incidents on natural gas distribution pipelines have declined 41 percent and serious incidents have declined nearly 47 percent. Notably, the primary cause of these incidents is excavation damage, which accounted for 34 percent of significant incidents and 25 percent of serious incidents in the past 20 years. While we have seen improvement, one incident is one too many. We look forward to working with all relevant partners to enhance pipeline safety and further reduce incidents.

Pipeline Safety Management Systems (PSMS)

LDCs are at the forefront of voluntarily implementing PSMS, a "Plan-Do-Check-Act" cycle that helps operators continuously and comprehensively track and improve their safety performance within 10 specific areas. These actions help the industry drive towards its zero-incident goal. Operators that implement PSMS have better information on the safety of their systems, learn where they can improve safety, and measure their progress toward improved safety performance. Industry and other stakeholders, including PHMSA, believe that voluntary adoption of PSMS will enhance pipeline safety and improve safety culture. AGA supports the voluntary adoption of PSMS and the development of systems that promote self-disclosure and a collaborative culture between regulators and operators. The AGA Board of Directors has recommended that all AGA members implement PSMS in their organizations.

AGA provides various resources to help operators in their PSMS journey. This includes a PSMS Executive Steering Committee, PSMS Discussion Group, PSMS annual workshop, PSMS Portal which contains materials and lessons learned from incidents and near misses, an Operational Risk Data Committee, Quality Management technical committee, and an annual Operations Conference. AGA also has various initiatives related to PSMS. This includes AGA's in-person Peer Review Program and Virtual Assessment Program which allows natural gas utilities to observe their peers, share leading practices, and identify opportunities to better serve customers and communities. Each review involves AGA staff and subject matter experts from member utilities who are dedicated to helping the host utility improve.

Demonstrated Commitment to Safety

Safety is a joint effort which engages customers, regulators, and policymakers at every level. The natural gas industry invests over $60,000 every minute to enhance the safety of natural gas distribution and transmission systems. Furthermore, AGA and its member companies have adopted a *Commitment to Enhancing Safety*, a public declaration that LDC's are committed to collaborating with federal and state officials, emergency responders, excavators, consumers, safety advocates and the public to improve the industry's already longstanding record of safe, reliable, and efficient operation. This document reflects LDCs' willingness to make safety an intrinsic part of their core business functions, including pipeline design and construction, operations, maintenance and training, and more public facing programs like workforce development, pipeline stakeholder engagement, and first responder outreach. Implementing these priorities has enhanced pipeline safety, improved LDC operations, lowered utility costs (particularly on low-income customers), increased public accountability, and reduced greenhouse gas emissions. Overall, our commitment underscores the steps LDCs take every day to ensure America's 2.3 million miles of natural gas distribution pipeline operate safely and reliably.

Pipeline Safety Reauthorization Priorities

AGA and its members support fact-based, reasonable, flexible, and practicable updates to pipeline safety regulation that build upon lessons learned and evolving improvements to pipeline safety and related programs and technology. In that spirit, AGA wishes to highlight 5 high-level principles, 4 of them included in the Promoting Innovation in Pipeline Efficiency and Safety (PIPES) Act of 2023 (H.R. 6494), as the House-Senate reauthorization process continues.

Support Limiting Pipeline Excavation Damage Incidents (Section 18). Excavation damage is the primary cause of distribution pipeline incidents. According to PHMSA data, in the past 20 years, excavation damage incidents on all pipelines have resulted in 66 deaths, 248 injuries, and $666 million in property damage. 42 of these deaths, 199 of the injuries, and $269 million in property damage was due to excavation damages on distribution pipelines. These often tragic incidents are preventable. States that have healthy excavation damage prevention and enforcement programs typically experience lower rates of damages to pipelines. AGA supports directing PHMSA to incentivize states to adopt One Call program leading practices, derived from the best state excavation damage programs, and condition their grants to State One Call programs based upon adoption of these best practices. We are confident this program will save lives.

Support Pipeline Technology Alternatives. Modern pipeline safety technologies—not contemplated when many pipeline safety regulations were first implemented—can, if deployed, meet the intent of these older existing regulations and improve the overall safety of the natural gas, hazardous liquid, underground storage, and liquefied natural gas infrastructure. For example, satellite technology has advanced to the point where it can be used comply with leak detection regulation and breakaway meter technologies and excess flow valves can stop the flow of gas if a meter is hit, eliminating the need for physical meter protection barriers. AGA supports a PHMSA regulatory process to identify technology alternatives that, if utilized, will meet the intent of existing pipeline safety regulations and provide an equal or greater level of pipeline safety. *This concept is not addressed in H.R. 6494 and we hope it will be included at a later stage*.

Strengthen Criminal Penalties for Damage to Pipelines (Section 21). Natural gas utilities are experiencing an uptick in criminal attacks to property, equipment and facilities. These activities range from gunshots targeting pipeline equipment, IEDs placed on gas delivery equipment, and the damaging of facilities and equipment necessary for safe natural gas delivery. These activities are not only hazardous to the safety and property of the public and member company employees, they threaten an LDC's ability to deliver natural gas to thousands of homes, hospitals, schools,

government and military facilities, and other critical infrastructure customers. AGA supports increased criminal penalties on bad actors who intentionally damage, destroy or impair pipelines and pipeline facilities, including those under construction.

Hydrogen-Natural Gas Blending R&D Study (Section 20). Hydrogen is an emerging solution for achieving gas LDC energy storage and decarbonization goals. Natural gas projects in North America and worldwide demonstrate successful blending of hydrogen into the existing natural gas distribution network, or utilizing natural gas that has a naturally occurring higher hydrogen content. Hawai'i Gas has successfully utilized a natural gas hydrogen blend of 15% for decades and many systems overseas are operating at approximately a 20% blend. It is important to understand how companies operating natural gas distribution systems with a higher hydrogen content are operating these systems safely. As such, we suggest GAO conduct a review of natural gas distribution systems worldwide that utilize hydrogen-natural gas blending applications, or utilize gas with a higher hydrogen content, to identify processes, materials, and standards the operators have implemented to operate safely. The results of this study will help underpin the safety of ongoing domestic hydrogen R&D and blending operations.

Authorize a Pipeline Safety Voluntary Information-Sharing System (Section 24). Congress should authorize a Voluntary Information-sharing System (VIS) based on the recommendations of the public advisory committee formed pursuant to the 2016 pipeline safety reauthorization law. A VIS will engage multiple stakeholders (e.g., government, industry, and pipeline safety NGOs) to collect and share best practices and lessons learned, promote improved pipeline safety, and will importantly include sufficient legal and regulatory safe harbors for information sharing to guarantee industry participation. VIS will support industry's implementation of Pipeline Safety Management Systems by encouraging information sharing and facilitating understanding and management of pipeline safety risks.

4-Year Reauthorization for PHMSA's Pipeline Safety Program (Section 2). PHMSA's Pipeline Safety program was reauthorized most recently in the PIPES Act of 2016 and PIPES Act of 2020. With PHMSA's Pipeline Safety program expiring again in 2023, the frequency of reauthorization has been squeezed to just 3 years. This interval is inappropriate given the significant time it takes to conduct studies, publish reports, and move reauthorization priorities from legislation to Proposed Rulemaking, address comments, and develop and publish Final Rules. In acknowledgment of the time required to conduct studies, publish reports, and develop a feasible, reasonable, cost effective, and practical rulemaking (including stakeholder input), and in keeping with reauthorization intervals that preceded the PIPES Act of 2016 (1996, 2002, 2006, 2011), Congress should reauthorize PHMSA's Pipeline Safety program for not less than 4 years.

CONCLUSION

America's gas utilities' commitment to pipeline safety relies on sound engineering principles and best in class technology, a trained professional workforce, effective community relationships, and a strong partnership with state pipeline safety authorities and PHMSA. As pipeline safety reauthorization legislation is drafted this year, AGA encourages Congress to work in a bipartisan fashion to move reasonable and consensus changes to pipeline safety law and regulation, support PHMSA's primary role as pipeline safety regulator, and recognize the great strides in pipeline safety engineering and operating practices that pipeline companies are putting into practice across the country. Pipeline sector companies and their trade associations stand ready to assist in this process with real world operations, engineering and safety data and experience. Please use us as a resource.

Mr. NEHLS. Thank you.

Mr. Rorick, you are recognized for 5 minutes for your oral testimony.

TESTIMONY OF ROBIN RORICK, VICE PRESIDENT OF MIDSTREAM POLICY, AMERICAN PETROLEUM INSTITUTE

Mr. RORICK. Thank you, Chairman Nehls, Ranking Member Larsen, Ranking Member Wilson, and esteemed members of the subcommittee. Thank you for the opportunity to testify this morning.

I would like to start by offering my condolences on the loss of Ranking Member Payne. My thoughts are with his family.

My name is Robin Rorick, and I am the vice president of midstream policy at the American Petroleum Institute. On behalf of API, we appreciate the opportunity to testify as part of this important hearing addressing pipeline safety and the reauthorization of the Department of Transportation's Pipeline and Hazardous Materials Safety Administration.

Every day, our Nation's network of more than 500,000 miles of transmission pipelines transports the oil, natural gas, refined product, and low-carbon energy that fuel American life. America has led the world in reducing carbon dioxide emissions over the past two decades, even as our industry has made the United States the world's leading producer of oil and natural gas.

The air Americans breathe is cleaner because of innovative improvements to the way energy is produced, transported, refined, and consumed. But we need pragmatic, bipartisan energy policies that support the reasonable development of our Nation's oil and natural gas resources, including policymaking that encourages investment in critical energy infrastructure like pipelines.

Pipelines, one of the safest, most environmentally responsible ways to transport energy to consumers, are in every U.S. State, and our industry is committed to zero incident safety culture. Even as barrels delivered in pipeline mileage continues to increase, this strong safety record is improving. Over the last 5 years, total liquid pipeline incidents decreased 23 percent, with 87 fewer incidents in 2023 compared to 2019, while incidents impacting people or the environment decreased 7 percent. We welcome effective policymaking to continue to build upon this progress and further improve pipeline safety.

We applaud this committee's passage of a comprehensive bipartisan bill, the Promoting Innovation in Pipeline Efficiency and Safety, or PIPES, Act of 2023. The bill the committee passed in December of last year contains many important policy measures that API is confident will make our Nation's pipeline network safer and more reliable.

In particular, we are pleased the bill requires PHMSA to execute a more timely and frequent review process for industry standards that are incorporated by reference into PHMSA regulations. There are more than 650 references to API standards in Federal regulations. These standards are revised and improved every 5 years, at a minimum, through API's American National Standards Institute-accredited process, and regulators struggle to keep pace with the advances in pipeline safety, technology, and modern engineering practices that are regularly incorporated into these standards.

Today, approximately 50 percent of the instances where PHMSA cites API standards are out of date and do not reference the most recent edition. If passed, this bill would ensure that PHMSA is responsive to industry standards updates to maximize safety and ensure regulations keep pace with advances in engineering and technology.

The bill also directs the Secretary of Transportation to allow pipeline operators to establish storage tank inspection frequency on risk-based engineering principles, advances pipeline safety through the creation of a voluntary information-sharing system, strengthens protections for pipeline infrastructure by criminalizing activi-

ties that cause a defect in or disrupt operation of a pipeline, and encourages innovation and investment in a cleaner energy future by requiring PHMSA to promulgate rulemakings for CO2 pipelines, as well as the safe use of composite pipe materials.

The bill also recognizes the important conservation efforts that pipeline operators have embraced.

API believes this bill would make our Nation's pipelines safer and more reliable, but we know you share jurisdictions with other committees, and conversations on reauthorization are ongoing. We urge you to continue advocating for the provisions I have mentioned, but also to consider supporting language introduced by other committees that would reauthorize the technology pilot program and provide clarity as to what agency regulates in-plant piping at refineries.

As a final matter, our industry is actively engaged in the regulatory process to help PHMSA craft a workable final leak detection and repair rule, but we believe the initial proposal went beyond the scope of what Congress intended. We appreciated the letter Chairman Graves and Chairman Nehls sent to PHMSA last year, raising many similar concerns. And as we await the final rule, I urge you to continue to conduct oversight of this process. This rulemaking demonstrates the significance and impact of the reauthorization process, and we appreciate the opportunity to participate in the discussion of the bill on the table today.

In closing, let me stress that pipeline safety is not a partisan issue, and our industry needs effective legislation to meet the challenge of answering ever-growing energy demand while advancing safety and leading the world in emissions reductions. API appreciates the opportunity to engage in today's hearing and the committee's important work to advance a bipartisan pipeline safety bill.

Chairman Nehls, Ranking Member Larsen, Ranking Member Wilson, and members of the subcommittee, this concludes my prepared statement, and I look forward to the conversation that we are going to have today.

[Mr. Rorick's prepared statement follows:]

Prepared Statement of Robin Rorick, Vice President of Midstream Policy, American Petroleum Institute

INTRODUCTION

Chairman Graves, Chairman Nehls, Ranking Member Larsen and esteemed members of the Subcommittee, thank you for the opportunity to testify this morning. My name is Robin Rorick, and I am the Vice President of Midstream Policy at the American Petroleum Institute (API). On behalf of API[1], we appreciate the opportunity to submit testimony as part of this important hearing addressing pipeline

[1] API represents all segments of America's oil and natural gas industry, which supports more than 11 million U.S. jobs and is backed by a growing grassroots movement of millions of Americans. Our nearly 600 members produce, process, and distribute the majority of the nation's energy, and participate in the API Energy Excellence® program, which is accelerating environmental and safety progress by fostering new technologies and transparent reporting. API was formed in 1919 as a standards-setting organization and has developed more than 800 standards to enhance operational and environmental safety, efficiency, and sustainability. Through the API Climate Action Framework and related initiatives such as The Environmental Partnership, significant efforts are being conducted by the oil and natural gas industry to balance the increasing demand for affordable and reliable energy products with environmental performance and stewardship.

safety and the reauthorization of the U.S. Department of Transportation's Pipeline and Hazardous Materials Safety Administration (PHMSA).

Every day, our nation's network of more than 500,000 miles of transmission pipelines transports the energy products we rely on. The oil, natural gas, refined products and low carbon energy transported by pipelines fuel modern life. America has led the world in reducing carbon dioxide (CO2) emissions over the past two decades—even as our industry has made the United States the world's leading producer of oil and natural gas. The air Americans breathe is cleaner because of innovations to the way energy is produced, transported, refined and consumed. These improvements have driven significant declines in greenhouse gas (GHG) emissions and criteria air pollutants, including nitrogen dioxide, sulfur dioxide and particulate matter. We are also tackling the methane challenge head on. But we need pragmatic, bipartisan energy policies that support the responsible development of our nation's oil and natural gas resources, including policymaking that encourages investment in critical energy infrastructure like pipelines.

Fully harnessing American energy, including bringing the benefits of oil, natural gas and low carbon energy to all parts of the country, depends on new and existing infrastructure. Pipelines—one of the safest, most environmentally responsible ways to transport energy to consumers—are in every U.S. state, totaling roughly three million miles of largely underground gathering, transmission and distribution pipelines. Our industry is committed to achieving an operating standard of zero incidents through comprehensive safety management systems and robust safety programs, including the deployment of advanced inspection and leak detection technologies. Over the last five years, total liquids pipeline incidents decreased 23%, with 87 fewer incidents in 2023 compared to 2019, and liquids pipeline incidents impacting people or the environment decreased seven percent. Operations and maintenance incidents impacting people or the environment declined 54% between 2019 and 2023. Total equipment failure incidents impacting people or the environment decreased 50% between 2019 and 2023. These safety improvements come as our country has built more pipelines and moved more energy resources, with liquids pipeline mileage and barrels delivered both increasing five percent since 2018.[2] As our industry continues to work with federal, state and local policymakers and regulators to protect the environment and communities where we live and work, we welcome effective and efficient policymaking to help continuously improve pipeline safety while unleashing the power of America's oil and natural gas.

API Applauds the Bipartisan PIPES Act of 2023

As Congress considers the reauthorization of PHMSA and pipeline safety programs over the coming year, we encourage policymakers to enact legislation that maximizes our industry's investments in people and technology to effectively advance pipeline safety. To that end, we applaud this Committee's passage of a comprehensive, bipartisan bill, the Promoting Innovation in Pipeline Efficiency and Safety (PIPES) Act of 2023.The bill the Committee passed in December of last year contains many important policy measures that API is confident will make our nation's pipeline network safer and more reliable.

Importantly, the bill requires PHMSA to execute a more timely and frequent review process for industry standards that are incorporated by reference into PHMSA regulations. Since 1924, API has been the leader in developing voluntary, consensus-based, internationally recognized standards covering all segments of the oil and natural gas industry. Our standards are the most widely cited petroleum industry standards by state regulators, with 240 API standards cited over 3,800 times in state-based regulations. There are more than 650 references to API standards in federal regulations.[3] These standards are revised and improved every five years at a minimum through API's American National Standards Institute-accredited process, and regulators struggle to keep pace with the advances in pipeline safety technology and modern engineering practices that are regularly incorporated into these standards. Today, approximately 50% of the instances where PHMSA cites API standards are out of date and do not reference the most recent edition. Thus, critical regulations do not reflect advances in safety, technology and engineering, and pipeline operators must comply with the often-antiquated practices referenced in federal regulations. If passed, this bill would ensure that PHMSA is responsive to industry

[2] 2023–2025 Pipeline Excellence Strategic Plan & 2022 Performance Report, 2023, https://www.api.org/-/media/APIWebsite/oil-and-natural-gas/primers/API__Pipeline__Report-NRS-Spreads.pdf

[3] OGP Report No. 426, Regulators' Use of Standards, March 2010

standards updates to maximize safety and ensure regulations keep pace with advances in engineering and technology.

The bill also directs the Secretary of Transportation to allow pipeline operators to establish storage tank inspection frequency on risk-based engineering principles. Current regulations cite outdated practices and industry standards, requiring internal inspections to be conducted more often than may be necessary to maintain them safely. This unnecessarily puts workers in harm's way, generates undesirable emissions, requires operators to take tanks out of service and fails to reflect current industry leading approaches. Directing PHMSA to update its regulations concerning tank inspections will maintain the current level of safety while minimizing safety risks for workers and environmental impacts.

The legislation will also help improve pipeline safety through the creation of a voluntary information-sharing system operators can use to gather incident data and share lessons learned in a confidential environment. We appreciate the information protections established in the bill, which are critical to encourage operator participation, so the voluntary system can function as Congress intends. The Act also strengthens protections for pipeline infrastructure by criminalizing activities that cause a defect in or disrupt operation of a pipeline. Finally, the bill encourages innovation and investment in a cleaner energy future by requiring PHMSA to promulgate a rulemaking within one year of enactment on pipeline transportation of carbon dioxide, which is critical to our energy future, and directing PHMSA to complete a study and rulemaking on the safe use of composite pipe materials. The unique properties of composite pipeline materials could be useful for retrofitting existing systems for conversion of service from transporting hydrocarbons to new fuels as well as to support the buildout of new infrastructure, but PHMSA must allow for broader acceptance and application without requiring use of the special permit program. We commend the Committee for taking these critical steps.

In addition to these important pipeline safety policy measures, API appreciates the Committee's recognition of the important conservation efforts that pipeline operators have embraced. Many API members are using non-traditional methods, such as conservation and habitat management programs, to support pollinators and native species while maintaining their pipeline rights of way. Clarifying in statute that these alternative approaches to maintaining pipeline rights of way are safe and encouraged could lead to broader adoption.

Proposals to Further Improve Safety and Reliability

This legislation is a strong starting point, but we also encourage members of this Committee to consider supporting additional provisions as you work towards final passage of a bill. In particular, we would like to note two provisions that are included in other pipeline safety legislation passed by your counterparts at the Energy and Commerce Committee, which we believe will complement your draft bill and work to improve pipeline safety.

API encourages this Committee to consider supporting language clarifying who has jurisdiction over short segments of pipe within gas processing and refining facilities, also known as "in-plant" piping. These pipelines are operated by plant personnel, run between facility buildings and are less than one mile in length. Liquid in-plant piping is regulated by the Occupational Safety and Health Administration (OSHA) through its Process Safety Management program as directed by Congress in statute. However, Congress failed to provide similar clear instructions when it comes to gas in-plant piping. Historically, PHMSA has deferred to OSHA as the primary regulator given its expertise on the liquid side, but the lack of statutory clarity has created a vacuum that certain regional PHMSA offices have tried to exploit to expand their jurisdiction. This regulatory grey area has led to confusion among pipeline operators who need certainty when it comes to what standards apply and what inspection schedule to follow. We recommend the Committee create an exemption for gas processing facilities that mirrors the one for liquid pipelines to provide operators with regulatory certainty and consistency while still ensuring safety.

API also urges this Committee to support efforts to reauthorize PHMSA's technology pilot program, which was created by the PIPES Act of 2020. The program was intended to give operators a chance to demonstrate and apply proven technologies and engineering practices through a time limited process distinct from the special permit program. Unfortunately, no operators have applied since the program was created because PHMSA imposed numerous application requirements that made the process too burdensome to warrant participation. Reauthorizing the program with clarifying language to ensure it is run as Congress intended and gives operators the opportunity to prove the use case for new technologies could produce significant safety benefits by proving out new technologies for broader use.

As the Committee works with other authorizers towards a final bill, we encourage you to support inclusion of these important provisions that would complement your bill.

Related Critical Pipeline Safety Issues

As Congress considers legislation to reauthorize PHMSA, we urge this Committee to conduct diligent oversight of the agency's efforts to issue new regulations related to leak detection and repair (LDAR). In particular, ensuring PHMSA conducts a thorough analysis of the costs and benefits of its regulations is critical to sound policymaking. While API supports PHMSA's goal of addressing methane emissions—our industry is constantly innovating and investing in new technologies to prevent leaks and reduce our emissions—we believe the current proposed rule was written such that the benefits in certain instances do not justify the costs. Our industry is actively engaged in the regulatory process to help PHMSA craft a workable final LDAR rule that is more effective and efficient by considering the latest technology and management systems to reduce emissions. However, as written, there are significant hurdles that must be overcome to reach that result.

This rulemaking is a direct result of the Protecting Our Infrastructure of Pipelines and Enhancing Safety (PIPES) Act, a pipeline safety bill Congress passed in 2020. Unfortunately, PHMSA chose to go beyond the scope of what Congress originally intended by extending the application of LDAR requirements to gas gathering lines in Class 1 locations and liquefied natural gas (LNG) facilities, setting the leak detection threshold so low as to risk being triggered by emission sources unrelated to the pipeline system.

PHMSA's attempt to expand their proposed LDAR rule to include gathering lines illustrates the importance of PHMSA conducting accurate cost-benefit analyses. In the rulemaking process, PHMSA relied on a flawed cost-benefit analysis that failed to include significant compliance costs that would be imposed on the industry resulting in a highly inaccurate justification for the proposed rule. If enacted, these regulations would result in limited emissions reductions in comparison to the billions of dollars in compliance costs on the gathering line industry, costs disproportionately borne by small companies that operate some of the lowest risk pipelines in the U.S.

API supports the agency's desire to make gathering lines safer, but PHMSA should be obligated to consider more practical alternatives that would still achieve the stated pipeline safety objectives and would remain true to Congressional intent. Section 113 of the PIPES Act of 2020, which directed PHMSA to issue an LDAR rule, does not apply to Type C gathering lines in Class 1 locations. These gathering lines only recently became subject to the basic leak survey and repair requirements in Part 192. API remains committed to maintaining gathering line safety through a risk-based approach, but we believe the decision to include gathering lines in the LDAR rule was premature and goes beyond the scope of what Congress directed the agency to do in the PIPES Act of 2020. In addition to failing to consider all the rule's costs, PHMSA failed to demonstrate any benefits that could justify some portions of the rule. PHMSA has not offered a legitimate safety or environmental rationale for establishing a highly conservative and overly burdensome leak detection threshold that could potentially be triggered by non-pipeline, human-caused sources of emissions. This dovetails with PHMSA's decision to conflate all leaks with hazardous leaks. The proposed leak detection standards impose a detectability threshold far more conservative than comparable EPA requirements under the New Sources Performance Standards, prohibit the use of many proven technologies and do not advance safety or environmental protection.[4]

PHMSA' s current efforts to promulgate an LDAR rule provide multiple lessons for its authorizing Committees to consider as work continues on a reauthorization bill. PHMSA has held two meetings of its Gas Pipeline Advisory Committee to discuss this important rule, but industry has seen little indication that the final rule will take into account the feedback that API and other stakeholders provided to make the final rule more aligned with the agency's statutory mandate. It is vital that Congress offers as much clarity as possible for PHMSA when directing them to issue regulations to ensure that the final outcomes are achievable and implementable. In addition, PHMSA must continue to be held accountable for complying with the cost-benefit requirements included in the risk assessment provision

[4] As explained in the comments submitted by API and other industry stakeholders, PHMSA's preliminary risk assessment for the LDAR rule contains many of the same defects that led to the invalidation of the rupture-mitigation valve requirements for gathering lines in *GPA Midstream Ass'n* v. *United States Dep't of Transp.*, 67 F.4th 1188 (D.C. Cir. 2023).

of the Pipeline Safety Act to ensure the agency's rulemakings are implementable and achieve the intended improvements in safety.

With the LDAR example in mind, API urges the Committee to pay close attention to the agency's CO2 pipeline safety proposal, which is currently under review at the Office of Management and Budget. Your bill includes important guidance and guard rails for the contents of such a rule, but it appears likely that PHMSA will publish an NPRM prior to passage of the bill.

Currently, there are more than 5,000 miles of CO2 pipeline nationwide, transporting approximately 80 million metric tons of CO2 each year. Industry has been operating CO2 pipelines safely for more than four decades, with no fatalities associated with a CO2 pipeline incident. This safety record is possible because of the comprehensive existing regulatory framework for CO2 pipelines. 49 CFR Part 195 regulates the design and construction, operation and maintenance, and corrosion prevention and mitigation of supercritical CO2 pipelines. In addition to these regulations, there are many existing industry standards and response guidance documents that can be applied by CO2 pipeline operators. Last year, API and the Liquid Energy Pipeline Association, with input from the National Association of State Fire Marshals, published an emergency response guide for first responders. Research and standards development are ongoing as industry looks to build out CO2 pipeline infrastructure to help reach climate goals.

Given CO2 pipelines' safety record and the robust existing body of regulations and best practices, API recommends that this new rulemaking focus on expanding the existing regulatory program to encompass gas phase transportation of CO2 as well as supercritical. PHMSA should also ensure that the rule is technically feasible, risk based and scalable to reflect the diverse range of CO2 pipeline projects and applications that operators are considering.

Carbon capture and sequestration will play a critical role in reducing emissions and meeting climate goals. Pipelines to transport captured CO2 will be integral, and PHMSA's rulemaking should support rather than hinder the buildout of additional infrastructure. API will provide comments and engage in the rulemaking process, and we urge PHMSA's authorizing committees to engage in this process as well to ensure the rule is fit for purpose and aligns with policymakers' goals.

SAFELY MAINTAINING AMERICA'S ENERGY LEADERSHIP

The United States is now the largest producer of oil and natural gas, which are critical energy resources here at home as well as for our allies abroad. And we continue to lead the world in reducing emissions.

These advances come not from government intervention but through industry innovation and investment. For America to seize upon this moment of energy leadership with its abundant natural resources, Congress must enact pipeline safety policy that is fit-for-purpose and based on sound science and engineering principles. Pipelines are an essential cog in the energy supply chain. They have enabled our country's record-breaking energy production by transporting oil, refined products, low carbon energy sources and natural gas in one of the safest and most environmentally friendly modes possible. While the industry is proud of its safety record, it remains committed to continual safety improvements as it strives to meet the shared goal of zero incidents.

Pipeline safety is not a partisan issue, and API is eager to partner with legislators and regulators at both the state and federal levels to ensure pipelines are regulated effectively and operated safely. Importantly, though, any regulations must be balanced to ensure that the industry can achieve these objectives while continuing to bring affordable, reliable energy to American families and businesses to meet growing energy demand, support our domestic economy and provide good-paying jobs. Only with effective legislation like the Promoting Innovation in Pipeline Efficiency and Safety Act of 2023 can our industry meet the dual challenge of answering ever-growing energy demand while leading the world in emissions reductions.

Mr. Chairman, Mr. Ranking Member and distinguished members of the Subcommittee, this concludes my prepared statement. I look forward to the continued bipartisan efforts to address critical issues of pipeline safety that I have outlined today, and I would be happy to answer any questions you may have at this time.

Mr. NEHLS. Thank you.

Mr. Caram, you are recognized for 5 minutes for your testimony.

TESTIMONY OF AND BILL CARAM, EXECUTIVE DIRECTOR, PIPELINE SAFETY TRUST

Mr. CARAM. Thank you, Chairman Nehls, Ranking Member Wilson, Ranking Member Larsen, and members of the subcommittee, for inviting me to speak today.

I also want to take a moment to acknowledge the passing of Ranking Member Payne. Representative Payne was a great leader with whom I feel lucky to have worked. He will be missed, and my heart goes out to his family, friends, and colleagues.

My organization was formed after the Olympic pipeline tragedy stole the lives of three boys in Bellingham, Washington, in 1999. The U.S. Justice Department was so aghast at the negligence of the pipeline company and the lack of oversight from the Government that they asked the courts to set aside money from the settlement to create the Pipeline Safety Trust as an independent national watchdog. Our vision is for no other community to endure the senseless grief that Bellingham had to experience from a pipeline tragedy, though sadly, there have been many pipeline tragedies and disasters since Bellingham.

Since this subcommittee held its last pipeline safety hearing about 14 months ago, 24 people have died from pipeline failures in the United States. In fact, 2023 was the deadliest year for pipeline safety in America in at least a decade. I stated before this subcommittee that we were not making progress on pipeline safety, and I repeat that statement today. Total fatalities, total incidents, and significant incidents show a statistically flat trend line with no real progress. I would like to share a few stories of recent pipeline failures that highlight some of the roadblocks towards safer pipelines.

In Bellingham, Washington, we are planning, along with the families of the three boys who died in the Olympic pipeline tragedy almost exactly 25 years ago, a commemoration of that horrendous day. Just a few months ago, amid this planning, the pipeline failed again, this time spilling 25,000 gallons of gasoline just 500 feet from an elementary school. Thank goodness it wasn't during school hours and didn't ignite. The failure was likely due to corrosion, which an effective integrity management program should eliminate.

Over the past 20 years, regulators and industry have focused on reducing failures through integrity management in high-consequence areas. The theory is sound: focus efforts where the most harm to people and the environment could occur by identifying all potential risks in those areas, and mitigate those risks. Unfortunately, integrity management programs do not seem to have lived up to their promise. Incident rates within high-consequence areas are as high or higher than those outside HCAs.

Just last month, the same carbon dioxide pipeline that ruptured in Satartia, Mississippi, and sent nearly 50 people to the hospital in 2020 failed again, this time in Sulphur, Louisiana. Luckily, this happened when residents who live less than 500 feet from the failure were not home, or this could have been another tragic story. It took Denbury, now owned by ExxonMobil, more than 2 hours to arrive and close the manual valves, which is entirely too long.

Beyond the regulatory shortfalls of carbon dioxide pipelines, which I included in my previous testimony, this incident raises another important pipeline safety priority: rupture mitigation valves and the ability to promptly close valves. The NTSB began calling for rupture mitigation valves in 1970, continuing with a formal recommendation after the fatal PG&E pipeline tragedy in San Bruno, California, in 2010, and that recommendation remains open today because PHMSA is unable to require existing pipelines to upgrade their equipment due to congressional limitations.

Congress needs to require operators to install these valves in high-consequence areas. There have been many pipeline failures turned to tragedies by an operator's inability to close valves promptly.

And just weeks after last year's hearing on pipeline safety before this subcommittee, a pipeline explosion at a chocolate factory in West Reading, Pennsylvania, killed 7 people, hospitalized 11. According to a preliminary report by the NTSB, the point of failure was likely a service tee made from DuPont Aldyl A plastic. The NTSB published a report highlighting problems with Aldyl A plastic service tees in 1988. PHMSA listed these problematic components in a voluntary advisory bulletin in 2007. At what point do we go beyond voluntary recommendations and make it explicitly illegal for this material to be part of our Nation's pipelines?

The common theme among the pipeline disasters I have shared today is Congress and the regulators leaving too much up to voluntary or performance-based efforts. It is important to offer flexibility to enable industry leaders to make new advancements. However, the regulations also need to ensure that the entire industry is operating safe pipelines.

Please remember the 24 people who have died from pipeline failures since the last time I testified before this subcommittee 14 months ago, and think of the empty seats at their family dinner tables. I can tell you from working with the families in Bellingham who lost their sons in 1999, the pain never goes away. Thank you.

[Mr. Caram's prepared statement follows:]

Prepared Statement of Bill Caram, Executive Director, Pipeline Safety Trust

Good morning, Subcommittee Chair Nehls, Committee Chair Graves, Committee Ranking Member Larsen, and members of the Subcommittee. Thank you for inviting me to speak today on the vital subject of pipeline safety. My name is Bill Caram, and I am the Executive Director of the Pipeline Safety Trust.

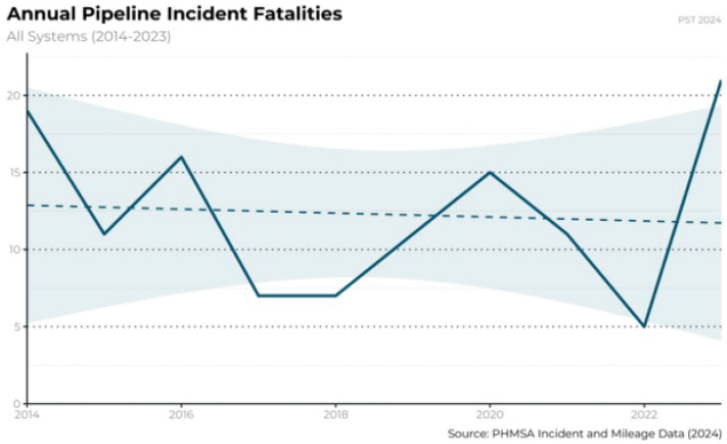
I want to take a moment to acknowledge the passing of Ranking Member Payne. Representative Payne was a great leader with whom I feel lucky to have worked. He will be missed, and my heart goes out to his family, friends, and colleagues.

The Pipeline Safety Trust was created after the Olympic Pipe Line tragedy in Bellingham, Washington in 1999. That entirely preventable failure spilled nearly a quarter-million gallons of gasoline into a beautiful salmon stream in the heart of our community which eventually ignited and killed three boys. The U.S. Justice Department was so appalled at the operations of the pipeline company and equally appalled at the lax oversight from the federal government, that they asked the federal courts to set aside money from the settlement to create the Pipeline Safety Trust as an independent national watchdog organization over the pipeline industry and its regulators.

We work to ensure that no other community must endure the senseless grief that Bellingham has had to experience from a pipeline tragedy. Sadly, there have been

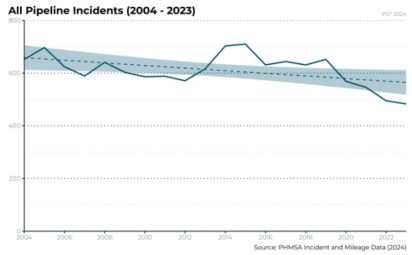
many senseless pipeline tragedies and disasters since Bellingham. I am here today, hoping that we can continue to work together to help move towards our shared goal of zero incidents.

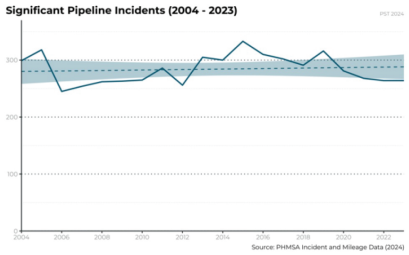
Since this subcommittee held its last pipeline safety hearing, about 14 months ago on March 8, 2023, at least 23 people have died from pipeline failures in the United States. In fact, 2023 was the deadliest year for pipeline safety in America in 20 years. I stated before this subcommittee 14 months ago that we were not making progress on pipeline safety, and I repeat that statement today.



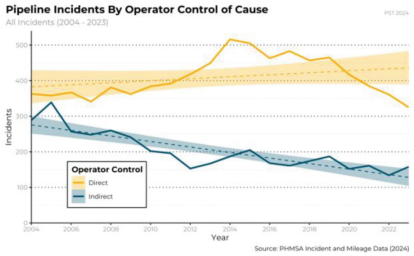
While everyone on today's panel supports the goal of zero incidents, unfortunately, we have a long way to go. Total fatalities for all systems show a mostly flat trend line going down very slightly. Total incidents for all pipeline systems also show a trend line going down very slightly—a basically flat line with no real progress over the past thirteen years.

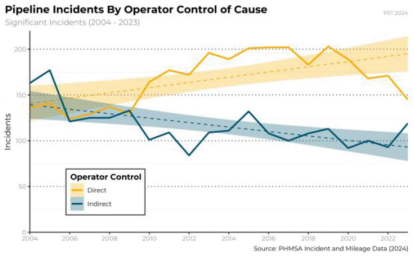
Filtering for only those incidents deemed "significant" by PHMSA, we see a trend that is slightly increasing. For all the progress the industry touts on technological advancements and safety management systems, we are not moving towards our target of zero incidents.





Also of concern is the fact that approximately two-thirds of all incidents and significant incidents are from causes that are under the operator's direct control such as corrosion, incorrect operations, equipment failures, and problems with materials, welds, and equipment.





I'd like to share a few stories of recent pipeline failures, each of which occurred after the last Subcommittee hearing on pipeline safety March 8, 2023, that highlight some of the roadblocks toward safer pipelines.

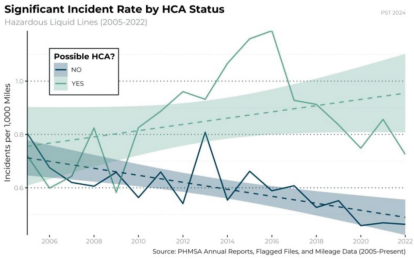
OLYMPIC PIPELINE SPILL IN CONWAY, WA

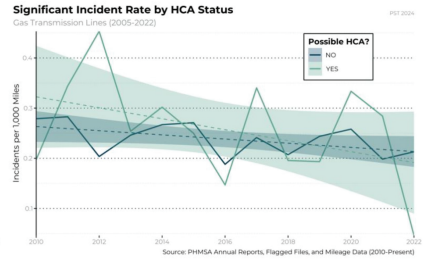
A failure of Integrity Management

In my town of Bellingham, WA, the community, along with the families of the three boys who died in the Olympic pipeline tragedy 25 years ago, are planning a remembrance of that horrendous day—June 10th, 1999. And just a few months ago, the pipeline failed again, this time spilling 25,000 gallons of gasoline, just 500 feet from an elementary school and into a tributary of a critical salmon river. Thank goodness it wasn't during school hours and didn't ignite. This failure was likely due to corrosion, a cause that an effective integrity management program is supposed to eliminate.

Over the past twenty years, regulators and industry have focused on reducing pipeline incidents through Integrity Management (IM) in High Consequence Areas (HCAs). The theory behind Integrity Management programs makes perfect sense—focus efforts in those areas where the most harm to people and the environment could occur, identify all potential risks in those areas, put into place programs to test for and mitigate those risks, and implement a continuous improvement program to drive down the number of failures.

Unfortunately, for both hazardous liquid and gas transmission pipelines these Integrity Management programs do not seem to have lived up to their promise. Incident rates within High Consequence Areas as compared to outside HCAs continue to climb in the case of hazardous liquid pipelines and generally do no better with regards to gas transmission pipelines. However, it's important to note that 2023 was a very strong year for gas transmission pipeline safety in HCAs and we hope this is the start of a string trend. However, one year does not yet make a trend. These two graphs, generated from PHMSA's Integrity Management Data, demonstrate our concern with current IM programs. Some in the industry argue that older, prescriptive class location rules can now be relaxed because of the implementation of Integrity Management, but as the graphs show: It is too early to go to a performance-based Integrity Management system until the industry can prove that Integrity Management works as it should over a meaningful length of time.





DENBURY/EXXONMOBIL CARBON DIOXIDE PIPELINE IN SULPHUR, LA

Require prompt closure of valves

Just last month, the same carbon dioxide pipeline that ruptured and sent nearly 50 people from the town of Satartia, MS to the hospital in 2020 failed again. This

time, in Sulphur, LA. Luckily, this happened during the day and the residents who live less then 500 feet from the failure site were not home or this could have been another tragic story. According to initial reports Denbury was unaware of the failure. It was the residents in the area who discovered the plume. It took Denbury, now owned by ExxonMobil, more than two hours to arrive on site and close the manual valves, which is entirely too long. A shelter-in-place order was largely communicated via Facebook. We hoped that Satartia would be a wake-up call for Denbury, but initial reports from Sulphur show many operational shortcomings have not yet been addressed to ensure the safety of those who live around its pipelines.

Beyond the regulatory shortfalls of carbon dioxide pipelines which I included in my previous testimony, this incident raises another important pipeline safety priority—Rupture Mitigation Valves (RMVs) and an operator's responsibility to promptly close valves and shut in a pipeline in and near High Consequence Areas (HCAs). The NTSB began calling for rupture mitigation valves in 1970.[1] It continued with a formal recommendation[2] after the investigation into the fatal PG&E pipeline tragedy in San Bruno, CA in 2010. That recommendation remains open[3] because PHMSA is unable to require existing pipelines to upgrade their equipment due to Congressional limitations. There have been countless pipeline tragedies and disasters made worse by an operators' inability to close valves and shut-in the pipeline quickly. While PHMSA now requires new and replaced pipelines to have RMVs, it is the existing, aging pipelines that need this safety technology the most.

A recent National Academies of Sciences, Engineering, and Medicine (National Academies) report recommended PHMSA leave the decision up to operators' Integrity Management (IM) programs. With due respect for the National Academies Committee and its process and rigor, I believe this gives the effectiveness of IM programs too much credit and it's time to set a definitive standard. The National Academies report points out many of the shortcomings of IM under the current regulatory regime yet does not convince me that the suggested improvements would lead to better results with regard to RMVs. I believe the best path forward towards safety involves requiring operators to install RMVs in and near HCAs. In cases where that might not be practical, establishing a minimum requirement that the operator demonstrate the ability to close valves within 30 minutes of a failure. Looking back at some of the worst pipeline tragedies and disasters in recent history, this safety standard would have gone a long way in mitigating the loss and damage suffered.

UGI Utilities Factory Explosion in West Reading, PA

Ban problematic materials

Just weeks after last year's hearing on pipeline safety before this subcommittee, an explosion at a chocolate factory in West Reading, Pennsylvania killed seven people, injured 11 people, displaced three families, destroyed one building, caused significant structural damage to several others, and forced the evacuation of many people. According to a preliminary report by the NTSB, the cause of the explosion was a leak from a natural gas pipeline distribution system. The point of failure was likely a service tee made from Dupont Aldyl A plastic. This pipe material has been known to be susceptible to failure for decades.

In 1988, the NTSB published a special investigative report on "Brittle-Like Cracking in Plastic Pipe for Gas Service,"[4] which included information pertaining to Aldyl A and other polyethylene pipe. The Pipeline and Hazardous Materials Safety Administration (PHMSA) added Aldyl A service tees to a list of pipe materials with "poor performance histories relative to brittle-like cracking" in a voluntary advisory bulletin on September 6, 2007. Pipeline industry-developed standards also call attention to the integrity problems with this particular type of service tee, though these standards are also voluntary. A recent PHMSA Notice of Proposed Rulemaking would specifically add Aldyl A pipe to distribution pipeline operator's integrity management programs, asking operators to consider the risk of the presence of this material in their system. At what point do we go beyond recommending operators remove problematic materials from their systems and make it explicitly illegal for this material to be part of our nation's pipelines? Please remember that there are 7 dinner tables have had an empty seat since that day. And that's just one of the 24 serious pipeline failures that led to fatalities or serious injuries last year.

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[1] https://www.ntsb.gov/safety/safety-studies/Documents/PSS7101.pdf
[2] https://www.ntsb.gov/investigations/accidentreports/reports/par1101.pdf
[3] https://www.phmsa.dot.gov/phmsa-ntsb-recommendations/phmsa-ntsb-recommendations
[4] https://www.ntsb.gov/safety/safety-studies/Documents/SIR9801.pdf

The common themes among the pipeline disasters I've shared today are Congress and the regulators leaving too much up to voluntary or performance-based efforts from the industry. It's great to offer flexibility for industry leaders to demonstrate how to accomplish pipeline safety and make new advancements. However, the regulations also need to ensure that the industry's laggards are also operating safe pipelines.

Please, remember the 23 people who have died from pipeline failures since the last time I testified before this subcommittee 14 months ago. I can tell you, from working with the families in Bellingham who lost their sons in 1999, the pain never goes away.

Mr. NEHLS. Thank you. I would like to thank you all for your testimony. We will now turn to the panel for questions. I will recognize myself for 5 minutes.

Last December, this committee passed the PIPES Act of 2023 on a bipartisan basis, which provides PHMSA with a 4-year authorization and congressional direction for Federal pipeline safety policy. Unfortunately, while we continue to work to advance this legislation, the authorization for PHMSA expired in September of 2023.

Can you each briefly describe the effects of a lack of authorization, and what benefits does reauthorization provide?

And I will start with you, Deputy Administrator Brown, and then we will go down the panel.

Mr. BROWN. I will be real brief, just to make sure you get to everybody. There are no direct effects. But obviously, having the requisite resources to oversee the additional product moving that we oversee and the direction that we get every few years of what is most important to this body, this subcommittee, and the larger Chamber and body of Congress is very important to our work.

Mr. NEHLS. Ms. Sames?

Ms. SAMES. Thank you. In my opinion, not putting forward reauthorization actually limits PHMSA in some regards. They are in a holding pattern, waiting to see what occurs with legislation, and I believe are a little hesitant to move certain things forward until they get the full direction of Congress.

There are some great things in reauthorization, at least that this committee proposed, that I truly believe will improve pipeline safety, especially in regards to excavation damage prevention and additional grant funding that will incentivize States to enact leading practices.

I think, with the change of direction, PHMSA can continue its great role of moving pipeline safety forward. We are hoping it comes soon.

Mr. NEHLS. Thank you.

Mr. Rorick?

Mr. RORICK. Similarly, we hear from our members regularly that certainty is absolutely critical so that they can make the investments that they need and then operate their businesses. Having regular reauthorizations and making sure that PHMSA fulfills the obligations from past authorizations provides that level of certainty so that our companies know where to invest, what kind of technologies to invest in, what kind of practices to invest in.

So, providing that certainty and that clarity is critical to ensuring that we have the reliability and efficiency that customers expect from us.

Mr. NEHLS. Thank you.

Mr. Caram?

Mr. CARAM. Well, prompt reauthorization of the agency is, of course, important. I think what is more important is the safety advancements that are made in that legislation, more than the promptness of the reauthorization.

Mr. NEHLS. I think it is fantastic. The House did their will. I mean, we had a bipartisan bill that has been sitting on Chuck Schumer's desk for months, and he has done nothing with it, and I don't know when he is going to do anything, if anything at all. They seem to be very dysfunctional over there.

So, I would probably—I would like to ask—excuse me—where is my—Ms. Sames, we talked a little bit about the PIPES Act of 2023, and you mentioned it a little bit about the—reduce the excavation damage incidents. Talk about that. What is the impact of excavation damage incidents on the gas distribution systems?

Ms. SAMES. It is the leading cause of our incidents. Well, that and vehicles hitting pipelines, if you look at the statistics. And unfortunately, excavation damage, it is going in the wrong direction.

Mr. NEHLS. Yes.

Ms. SAMES. So, if I look at, like, the 20-year trend for serious incidents: 20-year trend, we were at 24.6 percent of all incidents being excavation damage. If I jump to the 3-year trend, it goes up to 28 percent. If I go to significant incidents, the 20-year trend is 33.6 percent. If I jump to 3 years, it is now 42.4 percent.

So, for the distribution industry, our focus is really on how do we reduce these excavation incidents. I believe PHMSA has done a great job with helping to create the Common Ground Alliance, and implementing 811 Call Before You Dig, and providing grants, but it is not enough.

So, we really need some additional incentives for States to adopt leading practices. And then honestly, we need really good enforcement at the State level for those that aren't—where it is cheaper for them to hit the pipeline instead of calling before digging.

Mr. NEHLS. And I agree with you, and I think the PIPES Act of 2023 addresses some of those issues.

Thank you, I yield back. I now recognize the ranking member for 5 minutes for questions.

Ms. WILSON OF FLORIDA. Thank you.

Mr. Caram, do you think that pipeline operators are doing a good job of supporting the communities where there are accidents and incidents?

Mr. CARAM. No operator wants their pipeline to fail, and so, nothing is intentional. But I think, when we look at the long-term trends, as I mentioned in my opening remarks, on fatalities, on total incidents, on significant incidents, and the fact that those trend lines are statistically flat, I don't think that we are making sufficient progress in keeping our communities safe.

Ms. WILSON OF FLORIDA. Do you know how they engage with schools and other members of the public?

Mr. CARAM. Yes. There is—I think public engagement has been an area where the industry, the regulators have all fallen a bit short. But there has been progress made recently. There has been a new recommended practice on public engagement that was put together by a working group under API. And it has just recently

been adopted, and it outlines some great best practices for operators to share information in how to engage with the people around the pipeline, with schools, and everyone affected by the pipelines.

I hope that operators will incorporate that, and that we will see an improvement in public engagement. But right now, I think we are seeing a lot of poor public engagement across the country.

Ms. WILSON OF FLORIDA. OK. The National Transportation Safety Board identified that at the tragic UGI pipeline explosion in West Reading, Pennsylvania, there was an older service tee erroneously still in use made from a material, Aldyl A, that PHMSA identified in 2007 as having a poor performance history. Is this PHMSA's way of saying that pipeline operators should get rid of pipelines with that material?

Mr. CARAM. Yes, yes, but it is a voluntary advisory bulletin, and it was also recently incorporated into a proposed rule on distribution systems to look at Aldyl A's service tees in the DIMP program, in the Distribution Integrity Management.

But again, that is performance-based and leaving it up to operators, so, there has been a lot of encouragement to find all of the Aldyl A in systems and the service tees and remove them, but it has not been mandatory.

Ms. WILSON OF FLORIDA. Do you know what operators said they would do about using this material, and what have they done about it?

Mr. CARAM. I think operators have been looking for it. This product was installed in pipelines many decades ago, and recordkeeping may not have been what it is required to be now. And so, there is a challenge in finding every instance of this service tee in a system. But I believe it is the operator's responsibility to find it and remove it.

Ms. WILSON OF FLORIDA. Thank you.

Mr. Brown, Mr. Caram outlined the devastating personal impact to the loss of life from pipeline incidents and accidents. What is the economic impact to communities where there are pipeline accidents and incidents?

I am particularly thinking of West Reading, where the chocolate factory was one of the town's largest employers. That loss will have a severe long-term economic impact to the community. What is the economic impact?

Mr. BROWN. Well, I know everybody here has seen the tragedy that can occur like the one that you referenced, and the impacts can be myriad. Of course, first and foremost, is the impact on families and loved ones and community members.

I was just in Jackson, Mississippi, with Congressman Thompson and meeting with the community there that was affected by a tragic fatality. There is a lot of concern, and people wonder if their systems are safe. Businesses can lose access to energy supplies. The impacts are myriad.

So, I applaud the committee's work in trying to identify those impacts. Certainly, when we see a loss of a system that people rely on for energy, there are many direct and indirect impacts.

Ms. WILSON OF FLORIDA. Thank you.

I yield back.

Mr. NEHLS. The gentlelady yields. I now recognize my colleague from the great State of Texas, Mr. Babin, for 5 minutes.

Dr. BABIN. Thank you very much, Mr. Chairman, and I want to thank the witnesses for being here.

Deputy Administrator Brown, PHMSA is far behind schedule in completing the idle pipeline rulemaking which, as you know, is required by Congress to be promulgated by the end of December of 2022. PHMSA should not continue to regulate idle and fully active pipelines the same. Idle pipes do not carry hazardous materials, as you know, and they are disconnected from sources that allow for transporting hazardous materials. So, the regulations should be appropriately tailored to reflect the reduced risk of incident. Regulating idle pipelines the same as active pipelines means that PHMSA is directing precious and limited resources here, when the funds could be much better used implementing other regulations.

So, you joined us, Administrator Brown, for a hearing on reauthorization last year. And in your responses to questions for the record, you indicated that PHMSA intends to issue a proposed rule in the first quarter of this year. This has come and gone. I ask you, why has PHMSA still not completed this rule?

Is there an updated timeline for completion that you might be able to share with us?

Mr. BROWN. Yes.

Dr. BABIN. Briefly.

Mr. BROWN. At the committee's direction and the Congress' direction, we update on a monthly basis all of our rulemakings from the 2020 PIPES Act. I believe that one is slated for later this year.

I will be perfectly honest with you, though. We have got—you gave us 36 mandates in the last reauthorization bill. That is compared to 19 mandates in the previous reauthorization bill. So, we had almost double the number of directives from you. And so, we continue to triage the directives with the highest safety impact to reduce safety risk to the American people first. And so, that one is on the list of priorities, it is just lower than the high-risk rulings that we are working through.

Dr. BABIN. Mr. Rorick, would you elaborate on the impact that the idle pipe rule will have on our industry and is having on our industry?

Mr. RORICK. Yes, sir, and we have been very vocal as an association, and you have heard quite a bit from our industry, I am sure, Representative Babin, about the challenges associated with permitting for new pipelines, even doing some work on existing pipelines. Those permitting challenges are not going away.

This—being able to—right now there are two categories, as you pointed out, active and abandoned pipe, and that abandoned pipe has to be pulled out. Getting this classification for idle pipe would allow companies to leave the pipe in the ground so that they can come back and use it together.

From a safety perspective, they purge the line, they clean it, they fill it with inert gas so that it rests there harmless. And it is monitored, but it doesn't take the same required resources that you pointed out earlier.

But if we are going to continue to operate this infrastructure in this country without building more, then we are going to need all the pipe that we have gotten.

Dr. BABIN. Amen. Thank you.

One more question for you, Mr. Brown. In the 2020 PIPES Act, Congress mandated that PHMSA update its safety regulations governing large-scale LNG export facilities. The last time you appeared before us here at the committee, you mentioned that it was a high priority, and yet the proposed rule has still not been released yet. Again, timeliness seems to be a problem with you and PHMSA.

Why has PHMSA still not completed this rule, and what is the status of this regulation?

Mr. BROWN. Well, I would echo my earlier answer, but I will just add that in your home State, we had one of the largest exporters of LNG experience a 400-foot-high fireball, an explosion at that facility. Luckily, no one was killed. We want to learn what went wrong there and include it in the updates. And that is part of the reason we are continuing our investigation of that incident. But we want to include the lessons learned from that incident in that rulemaking.

Dr. BABIN. OK, last question. As you know, PHMSA may reimburse States for up to 80 percent of costs incurred by States in enforcing pipeline safety laws and regulation. Given that Texas is far and away the leading State in terms of total pipeline miles, we are spending more than any other State to meet these safety standards.

Unfortunately, Texas is receiving significantly less than the authorized 80-percent reimbursement. I just want to put this on your radar as an issue if you are not already aware of that. I would also like to encourage your team to work with both the Railroad Commission of Texas and Texans on this subcommittee, myself and Chairman Nehls, to ensure that we can get this fixed with a long-term solution that doesn't leave the Nation's number-one energy producer in an unsustainable financial situation.

And so, if you can get in touch with our team, send us the requested information about the things that I have asked, I certainly would appreciate it.

Mr. BROWN. Yes, sir.

And Mr. Chairman, if I can just respond with a thank you to Congress, just a few weeks ago, the fiscal year 2024 appropriations bill included a big boost for the State program grants. So, we anticipate getting a boost in funding to the State of Texas, along with the rest of your States. So, thank you for that.

Dr. BABIN. Thank you, and I yield back.

Mr. NEHLS. The gentleman yields. I now recognize a valued member of this subcommittee, Mr. Moulton, for 5 minutes.

Mr. MOULTON. Thank you very much, Mr. Chairman.

Back in May of 2018, the Merrimack Valley, homes just started exploding across several towns. The gas pipeline was overpressurized, dramatically overpressurized, and literally, explosions started coming out of people's houses. An 18-year-old, Leonel Rondon, was killed. And I worked with my Massachusetts colleagues to update pipeline regulations.

My colleague from Texas has just made the same point, but why is it taking so long to just get these rules finalized? I mean, any day another accident could happen. You just talked about a 400-foot fireball in Texas. Why the delay?

Mr. BROWN. We follow the Administrative Procedure Act, and then we also follow the statutes that govern us, which includes an additional advisory committee review which includes five public interest representatives, five industry representatives, five State government representatives. That takes an extra many months to work through the highly technical issues involved in these regulations.

The other thing is that we regulate thousands of operators, each with unique systems. So, creating a one-size-fits-all rule is very difficult. It usually means we end up in the courts because one entity doesn't like what we do, or a small group of entities doesn't like how we are directing operators to operate.

So, those are just a few of the big challenges we have. But the obvious one is resources that—we had—we started off with two regulatory attorneys working on rules like the one that you directed us to do, Congressman. We have doubled that as soon as the administration took office, and we have set a record number of rules in the first year that we got here. But there is still a backlog. And so, we appreciate this committee's support for additional resources for additional rulemaking team members.

Mr. MOULTON. OK. The last PHMSA reauthorization included a provision requiring the Secretary of Transportation to submit a report to Congress about the need for an independent pipeline testing facility under DOT. My understanding is that PHMSA is the only—essentially, pipelines are the only major mode of transportation that does not have a dedicated research, testing, and evaluation facility.

Has PHMSA finalized the report, and do you know when it will be delivered to Congress?

Mr. BROWN. We are part of the way through in that report. It has not been finalized. We do fund nonprofits that do some of that pipeline research testing through the funds you authorize, as well.

Mr. MOULTON. Can you give us any idea of what the timeline is? Because partway through does not sound encouraging.

Mr. BROWN. Yes, I would suggest a matter of months. We have had discussions with folks on both sides of the aisle in multiple committees on that, and I think there is varying interest in the subject of creating a facility.

But we look forward to getting you that report.

Mr. MOULTON. Can you give us some indication of what the findings or recommendations will be?

Mr. BROWN. I have not seen a draft yet.

Mr. MOULTON. That is not encouraging.

Mr. BROWN. But I will be glad to provide you an update as soon as we can.

Mr. MOULTON. OK. Shifting topics for a second, integrity management programs are the primary tool that pipeline operators use to ensure the safety of their pipelines. Does this work? Is it a good system?

Mr. BROWN. We have got thousands of operators, and it is certainly working well with some, and I think certainly not with others. And so, coupled with our push, this committee's push, the stakeholders here's push for pipeline safety management systems where you are constantly looking and challenging your own presumptions in where risks may be, I think there is a lot of promise.

I think we heard some—we welcome the constructive criticism of where it might not be working. That is really fundamental to a safety management system, is that you are always looking for, well, what are we missing here? And with integrity management, because systems are so different, it is hard to write a single rule, prescriptive rule for the disparate systems across the country.

Mr. MOULTON. Do you feel that it is the right approach, or should we be taking an entirely different approach?

Mr. BROWN. I would say all—that is just one approach that we have, but we are investing in research. We issue safety advisories, we issue directives when—emergency orders when needed. So, I think there is promise. It is what—I think the rest of the world does use a lot of this—a similar nonprescriptive regulatory scheme, but we want to use just any tool in our toolbelt to address safety risks.

Mr. MOULTON. Thank you, Mr. Chairman, I yield back.

Mr. NEHLS. The gentleman yields. I now recognize Mr. Rouzer for 5 minutes.

Mr. ROUZER. Thank you, Mr. Chairman.

Mr. Brown, with regard to the leak detection and repair rule, when will the agency release the final rule, do you anticipate?

Mr. BROWN. Our monthly update suggests, I think, by the end of the year.

Mr. ROUZER. Will the White House and CEQ be involved in reviewing this rule, the rulemaking?

Mr. BROWN. Through the interagency process, every agency will have an opportunity to provide feedback in doing that. In the proposal stage, I think there was minimal involvement. Really, the input comes at the advisory committee stage, where we have got input from a lot of the stakeholders here to try to build consensus around that rule, which we have largely been able to do.

Mr. ROUZER. Is the agency working with the EPA to harmonize this rule with new EPA methane regulations, since there will be overlapping requirements?

Mr. BROWN. Yes, we did that at the proposed rule stage. As you know, sometimes the rules don't align perfectly from a time standpoint, where you have a proposed rule that you might be working on but you are waiting on another agency to propose their rule. So, we are harmonizing, though, to try to minimize overlap between our agencies.

Mr. ROUZER. Yes. Is it the position of the agency that all leaks are hazardous?

Mr. BROWN. I was just in Jackson, Mississippi, where a nonhazardous leak resulted in the death of Clara Barbour. So, we are highly concerned about the potential for a nonhazardous leak to become hazardous. But not all nonhazardous leaks are hazardous.

Mr. ROUZER. Mr. Rorick, in your written testimony you highlight concerns that API and the industry have with the PHMSA's leak

detection and repair notice of proposed rulemaking. Specifically, I noted that your testimony explained that PHMSA exceeded the scope of the language in section 113 of the 2020 PIPES Act. Can you elaborate on that?

Mr. RORICK. So, we believe that PHMSA, in the proposed rule, went beyond what Congress mandated them to do, specifically going into rural gathering lines in LNG facilities, in those two particular areas.

And then consequently, by doing that, particularly for the rural gathering lines, you are pulling in areas that would then dilute—someone mentioned the concern earlier about PHMSA diluting their limited resources. That would certainly do it. And there is a potential of missing more significant releases in more densely populated areas.

Mr. CARAM. May I address that question?

Mr. ROUZER. Sure, absolutely.

Mr. CARAM. Briefly? Thank you very much. I just want to add that at the advisory committee meeting just last month, there was a unanimous vote on the inclusion of those rural gathering lines that included the industry vote, and with a lot of nuance around how that would impact those lines.

Mr. ROUZER. I note that PHMSA is required to conduct a cost-benefit analysis for all its rulemakings. Any comment on how you think that will play out?

Mr. RORICK. Yes, sir. If you look at both—and I think that we would probably disagree with the Deputy Administrator a little bit on the overlap with EPA. Where EPA looks at flow rate, this proposed rule would look at concentration threshold. So, there is some conflict there with the EPA rule.

But if you add in the low threshold, it would effectively remove a lot of the opportunities that current operators use to maintain and look for these leaks. So, they would effectively have to walk their lines with handheld meters. And then, if you pull in those rural gathering lines, that is an extra cost and burden there. And I don't know that their cost-benefit analysis looked at the safety and environmental benefits associated with items such as those.

Mr. ROUZER. With that, I will yield back. Thank you, Mr. Chairman.

Mr. NEHLS. The gentleman yields. I now recognize Mr. García for 5 minutes.

Mr. GARCÍA OF ILLINOIS. Thank you, Mr. Chairman and Ranking Member, for holding this very important and timely hearing.

I, too, want to take a moment to recognize the passing of the former ranking member of this subcommittee, Congressman Payne. I hold the utmost respect for him and his leadership displayed time and time over the years. He will be missed.

Moving to the topic of today's hearing, we have heard from my colleagues about the importance of pipeline safety. Indeed, safety should be the number-one priority when transporting materials like CO2 and odorless asphyxiant that can be deadly if improperly managed. And that is exactly what we should be concerned about as we look to the future, especially as industry looks to dramatically expand our network of carbon dioxide pipelines.

Mr. Rorick, American Petroleum Institute's testimony boasts about the safety of pipelines. Your testimony states that the industry " . . . has been operating CO2 pipelines safely for more than four decades, with no fatalities . . ." But a CO2 pipeline rupture in Satartia, Mississippi, caused 45 people to be hospitalized from CO2 poisoning, where people lay on the ground shaking and unable to breathe. It was lucky that this tragedy didn't end worse.

Mr. Rorick, yes or no, does that sound safe to you?

Mr. RORICK. There are certainly risks associated with that, it was a tragic incident. No, that is an incident that we would like to have avoided, sir. I would like to go into more details, but you asked for a yes or no.

Mr. GARCÍA OF ILLINOIS. Thank you. Let me give you another example. Just a month ago in Sulphur, Louisiana, an estimated 107,000 gallons of CO2 leaked from a pipeline owned by ExxonMobil. Local police and firefighters could do nothing than set up roadblocks and wait for the pipeline's owner to repair it. It took more than 2 hours to repair, and many residents were never notified of the leak. Yes or no, does that sound safe?

Mr. RORICK. The incident occurred, but that doesn't necessarily mean the pipeline wasn't safe, sir.

Mr. GARCÍA OF ILLINOIS. My final question, Mr. Rorick, how much do CO2 pipeline developers stand to profit from these pipelines?

Mr. RORICK. I am not in a position to answer that, sir. You would have to ask those individual operators.

Mr. GARCÍA OF ILLINOIS. Well, since you are not sure, I will tell you that in the Midwest, Summit Carbon Solutions, the largest proposed network of CO2 pipes in the Nation, could be eligible for up to $18 billion in tax benefits for their project. That is just one company.

It is apparent that there are dangerous gaps in Federal regulations that keep people safe, and huge economic motivations for the companies that want to see these pipelines built. Leak notification systems, detection methods for odorless CO2, and emergency response plans are nowhere near built out. We should be putting a moratorium on all CO2 pipelines until we can ensure that people, especially ones in vulnerable communities where these are built, will be protected.

Thank you, and I yield back, Mr. Chairman.

Mr. NEHLS. The gentleman yields. I now recognize Mr. Stauber for 5 minutes.

Mr. STAUBER. Thank you, Mr. Chair.

Mr. Brown, the class location rule allows pipeline companies to employ modern inspection technologies to prove the safety of existing pipelines when population changes occur nearby instead of outdated, expensive, and environmentally unhelpful methods.

We have talked about the Gas Pipeline Advisory Committee that convened a meeting on the class location rule and voted overwhelmingly to meet again on the rulemaking within 12 months. Can PHMSA commit to holding the next GPAC meeting on the class location rule before March of 2025?

Mr. BROWN. We were able to hold that meeting, Congressman, a few weeks ago, and we completed the work on that rule.

Mr. STAUBER. Thank you. So, Mr. Brown, how many barrels of oil—I am from Minnesota—how many barrels of oil do we produce annually in Minnesota?

Mr. BROWN. I am not familiar with the State level of that.

Mr. STAUBER. Zero. That was—I just wanted to share with you something that concerns me.

How many total miles of pipelines in the United States, totally?

Mr. BROWN. Roughly a little over 3 million.

Mr. STAUBER. How many miles of those pipelines are involving oil and gas?

Mr. BROWN. Involve oil or gas? Roughly 3 million.

Mr. STAUBER. Total?

Mr. BROWN. Total.

Mr. STAUBER. So, if the Biden administration gets their way of removing the oil and gas industry, would that be down to zero pipelines, then?

Mr. BROWN. I am not sure I follow. Could you repeat the question?

Mr. STAUBER. If the Biden administration gets their way of removing oil and gas industry from the United States, would we be down to zero pipelines?

Mr. BROWN. I am not familiar with any proposal to do such a thing. And in fact, the number of pipelines has increased, I believe, 17 percent in the transmission space over just the last few years, 13 percent overall in just the last few years.

So—and then, with record investments in new, emerging technologies—hydrogen, CO2—there is potentially a continued expansion there.

Mr. STAUBER. Right. You have a very impressive background. So, would you say the technology in the pipeline safety and the enhancements thereof have done very well in the last 10 years?

Mr. BROWN. Absolutely. The technologies are incredible.

Mr. STAUBER. Ms. Sames, congratulations on your retirement.

Ms. SAMES. Thank you, sir.

Mr. STAUBER. This may be one of your last meetings with testifying but, again, thanks for your service and thanks for your knowledge.

Would you agree that the—because, really, the safety for the pipelines is a bipartisan issue, and we want that—would you agree that the technology involving the safety within the pipelines has greatly been enhanced in the last 10 years?

Ms. SAMES. It has greatly enhanced over the decades I have been in service.

Mr. STAUBER. Mr. Rorick?

Mr. RORICK. Yes, sir, by leaps and bounds.

Mr. STAUBER. Mr. Caram?

Mr. CARAM. Yes, there has been a lot of great technological advancement on pipeline safety.

Mr. STAUBER. So, one of my concerns I have is we always talk about pipeline safety on both sides of the aisle. And we have what I would say are unlawful people, valve turners trying to damage pipelines and what have you. Does everybody on the panel agree that those terrorists that damage pipelines and cause union members to be in danger and the public to be in danger, do you all

agree that they should be prosecuted to the full extent of the law because of the danger they are putting us all in?

Mr. Brown, and we will just go right down the line.

Mr. BROWN. Should—terrorists who threaten or damage pipelines should be prosecuted.

Mr. STAUBER. To the full extent of the law?

Mr. BROWN. To the full extent of the law.

Mr. STAUBER. Ms. Sames?

Ms. SAMES. I absolutely agree.

Mr. STAUBER. Mr. Rorick?

Mr. RORICK. Oh, we would absolutely agree, sir.

Mr. STAUBER. Mr. Caram?

Mr. CARAM. Yes, we don't support any creation of an unsafe condition like that on a pipeline.

Mr. STAUBER. Thank you very much. And I just want to thank you all for coming and sharing your testimony. Being on the full committee of T&I, this really—a lot of these issues are bipartisan. And I think that we need to recognize the safety issue. It affects us all. And I am really thankful that the chairman brought this meeting together today to talk about the safety issue, which is the number-one issue that we are discussing today.

And Mr. Chair, I thank you for your leadership and I yield back.

Mr. NEHLS. Thank you, sir. And just for note, our bill that we passed here does strengthen the penalties for those that want to create that terrorist act on our pipelines.

So, the gentleman yields. I now recognize Mr. Huffman, Mr. Huffman for 5 minutes.

Mr. HUFFMAN. Thank you, Mr. Chairman, and I want to thank the witnesses.

Thank you in particular to Mr. Caram for speaking some important truths about the inherent dangers and risks of this spider web of combustible infrastructure that we rely on to power the fossil fuel economy.

I think there is too much fossil fuel business as usual in this country, certainly in this conversation about continuing to build out this system that is, frankly, a disaster waiting to happen every day, and it does happen just about every day. I heard about a fireball in an LNG facility just now that I had never heard about before. It pretty much doesn't even make news because it is just the cost of fossil fuel business as usual that we have come to accept. I feel like, by passing a bill that doesn't do nearly enough to acknowledge this, much less do anything about it, we are sleepwalking further into the climate crisis and further and further into tragedies and disasters.

Now, you don't have to look far to find examples of this. Over the last 12 years, the Keystone pipeline has had 22 oilspills, including 2 large spills between 2017 and 2019. Then again in 2022, it spilled an estimated 14,000 barrels in Nebraska. And because of these issues, the GAO issued a report in July of 2021 regarding Keystone pipeline's safety record, which included a shocking revelation. The Keystone, with this terrible record, was not an outlier. It has about the same safety level, on average, as pipelines all over the country.

This, taken with Mr. Caram's testimony showing that 2023 was the deadliest year for pipeline safety in America in 20 years, should

be a red flag. It is a clear sign of how concerned we should be by the state of our pipeline infrastructure, and especially by this increased build-out that we are sleepwalking toward in this committee and in this Congress.

Now, sadly, another example of the significant threat pipelines pose can be seen with the failure of the Denbury gulf coast pipeline in 2020. This exposed the community of Satartia, Mississippi, to dangerous levels of CO2. When it ruptured, it took just a few minutes for residents to feel the effects. Fifty of them went to the hospital. A significant number are still suffering effects today.

Now, these accidents and failures are not outliers. We are continuing to see the same problems from the same entities everywhere we look. Just last month, there was another CO2 pipeline leak from a pipeline owned by Denbury, this time in Sulphur, Louisiana.

So, Mr. Brown, after Satartia and that CO2 pipeline disaster, PHMSA found that Denbury made a lot of mistakes. They significantly underestimated the size of the affected area, did inadequate monitoring, took too long to notify officials. One would hope that Denbury would have been closely monitored and scrutinized by PHMSA to make sure that these findings were corrected for. But sadly, it appears that many of the same failures occurred with the Sulphur, Louisiana, leak. Apparently, Denbury was unaware of the failure, took hours to arrive on scene. And if this leak had occurred when residents were in the area during the day, it could have been catastrophic.

So, are there any failures or lessons learned that PHMSA identified and informed Denbury about—now they are owned by ExxonMobil, of course—to correct after Satartia?

And in reviewing the aftermath now of the second incident in Sulphur, Louisiana, which of these seem to have gone ignored or unaddressed?

Mr. BROWN. I can note that there are numerous directives that we provided to Denbury after the first incident. We are still in the investigative phase of the second incident, which can take some time.

We also applied those lessons learned, which I know you had asked me the last time I was here about, to a proposed rule that we hope to have out in the next few weeks to create the strongest standards for CO2 pipeline——

Mr. HUFFMAN [interrupting]. Right, I think we all look forward to seeing that rule.

Look, we have only about 5,000 miles of CO2 pipelines right now, most of it in rural areas. Thankfully, when something terrible happens, as it will continue to do, we have not yet seen major population centers affected. However, there is tremendous pressure now to build out this network. I think it is inevitable that incidents like Satartia and like Sulphur, Louisiana, are coming to more populated areas in the near future. And this committee, unfortunately, is sleepwalking into that fate.

With all of this pipeline boosterism not only worsening the climate crisis but taking us further to these tragedies, we haven't even talked about the blending of hydrogen into natural gas pipelines. I don't have time to go into it, but there is far more that

needs to be talked about, that needs to be addressed, and we need to be worried about in this committee if we are going to be serious about pipeline safety.

With that, I yield back.

Mr. NEHLS. The gentleman yields. I now recognize Mr. Johnson from South Dakota.

Mr. JOHNSON OF SOUTH DAKOTA. Thanks, Mr. Chairman.

Mr. Brown, as you know, the PIPES Act of 2020 implemented a new technology pilot program. This was to allow people to try some new technological innovations, obviously, to increase safety. I can imagine all kinds of situations where inline inspection or leak detection innovations, we would want those brought to market or to the field, rather, in some sort of a pilot program.

When you were here last, I thought we had a good, productive conversation. I just want to pick up where we left off there. It is my understanding that we still don't have anybody utilizing that pilot program. So, have you all had any applications?

Mr. BROWN. Yes, well, thank you for your constructive question last time and directive, really, and offer to work together. We had some constructive discussions after that with stakeholders.

The goal is to get new technologies deployed that produce environmental benefits. We have laws that still apply to us—unless you tell us they don't apply—to consider environmental benefits. As far as I have heard, there is no interest in avoiding consideration of environmental benefits, right? Everybody wants that because new technologies tend to produce environmental benefits. So, the—really, it is just making sure the laws align and how to do it efficiently to consider those environmental——

Mr. JOHNSON OF SOUTH DAKOTA [interrupting]. So, do we have any applicants to use the pilot program?

Mr. BROWN. Well, the program hasn't changed. We sought feedback from the public. We didn't get feedback from the public, but we did get feedback in this committee that said, you know what, from stakeholders we don't find this sufficient because we have to consider the National Environmental Policy Act analysis in the utilization of that program.

And so, really, we are just discussing, well, is there another way to consider those environmental impacts so that we can more quickly adopt technologies? We are glad to work with you to address that.

Mr. JOHNSON OF SOUTH DAKOTA. So, you are saying that the pilot program, as currently outlined in law, does not provide any meaningful benefits to operators.

Mr. BROWN. Nobody has used it yet, correct.

Mr. JOHNSON OF SOUTH DAKOTA. So, what do we need to—I mean, we know that there are these innovations. Presumably, we would want to test them in the field in a pilot program so we could get good data about their efficacy. How do we get that done, if not through this pilot program?

Mr. BROWN. Well, I think I would leave it up to some of my colleagues here to answer, but our goal is the same goal that you have. We don't want to just use the American people as guinea pigs here, right? We want to make sure there is an equivalent level of

safety, and that there are not new environmental costs to the public, right?

So, I think everybody is on the same page of what we are trying to get at, and the question is just how to do it. We——

Mr. JOHNSON OF SOUTH DAKOTA [interrupting]. So, how—I mean, and again, that is why it is great we have got this panel of experts.

And Mr. Rorick, I will go to you next to kind of get a sense from you, number one, if innovations do exist, and number two, how best for us to deploy them in a manner as Deputy Administrator Brown said.

But Mr. Brown, so, how do we get that done? You said that is the question. That is the question I am asking.

Mr. BROWN. Well, how you currently do it is you demonstrate an equivalent level of safety to us, and then we could issue a special permit that would allow you to deviate from existing standards or regulations. So, there is actually a current way to do it, and then Congress devised a third way, which is this pilot program.

But using that pilot program, you still have to analyze the potential environmental impacts.

Mr. JOHNSON OF SOUTH DAKOTA. Sure.

Mr. BROWN. Right? And the question was, well, do you have to analyze those environmental impacts? And I think we heard—and maybe Mr. Rorick's testimony says, no, you don't have to examine the environmental impacts.

Well, actually, I think most of your members say, well, we want positive environmental impacts——

Mr. JOHNSON OF SOUTH DAKOTA [interrupting]. So, you talked about people making these filings to be able to get clearance to put into place a new practice. How common are those filings with PHMSA?

Mr. BROWN. They vary widely. So——

Mr. JOHNSON OF SOUTH DAKOTA [interrupting]. I mean, would they be monthly, quarterly, annually?

Mr. BROWN. For specific technologies? They are not frequent.

Mr. JOHNSON OF SOUTH DAKOTA. OK. Mr. Rorick?

Mr. RORICK. So, I think that, right now, the way the program is designed is just too onerous and too cumbersome for companies to participate. So, if we are going to be able to bring these technologies into the testing phase, as you identify, Representative Johnson, I think we are going to have to—Congress is going to have to provide a pathway for PHMSA to deviate away from their special permit process so that we don't get bogged down in NEPA and some of these other procedural processes that PHMSA currently has with the program.

Mr. JOHNSON OF SOUTH DAKOTA. I would just say this—and thanks for the colloquy, sir.

But Deputy Administrator, I mean, for 4 years, Congress has been saying that they want to make it—that they want these new technologies brought to bear so that we can get a safer and better system. The fact that for 4 years PHMSA has not figured out a way to work with partners to get that done obviously means we have got some work to do. And I guess I would ask for urgency within the agency and within the Hill for us to get that done.

And with that, I would yield back.

Mr. NEHLS. The gentleman yields. Mr. Kean, you are recognized for 5 minutes.

Mr. KEAN OF NEW JERSEY. Thank you, Mr. Chairman, and thank you to all of our witnesses for being here today.

And before I begin, I just want to add my voice to those who mourn the loss of Congressman Payne. He was a tremendous leader on this subcommittee and also for all things New Jersey. So, my prayers are with him and with his family.

My first question is to Ms. Sames. Pipeline safety technology is continually adapting and improving. However, sometimes it takes a while for Federal agencies to catch up and allow new operations or technology to be used. What challenges have you seen with getting new technology approved?

Ms. SAMES. Well, I think we just discussed some of them. With the current program at PHMSA, it is unbelievably burdensome for new operators to apply for the use of new technology.

The other issue that I see, though, is when a new technology comes to the market and is proven, but isn't allowed due to the current regulations. Let me explain, and I will give an example.

So, right now, PHMSA's regulations require an operator to put a bollard or, basically, a device in front of a meter to protect that meter. And that was appropriate back in the 1970s, when the regulations were created. However—and the reason you put that in place is so that, if the meter is hit, it doesn't release gas. You don't want gas to be released.

But we now have breakaway technologies that—and excess flow valves that, if that meter is hit, it immediately shuts off the flow of gas. But an operator can't use that technology because PHMSA's current regulation requires an obstacle be put in place to protect the meter. I would love to see PHMSA look at how can current technologies really be used to meet the intent of a regulation in a different way. Use these new technologies. They are already proven.

Mr. KEAN OF NEW JERSEY. Thank you.

Deputy Administrator Brown, the PIPES Act of 2020 required PHMSA to issue safety regulations for pipelines considered in an idled pipeline status by December 2022. Now, the PIPES Act of 2023 follows up on this mandate and requires its completion within 180 days. What is the status of this regulation, and when does PHMSA anticipate completing this ruling?

Mr. BROWN. Congressman, we provide monthly updates on the status. I believe that one is slated for the end of the year.

But as I stated earlier, we have more rules than we have people working on them. We had twice the number of directives in the PIPES Act of 2020 than we had in 2016. So, the additional resources in the bipartisan legislation you are considering will be very helpful in helping us get that rule completed.

Mr. KEAN OF NEW JERSEY. Do you believe that an updated idled pipeline rule will increase pipeline safety?

Mr. BROWN. I think we had some good commentary that addressed that. I have not looked at—we haven't—I can't really comment on a rule we haven't written yet. We would have to lay out that justification.

Mr. KEAN OF NEW JERSEY. Mr. Rorick, the PIPES Act of 2023 includes authorization of a voluntary information-sharing system at PHMSA. From your perspective, how much participation would a VIS system see from pipeline operators?

Mr. RORICK. If designed appropriately, Congressman, which means proper information protections, providing a system where companies can submit information and there is no reach-back authority in a punitive fashion, I believe companies would actively participate in it. I think this committee was wise to design a program that was modeled after other successful programs like the program that exists for pilots and with the FAA. So, I think you would get good participation, sir, if designed appropriately.

Mr. KEAN OF NEW JERSEY. And what pipeline safety outcomes do you envision once a VIS system is established and operational?

Mr. RORICK. Yes, sir. We do a lot of work right now looking at data, whether it is prevention data or what have you, investing in technologies. This would provide some data of both incidents and near-misses that may occur so that we can, as an industry and working with the regulator, monitor trends, but then also look at individual reporting data to see what sort of learnings we can gain from those, as well.

Mr. KEAN OF NEW JERSEY. Thank you.

I yield back.

Mr. NEHLS. The gentleman yields. I now recognize Mr. Menendez for 5 minutes.

Mr. MENENDEZ. Thank you, Chairman. I want to join my colleagues in recognizing the loss of our colleague, Donald Payne, Jr. He was an incredible warrior for the city of Newark, the county of Essex, the State of New Jersey, and for so many across this country. To me, he was not just a colleague, not just a friend, he was a mentor and a big brother on both T&I, on Homeland Security, and in this institution. And I will miss him dearly. And I trust that our colleague, Representative Wilson, will do an incredible job picking up the torch and carrying it forward, as we will all strive to do on the work that my friend had done for so long. So, I just appreciate that opportunity.

Today marks 3 years since the ransomware attack on Colonial Pipeline. This attack led to a temporary disruption in the delivery of gasoline and other petroleum products across a large swath of the country. As cyber attacks continue to become more sophisticated, the need for a strong, coordinated effort to reinforce our Government and key asset cybersecurity remains a top priority. We have a particular interest in this topic, as we also say on the cybersecurity subcommittee of the Homeland Security Committee.

Mr. Caram, can you discuss how cyber attacks impact our pipeline network, the safety of our pipelines, and the security of our country overall?

Mr. CARAM. Yes, thanks for the question. I will say that cybersecurity, I think, poses more of a risk to reliability than safety, but there are safety issues at play any time a system is taken over by someone outside the operator who can close valves, which leads to pressure waves and things like that. It could create unsafe conditions.

Mr. MENENDEZ. And would you want to elaborate on the reliability component that you mentioned?

Mr. CARAM. Well, reliability is outside the scope of the Pipeline Safety Trust. I think the operators could probably speak to reliability better than I could.

Mr. MENENDEZ. Fair enough. And just expanding on that, how can Congress ensure the security of our Nation's pipeline network, specifically with respect to cybersecurity?

Mr. CARAM. Sure. I mean, there are a lot of best practices out there, and agencies doing that kind of work.

Again, it is beyond the scope of the Pipeline Safety Trust to work a lot on cybersecurity, but it does, as I mentioned, pose safety risks, and so, we are concerned. But yes, I believe there are agencies out there outlining best practices, and we would hope that they are regulated in that way.

Mr. MENENDEZ. Sure, thank you.

Mr. Brown, last time you testified before this committee, we discussed PHMSA's coordination with other agencies, such as TSA, to address cyber threats. You mentioned that PHMSA was seeking to hire cyber experts, despite the lack of jurisdiction over cybersecurity. How has that process been going in terms of onboarding, hiring cybersecurity experts?

Mr. BROWN. Yes, we do train the TSA. We actually engage at a senior leaders level. In fact, we have an upcoming meeting with the TSA Administrator and leadership from CISA, as well as the pipeline sector leadership.

We don't have specific authorization—so, that may be something worth considering for the committee—to hire in that space, but that is something that we would like to continue to make sure we are on top of. Even though we don't have direct jurisdiction in cybersecurity, it obviously—the nexus, really, is that a cyber incident can affect operations, or it has the potential to.

And so, as you mentioned the Colonial incident, that was what we were most worried about, both on the startup or restart of the pipeline, as well as in the current—when a pipeline is already operating. In that case, they voluntarily shut down.

So, we provide that training to the TSA and provide input on their directives, and we just want to continue to work as closely as possible. I am glad to work with you, if that is something of interest to the committee as you consider reauthorization.

Mr. MENENDEZ. Great, thank you. And is PHMSA pursuing any additional steps to ensure our pipeline network is prepared for future attacks?

Mr. BROWN. We engage on a voluntary basis with the regulated entities to discuss—we do regulate control room management, which are highly IT-focused operations. And so, we have robust engagement post-Colonial Pipeline incident.

Mr. MENENDEZ. I appreciate that.

Thank you, and I yield back.

Mr. NEHLS. The gentleman yields. I now recognize Mr. Burchett for 5 minutes.

Mr. BURCHETT. Thank you, Mr. Chairman. And I, too, miss our friend who has passed away. I always enjoyed being down and doing my 1 minute, and he was always there, dressed very dapper,

and I told him multiple times if I had his wardrobe, I would have burned mine. So, he will be missed.

Mr. Brown, would you agree that pipelines are the safest mode of transportation for natural gas and petroleum products?

Mr. BROWN. When you factor in the volume of product moved, I would say so. Obviously, the discussion here today involved a lot of tragic incidents. And so, for those individuals, it certainly is not. But when you just talk about it in the context of volume.

Mr. BURCHETT. Overall, yes, sir. I mean, there is an immense number that is moved. Would you agree that these pipelines provide a lot of jobs and opportunities for some very hard-working Americans?

Mr. BROWN. There are a lot of jobs associated with the pipeline sector.

Mr. BURCHETT. And it is hard work. It is not an easy kind of thing. Would you agree with that, as well?

Mr. BROWN. Could you repeat that?

Mr. BURCHETT. I said—yes, they shut the door on me. They do that a lot of times on me.

Would agree that this is very hard work?

Mr. BROWN. It is very hard work, yes. I have been out there, and we have got the best workers in the world.

Mr. BURCHETT. Yes, we do, and thank you for saying that.

According to the Liquid Energy Pipeline Association, pipelines are the most environmentally protective way to deliver energy. Earlier this year, the Biden administration halted new export permits for liquefied natural gas because of climate change. Did you or anyone at the Department of Transportation tell President Biden this was an unwise decision?

Mr. BROWN. I did not have any involvement in the pause that the Department of Energy recently announced.

Mr. BURCHETT. Would you say that is not you all's responsibility at TDOT?

Mr. BROWN. We do not have any jurisdiction in that space, no.

Mr. BURCHETT. OK, I said TDOT, I am used to saying that, Tennessee Department—I always——

Mr. BROWN [interposing]. Yes.

Mr. BURCHETT. That is where I usually direct most of my anger.

According to DOT's website, you serve on President Biden's Carbon Dioxide Capture Task Force. Moving forward, when the Federal Government makes decisions regarding liquefied natural gas, I hope that we put American people first and not these ridiculous climate initiatives.

Thank you, Mr. Chairman, I will yield back 2 minutes and 34 seconds. Please use it wisely.

Mr. NEHLS. The gentleman yields. I now recognize Mr. DeSaulnier for 5 minutes.

Mr. DESAULNIER. Thank you, Mr. Chairman, and thank you for this hearing. I will start with Mr. Brown and transition to anyone else who would like to address this. It is sort of a good segue for my colleague.

In the context of the times changing, I represent an area in the San Francisco Bay area that is the densest in terms of hazardous materials, because of refineries and chemical plants in the prox-

imity of one of the few deepwater ports on the west coast. So, it is changing, and a lot of it is because of our policy in California that I firmly support and have been leading for many years. But we don't focus as much collectively, I don't think, on your issues around the transportation, around the refineries and the chemical plants.

And my question, Mr. Brown, is of those—it used to be six refineries, there are now five, one of them shut—two of them have been shut down for an extended period of time to transition to biofuels, as the California Renewables Portfolio Standard continues to be implemented, and the market changes for their product. So, how do we work with the private sector and anticipate? And to your point about resources and transparency, how do we make these numbers as transparent as possible, and the oversight and inspections as transparent as possible so that we actually are more efficient as we look at the marketplace change?

Not a comment on—well, our energy resources in California are changing dramatically. We are leading the country. We are proud of that. It is more efficient, if you ask me, even separate from the issues of the damage to the planet. So, how does your agency—and I will leave these—we have a diverse panel to talk about that, about being fairly agnostic as to what my colleague was just talking about, but also being driven by evidence-based research on how we transition—allow the local community transition as they see fit, consistent with State statute?

And again, if you look at a map of the area I represent, there are just red lines of hazardous materials pipelines all over. And then, compared to rail and truck transport for these facilities—and a lot of them think they are going to be producing hydrogen for many decades to come, so, they are going to still need that infrastructure. But the transition, it seems to me, if we get it right, would be really efficient and transparent, and everyone could follow it. But if we don't, there is going to continue to be risk to the public and to the national economy.

And again, lastly, as a Pacific Rim part of the dynamic, our competitors to the—in China, as they change more dramatically than we do when they have certain advantages in their access to raw materials, how do we look at the comparisons and the global changing thing in terms of transport? We get a lot of our fuel that is refined in the bay area still from the North Slope, which is very heavy crude and requires transport that is specific to that product, both going into the plant and coming out of it.

Mr. BROWN. Well, I couldn't agree more that transparency is really critical at this stage, and we are in an age of data where there is just so much data that didn't exist years ago, and so, voluntarily sharing that information, that is something our agency tries to do. We report on our website all of our incident data, enforcement data, which is somewhat unique for Government agencies.

But also, we recently mapped incidents across the country, and we are continuing to do that to provide direct data on the types of incidents that are occurring so that academics or the public can engage in—I know the Pipeline Safety Trust has been—that has been a big focus of theirs.

As part of the reauthorization legislation and voluntary information-sharing system, we have voluntarily tried to create a space for, when an incident occurs, a sharing of that information so that other operators can learn from that. I know Ms. Sames' organization provides an audit of companies voluntarily.

But basically, opening the books, and sharing information, and acknowledging where risks exist helps us all try to tackle those risks collectively.

Mr. DESAULNIER. Mr. Rorick, could you respond, having worked with the Western States Petroleum Association?

And they described it once as a love-hate relationship. That may have changed more to the latter. Your industry is changing a lot.

Mr. RORICK. It is, and we very much view ourselves as both part of the solution for technological advances for current activities that we are doing on oil and natural gas, but then also in the transition. We are going to be part of that, as well.

I could agree with the Deputy Administrator that regular engagement, transparency, wherever we can—it doesn't mean we agree all the time, but certainly the collaboration and the coordination wherever we can is absolutely critical.

I think you appropriately identified the interaction, the dependency, if you will, that you have on the North Slope crude. So, it has to be more than just pipelines. We have to make sure that we recognize that the infrastructure system is intertwined and complicated. So, coordination across Federal agencies and even between the States is critical, as well.

Mr. DESAULNIER. And transparency.

Mr. RORICK. Yes, sir.

Mr. DESAULNIER. Thank you, Mr. Chairman.

Mr. NEHLS. You bet. The gentleman yields. I now recognize Mr. Molinaro for 5 minutes.

Mr. MOLINARO. Thank you, Mr. Chairman. I am glad Mr. Brown referenced the need to share data as it relates to safety concerns.

One provision that we were able to include in the PHMSA reauthorization from this body—and I am very grateful—in a bipartisan way again, this committee produced an outcome—the House, of course, produced an outcome, and we are still waiting on the Senate to take action, which, for many of us, is not only concerning, it is just a consistent waste of time and resources when there are major advancements that need to happen.

But one provision we did include that I helped draft in the reauthorization bill passed in December with my colleague, Mr. Cohen, was the creation of a voluntary information-sharing system. This would allow and encourage the sharing of pipeline safety data and information. We did that with the industry. And Mr. Brown referenced the value of this kind of sharing of data.

I was not going to start with this question, but it seems to me, if any of the other witnesses could speak to the value of that, it would, I think, highlight the need to move the bill forward.

Mr. RORICK. So, we—the voluntary information-sharing system, as we discussed a little bit earlier, it could be incredibly valuable if it is designed appropriately. And what I mean by that is, so long as the information that is submitted to the Federal agencies is protected, and then the information is used in such a manner where

it would allow companies a level of comfort that that information—there is no reach-back authority in a punitive fashion——

Mr. MOLINARO [interposing]. Of course.

Mr. RORICK [continuing]. Then you would get great participation. It would give us a great dataset to not only look at trends, but then also identify individual reportings so that we can share the lessons learned more broadly across the industry.

Ms. SAMES. And I fully agree. I mean, we do something similar within the American Gas Association. We have a plastic pipe database. It has over 150,000 failures. It is evaluated by Government and industry and manufacturers. And we create a status report about three times a year showing what we know about failures. And it works.

So, if this is done correctly, it now gives you this wealth of information that the industry and Government can utilize to improve safety. On the other hand, if it is done incorrectly, if there are fines and penalties for the submission, no one is going to submit.

Mr. MOLINARO. Agreed. And another provision I drafted and we were able to secure in the reauthorization with my colleague, Mr. Allred, directs PHMSA to complete a study and rulemaking on how operators can use composite pipe safely to transport new fuels like hydrogen. That will help us meet some of our climate goals.

Mr. Rorick, could you just speak to the potential uses for composite pipe and why it is important to get this rulemaking accomplished?

Mr. RORICK. Yes, sir. So, as we discussed with Representative DeSaulnier, we were part of the solution going forward, and we certainly see hydrogen as having a role there. Composite pipe has been used for decades now for repair jobs and sleeves, et cetera, so, that piece of technology in particular stands to be of particular benefit as we talk about moving greater quantities of hydrogen.

Mr. MOLINARO. Thank you. Thank you both.

Just to shift gears slightly, I have spent my entire life in the Hudson River Valley, which means just by birth, we are natural resource conservationists. But it always strikes me as a bit comical that there are those who oppose the construction of pipelines for the safe transportation of CO2 and natural gas and other fuels, given that greenhouse gas emissions are avoided altogether, transporting via pipeline rather than other more traditional transportation methods.

Mr. Caram, could you just speak a little bit to that? I always like to remind my friends back in New York why some of the regulatory restrictions in New York for pipeline and the distribution via pipelines is probably not the best policy.

Mr. CARAM. I am sorry. Could you repeat the question?

Mr. MOLINARO. Rather than—so, rulemaking in States like New York limit—and of course, there are those who oppose the use of pipeline for transportation of CO2, natural gas, instead relying on the alternative transport options, which usually lead to higher greenhouse gas emissions.

Mr. CARAM. Got you. Yes, I think there are certainly lower incident rates on pipelines per mile, as Deputy Administrator Brown referenced earlier.

I think one thing that gets missed in that data is just how devastating a failure can be from a pipeline just because of the quantity that is released when there is a failure on a pipeline. And so, I think that needs to be taken into account.

But my organization works very hard on ensuring the safety of pipelines that are in the ground, and making sure that the pipeline that is in someone's backyard is as safe as possible, and that the community around it can feel that—not live in fear of a failure.

Mr. MOLINARO. Thank you.

I yield back, Mr. Chairman.

Mr. NEHLS. The gentleman yields. I now recognize Mr. Graves, who does not serve on this committee, but he was waived on this subcommittee.

So, you have 5 minutes, Mr. Graves. Good to see you.

Mr. GRAVES OF LOUISIANA. You, too. Thank you, Mr. Chairman.

Thank you all for being here today.

Mr. Brown, I want to follow up on Congressman Burchett's question. The National Research Council did an evaluation looking at different modes of transportation, and Congressman Burchett asked you a question related to that. So, I just want to make sure I understand. Are pipelines the safest mode of transportation when compared to other modes?

Mr. BROWN. It is sort of a complicated question, but I think, to your point, as far as the fewest number of incidents, if you look at the volume, you would say yes, you would say yes. But to Mr. Caram's point, the severity of an incident can be tragic and, obviously, very severe.

Mr. GRAVES OF LOUISIANA. I absolutely agree with that.

Mr. BROWN. Yes.

Mr. GRAVES OF LOUISIANA. I just—I want to make sure I understand my reading of the National Research Council's evaluation that, compared to truck and train and barge and other things, it is the safest mode of transportation.

Mr. BROWN. Yes. Those——

Mr. GRAVES OF LOUISIANA [interrupting]. We should never stop striving to further and further improve safety. I want to be clear on that.

Do you agree that the State of California uses oil and gas?

Mr. BROWN. Yes, I have used it in the State of California.

Mr. GRAVES OF LOUISIANA. Yes, I thought so. I am not sure I understand why some folks will sit here and talk about pipelines as this evil. Whenever their State uses it, science shows it is the safest mode of transportation.

Let me be clear. I agree that we need to continue striving, using technology, get better and better at safety and perfecting this. But let's compare this to alternatives. I was just looking up—I pulled up an article. Just for the city of New York—just for the city of New York—according to the Fire Department of New York, in 2023, lithium-ion batteries caused 267 fires, 150 injuries, and 18 deaths. That is just in New York, just in 2023.

We can't sit here and pretend like—that by stopping pipelines, there are all these other alternatives that are that much better. That doesn't even include the fact that many of the energy solutions that my friends from California are talking about include

mining—that have been proven, as Mr. Stauber has talked about, slave labor, child labor, safety infractions, deaths across the globe.

So, I think we need to be very thoughtful and careful about pretending as though there are all of these other safer, better options out there, and instead focus on what math and science shows are the safest options, and make sure we are continuing to learn from successes and failures, and continue to perfect. Is that fair?

Mr. BROWN. That is exactly what our agency does, because we also regulate the hazardous materials transportation via truck, train, plane, vessel, automobile, and drone.

Mr. GRAVES OF LOUISIANA. It sounds like it is the first time you have ever said that. Thank you, I appreciate it.

Mr. Rorick, I would like to ask you a question. PHMSA hasn't really made substantial changes in some of the class location regulations in over 50 years. Can you talk a little bit about how perhaps some updates or modernization there could result in actual better safety outcomes?

Mr. RORICK. Yes, sir. So, the class location rules, or the way they are currently designed in an outdated fashion, essentially says that once a population, a certain population is reached, that companies automatically have to pull those pipelines out, regardless of whether or not they are safe or they need to be pulled out.

First and foremost, we look out for the workers of the communities in which we—we look out for the safety of the communities in which we operate in, but also for the workers that do our work. So, if we can avoid doing work where we don't have to, particularly with heavy machinery, we want to do that.

Secondly, if we can use existing technologies, integrity management technologies to maintain the same level of safety and oftentimes find pipelines that don't need to be pulled out, we don't need to purge that gas and spend hundreds of millions of dollars pulling out pipe unnecessarily that we can then redivert to integrity management programs.

And then lastly, sir, I would say that if we—that annually, the amount of gas that occurs from blowdowns just to do these pipe replacements exceeds 800 million standard cubic feet of natural gas a year, which is the same amount of gas that 10,000 homes use. If we can avoid that and still maintain the same level of safety——

Mr. GRAVES OF LOUISIANA [interrupting]. It could prevent the emissions.

Mr. RORICK. That's true.

Mr. GRAVES OF LOUISIANA. Another quick question, and I apologize I am running out of time, but could you talk briefly about the regulation of in-plant pipelines, as opposed to those external to the boundaries?

Mr. RORICK. Yes. So, when the statute was originally created, it was very specific in giving PHMSA the authority to waive its authority over in-plant piping for liquid pipelines, but it didn't provide the same level of clarity for natural gas pipelines.

What we would look to see, or hope to see, is a harmonization so that PHMSA has that same level of authority to let OSHA, which currently manages the refineries, have that same authority over the natural gas.

Mr. GRAVES OF LOUISIANA. In some cases we are seeing regional PHMSA managers exercise jurisdiction whenever PHMSA has headquarters, effectively——

Mr. RORICK [interrupting]. Yes, sir, and it is starting to create some confusion in the industry.

Mr. GRAVES OF LOUISIANA. Mr. Chairman, I am out of time, but I just want to thank you.

Mr. Brown, I am concerned about what Mr. Rouzer brought up about some of the deadlines in the law. I don't think your agency has the discretion to determine when they are going to complete something. If we write a law, our citizens don't have the ability to choose when they are going to comply and when they don't. And I think we need to work on better strategies to actually comply.

I am out of time, I apologize and yield back.

Mr. NEHLS. The gentleman yields. I now recognize Mr. Johnson for 5 minutes.

Mr. JOHNSON OF GEORGIA. Thank you, Mr. Chairman, for holding this very important hearing, and thank you to the witnesses for appearing today.

Mr. Brown, pipelines often route hazardous materials through densely populated areas, which can become public safety emergencies in the event of a pipeline failure. In some events, communities are not made aware of pipelines until something goes wrong.

What obligation do pipeline operators have to inform the public about location and likely risks of pipelines?

Mr. BROWN. We have a host of requirements that we impose on those operators to inform. So, there are signs, signage requirements, there's emergency planning requirements, emergency notification requirements, and those we are constantly updating. Just last year—I am sorry, in 2022—we updated those, we are working on further updates, as well. So, that is something that we stay very focused on for precisely the reasons you mentioned.

Mr. JOHNSON OF GEORGIA. Thank you. Are pipeline operators required to hold public meetings after a pipeline incident?

Mr. BROWN. No, and that is something we have really taken on as an agency. When the public doesn't have the information and a serious incident occurs in their community, we have tried to provide information that we have, but of course, we don't operate the pipeline. We only oversee the operations. And so, that is something that I think an operator, when there is an incident that affects a community, that they should communicate to the community and give a chance to the community to ask those types of questions.

Mr. JOHNSON OF GEORGIA. Thank you.

Mr. Caram, the bipartisan pipeline safety reauthorization bill focuses on the safety of the millions of miles of gas and hazardous liquid pipelines that are currently in use and the new pipelines required for hydrogen and carbon dioxide. The bill asks for a study by the Government Accountability Office on the need and ability to create a localized emergency alert system in the event of pipeline accidents.

What information is needed for first responders when responding to a pipeline incident?

Mr. CARAM. Yes. The type of pipeline that failed, the product that was in the pipeline that failed, the potential impacted area of

that failure, which homes and places could be impacted by that failure. What kind of emergency efforts are best? Is it shelter in place? Is it an evacuation?

And I think the need for such a system is made even more by CO2 pipelines, because they can move so far away from a pipeline, the plume after a failure, because sometimes people should evacuate and sometimes maybe they should shelter in place. And it is not a kind of a one-size-fits-all. The weather affects what direction it could move, things like that.

Mr. JOHNSON OF GEORGIA. Is the information needed by first responders that you just outlined, is that information always readily available? And where is it obtained from?

Mr. CARAM. It is not always readily available. Some of that information about the type of pipeline it is and some physical characteristics of the pipeline and the location can be found on the National Pipeline Mapping System, but other information that might be particular to that specific failure would not be.

And first responders would need to rely on communication from the operators to get that kind of information, and I think that the two Denbury failures, one in Satartia and one in Sulphur, shows what can happen when there is a breakdown there.

Mr. JOHNSON OF GEORGIA. Thank you. Engaging with local communities and stakeholders is crucial to raising awareness about pipeline safety risks, and also building trust in pipeline operators and regulators. The PIPES Act of 2023 even creates a new Office of Public Engagement to educate local governments, public safety organizations, pipeline operators, and the public about pipeline safety, best practices, and regulations. The goal is to ensure access to information by facilitating conversations and addressing community concerns.

To promote transparency and accountability, how are you able to bridge the gaps between industry stakeholders, including public safety officials, smaller companies, and local communities?

Mr. CARAM. Well, I think there is still a big need for public engagement, especially after failures. I think PHMSA has made some real improvements there over the last few years, and has visited communities both after a failure and where there is a proposed new project, and that has been great to see. But I think there is a lot of progress still to be made, and there is definitely an appetite for it from the public.

Mr. JOHNSON OF GEORGIA. Thank you, and I yield back.

Mr. NEHLS. The gentleman yields. Are there any further questions from any members of the committee that have not been recognized?

Seeing none, this concludes our hearing today. I want to thank you all for being here today.

I look forward, Mr. Brown, any questions that need to be answered, I hope you can be timely with that in the next couple of weeks. You should be able to do so.

This committee stands adjourned.

[Whereupon, at 12:18 p.m., the subcommittee was adjourned.]

SUBMISSIONS FOR THE RECORD

Statement of Rob Benedict, Vice President, Petrochemicals and Midstream, American Fuel & Petrochemical Manufacturers, Submitted for the Record by Hon. Troy E. Nehls

The American Fuel & Petrochemical Manufacturers (AFPM) is a trade association representing high-tech American refiners, petrochemical manufacturers, and pipeline operators. AFPM members produce and deliver the fuels and petrochemicals that make modern life possible and enable people and the U.S. economy to thrive.

AFPM members rely on pipelines to transport feedstocks to their facilities and products to consumers. Liquid fuel and natural gas are the lifeblood of the American economy, pipelines are the veins. Pipelines continue to be the safest and most efficient means of transporting natural gas and petroleum products. The safety and security of pipelines are important not only to the American economy, but to the men and women who work to keep America moving. AFPM supports the Pipeline and Hazardous Materials Safety Administration's (PHMSA) mission "to protect people and the environment by advancing the safe transportation of energy and other hazardous materials that are essential to our daily lives."

Enhancing pipeline safety and security continue to be top priorities for AFPM. We encourage efforts to ensure our nation's pipeline system continues to operate safely and efficiently and appreciate the Committee's introduction and passage of H.R. 6494, the Promoting Innovation in Pipeline Efficiency and Safety (PIPES) Act of 2023. AFPM stands ready to support the development of this five-year reauthorization of PHMSA's pipeline safety programs as it continues to move through the legislative process.

We believe that H.R. 6494 could be improved with the creation of a "safety zone" around pipeline construction and repair operations to protect pipeline workers and the general public. The pipeline safety authority in Chapter 601 of title 49 does not contain any authority concerning worker and public safety where pipeline construction or repair activities are occurring, which could lead to potentially unsafe conditions.

AFPM supports strengthening penalties and clarifying PHMSA's existing authority for damaging, destroying, or impairing the operations of pipeline facilities. Under current PHMSA authority, there are inadequate penalties for vandalism of pipeline facilities, and those in place are unused by PHMSA. Pipelines are critical assets that must be protected.

Additionally, we support PHMSA establishing a voluntary information sharing (VIS) system to gather, evaluate, and quantify critical pipeline safety data and information to improve safety. This type of system has proven beneficial in other sectors. Importantly, any VIS system must include appropriate safe harbor provisions, that ensure data are only used for the intended purpose of improving pipeline safety.

While current federal pipeline safety standards already regulate the design, construction, operation, maintenance and emergency response for CO2 and hydrogen pipelines, the regulations could be updated to ensure they reflect industry advancements. PHMSA should ensure these regulations address specific safety concerns for these materials but not be so burdensome that they stifle development of this critically important infrastructure. Carbon capture, usage and storage (CCUS) has been demonstrated to be an effective tool in reducing CO2 emissions. Hybrid capture systems employed at ethanol facilities in the Midwest can capture CO2 from the bioprocessing stream as well as from the heat production stream to achieve further lower emissions. For CCUS to reach its potential, we must have a modern regulatory framework.

Lastly, AFPM supports increased frequency of meetings of the Technical Safety Standards Committees and the development of pipeline safety enhancement programs. Technical Safety Standards Committees are integral to the advancement of

pipeline safety and have proven to result in good policy. AFPM has long been a supporter of pilot programs as they are important in testing the efficacy of safety innovations and advanced technologies. Though they can be useful, it is important that pilot programs are not overly restrictive, and that they encourage industry to use them.

We appreciate your leadership on this critical issue and look forward to working with lawmakers as the legislative process moves forward.

Letter of May 21, 2024, to Hon. Sam Graves, Chairman, and Hon. Rick Larsen, Ranking Member, Committee on Transportation and Infrastructure, and Hon. Troy E. Nehls, Chairman, and Hon. Frederica S. Wilson, Ranking Member, Subcommittee on Railroads, Pipelines, and Hazardous Materials, from Hon. Chrissy Houlahan, Member of Congress, Submitted for the Record by Hon. Frederica S. Wilson

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
WASHINGTON, DC 20515,
MAY 21, 2024.

The Honorable SAM GRAVES,
Chairman,
Committee on Transportation and Infrastructure, U.S. House of Representatives, Washington, DC 20515.

The Honorable RICK LARSEN,
Ranking Member,
Committee on Transportation and Infrastructure, U.S. House of Representatives, Washington, DC 20515.

The Honorable TROY NEHLS,
Chairman,
Subcommittee on Railroads, Pipelines, and Hazardous Materials, U.S. House of Representatives, Washington, DC 20515.

The Honorable FREDERICA S. WILSON,
Ranking Member,
Subcommittee on Railroads, Pipelines, and Hazardous Materials, U.S. House of Representatives, Washington, DC 20515.

DEAR CHAIR GRAVES, RANKING MEMBER LARSEN, CHAIR NEHLS, AND RANKING MEMBER WILSON:

Thank you for your continued leadership and work to make our nation's systems of pipelines safer and more reliable. In March 2023, my community experienced the devastating natural gas-fueled explosion at the R.M. Palmer Company chocolate factory in West Reading, Pennsylvania, which took the lives of seven workers, injured eleven people, displaced three families, and destroyed property. On account of this tragedy, I am writing in follow up to the Subcommittee on Railroad, Pipelines, and Hazardous Materials' May 7th hearing on the reauthorization of the Pipeline and Hazardous Materials Safety Administration (PHMSA). Specifically, I want to emphasize testimony regarding action that Congress must take to regulate "Aldyl A," which is the pipeline material identified by the National Transportation Safety Board (NTSB) to have leaked natural gas at the West Reading explosion site. Accordingly, I urge you to take requisite action to protect lives from future Aldyl A-related incidents as outlined in bipartisan legislation I have proposed as you advance your Committee's pipeline safety reauthorization legislation.

As you know, the NTSB is conducting a comprehensive investigation into the R.M. Palmer factory explosion. On May 2, 2023, NTSB issued its preliminary findings report, which indicated "that natural gas was leaking from a DuPont Aldyl A service tee that was installed in 1982."[1] Unfortunately, this is not a new issue. In 1999, 2002, and again in 2007, PHMSA identified Aldyl A as a pipe material with "poor performance histories relative to brittle-like cracking."[2] It is far past time that Con-

[1] https://www.ntsb.gov/investigations/Pages/PLD23LR002.aspx

[2] Federal Register: Notification of the Susceptibility To Premature Brittle-Like Cracking of Older Plastic Pipe [https://www.federalregister.gov/documents/2002/11/26/02-30055/notification-of-the-susceptibility-to-premature-brittle-like-cracking-of-older-plastic-pipe] and https://www.govinfo.gov/content/pkg/FR-2007-09-06/pdf/07-4309.pdf

gress take action to regulate this dangerous material to prevent any future loss of life and devastation to our communities.

During the May 7th Subcommittee hearing, key testimony was given to emphasize the importance of action to regulate Aldyl A.[3] In his written testimony, Mr. Bill Caram, Executive Director of the Pipeline Safety Trust, stated, "Pipeline industry-developed standards also call attention to the integrity problems with this particular type of service tee, though these standards are also voluntary. A recent PHMSA Notice of Proposed Rulemaking would specifically add Aldyl A pipe to distribution pipeline operator's integrity management programs, asking operators to consider the risk of the presence of this material in their system. At what point do we go beyond recommending operators remove problematic materials from their systems and make it explicitly illegal for this material to be part of our nation's pipelines? Please remember that there are 7 dinner tables have had an empty seat since that day."[4]

While we cannot fix the past, Congress has a responsibility to take action to prevent disasters like the one in my community from ever happening again. That is why I introduced my bipartisan legislation, the Aldyl A Hazard Reduction and Community Safety Act (H.R.5638)[5], with my fellow Berks County colleague Rep. Dan Meuser. If enacted, our bill would direct PHMSA to require operators in high consequence areas to identify existing Aldyl A and then submit documentation about its usage to PHMSA. It directs PHMSA to issue standards for the removal of Aldyl A at pressurized locations in high consequence areas within 5 years, including consideration for minimizing costs and service disruptions. This will undoubtedly save lives and help prevent another deadly Aldyl A-related tragedy.

I appreciate your attention to the critical testimony on the circumstances surrounding the tragic explosion in West Reading delivered during the Subcommittee hearing. Once again, I urge you to take action to prevent another Aldyl A-related incident and stand ready to work with you to advance my bipartisan legislation.

Sincerely,

CHRISSY HOULAHAN,
Member of Congress.

[3] https://www.youtube.com/watch?v=rLpY883vjjA (see: 42:50 and 51:21)
[4] https://democrats-transportation.house.gov/imo/media/doc/bill__caram__-__testimony.pdf
[5] https://www.congress.gov/bill/118th-congress/house-bill/5638?s=1&r=1

APPENDIX

QUESTIONS TO TRISTAN BROWN, DEPUTY ADMINISTRATOR, PIPELINE AND HAZARDOUS MATERIALS SAFETY ADMINISTRATION, U.S. DEPARTMENT OF TRANSPORTATION, FROM HON. TROY E. NEHLS

Question 1. Deputy Administrator Brown, your written testimony for this hearing was not provided to Members until after 10:00 p.m. the night before the hearing, denying Members of this Committee time to adequately review your testimony in preparation for this hearing.

Question 1.a. Why did PHMSA take so long to provide the testimony to Members of the Committee?

ANSWER. Preparing testimony involves an extensive departmental and interagency review process. These steps are essential to ensure the accuracy and comprehensiveness of the information included in the testimony of a witness from the Executive Branch. Unfortunately, this took longer than anticipated for my testimony, affecting the timeliness of its submission to the Committee.

Question 1.b. Given the extremely late submission of your testimony, do you commit to providing responses to Members' questions for the record in two weeks?

ANSWER. It is always PHMSA's intent to provide information requested by individual members of Congress and our oversight committees within the timeframes specified. As stated during the hearing, PHMSA is also available and responsive to requests for information via phone calls, briefings, and email to ensure Congress has the information it needs to complete its legislative activities. Responding to Questions for the Record involves an extensive departmental and interagency review process. These steps are essential to ensure the accuracy and comprehensiveness of the information included in responses from an agency within the Executive Branch. Unfortunately, this took longer than anticipated, affecting the timeliness of submitting these responses to the Committee.

Question 2. Adequate staffing for PHMSA has always been a concern for Congress. That is why the PIPES Act of 2020 mandated PHMSA maintain a certain number of pipeline inspectors on staff.

Question 2.a. Has PHMSA met these numbers?

ANSWER. As noted in my testimony, with a red-hot economy and historically competitive job market, PHMSA faces fierce hiring competition from the private sector and other Federal agencies who are also competing with the same limited talent pools. In 2023, 43% of pipeline inspection and enforcement job offers were declined and in 2024, the percentage increased to 44%. PHMSA's safety inspections require engineers or technical staff that are willing to spend up to 50% of their time traveling to remote parts of the U.S. and perform physically demanding work. Regardless, PHMSA continues to explore ways to continue to improve the agency's hiring and recruitment to make it both more efficient and effective in recruiting and retaining talented applicants.

PHMSA is grateful for the PIPES Act of 2020, which supported the use of incentives to improve efforts to attract and retain a talented pool of professionals. PHMSA has undertaken new recruitment and retention efforts—in coordination with the Office of Personnel Management—including developing new tuition reimbursement efforts and utilizing new online recruitment methods. Specifically, special salary rates were implemented in 2023 and PHMSA continues to implement programs to take advantage of all available hiring flexibilities.

Question 2.b. How many pipeline inspectors are currently employed by PHMSA?

ANSWER. As of June 3, there are 224 inspection and enforcement staff onboard with an additional 10 candidates going through the security process.

Question 3. The PIPES Act of 2023, which this Committee passed on a bipartisan basis, authorizes PHMSA to hire up to 30 additional employees who have advanced technical expertise to complete rulemakings and Congressional mandates. How might these additional positions address PHMSA's backlog of outstanding rulemakings?

ANSWER. The additional positions could enable PHMSA to develop and implement rulemaking mandates more expeditiously. Effective rulemaking requires many different technical skills. Engineers and Physical Scientists provide technical support and analysis in support of rulemaking and improvement of reliability and serviceability of the pipeline transportation network. Transportation Specialists perform research and analysis related to the development of regulatory changes and interpretation of regulations, as well as in the development of proposed and final rulemaking documents, including environmental reviews and economic impact statements, evaluation of public comments, and incorporation of legal input on proposed regulatory changes. Attorneys provide legal advice in the development of rulemaking, implementation guidance, and defense of the same from administrative and appellate litigation. Economists conduct economic research to understand economic and industry trends that influence risks to pipelines, transportation of hazardous materials, and related industries, as well as develop data models to evaluate safety risks and assess costs, benefits, efficiency, and impacts of PHMSA's regulatory and safety programs. Technical Writers provide writing and editorial support in the development of materials to respond to congressional reports, mandates, and rulemaking requirements. All of these positions work together to ensure rulemakings are technically sound and are developed in consideration of existing regulatory requirements, will achieve the desired result, and are defensible against litigation. PHMSA could utilize additional positions to address outstanding and upcoming rulemakings as expeditiously as possible.

Question 4. In May 2023, PHMSA published a proposed rule on leak detection and repair requirements for pipeline operators. What is the status of this proposed rule and when does PHMSA expect it to be published?

ANSWER. In order to meet its statutory obligation, PHMSA held two gas pipeline advisory committee (GPAC) meetings on the proposed rule for leak detection and repair requirements. Following the last GPAC meeting in March 2024, stakeholders were given 30 days to provide public comments on the GPAC proceedings related to the proposed rule. The comment period for the proposed rule closed on April 29, 2024, and PHMSA is now working to consolidate and respond to all GPAC recommendations and public comments received and is on track to publish the final rule by January 2025. The schedule for all outstanding congressionally mandated rulemakings can be found on the PIPES Act 2020 Web Chart, located on PHMSA's website.

Question 5. Please detail how PHMSA has worked with the Environmental Protection Agency (EPA) to harmonize its proposed Leak Detection and Repair Rule with similar regulations at EPA.

ANSWER. PHMSA has met with different offices within EPA to better understand their published leak data associated with pipeline infrastructure and the technology solutions they considered to address methane abatement in order to synchronize our rulemakings and to minimize or eliminate all inconsistencies and duplication.

PHMSA also notes that this rulemaking is subject to the interagency review process set forth in Executive Order 12866. As part of that process, PHMSA provided briefings on the NPRM for personnel from EPA and other agencies on the content of the rulemaking and responded to multiple rounds of comments on the draft rulemaking package from Executive Branch agencies (including, but not limited to, EPA). Further opportunity for input from EPA and other agencies will be provided as part of the Executive Order 12866 review of the final rule.

Question 6. The proposed Leak Detection and Repair Rule includes a requirement for gathering line operators to participate in the national pipeline mapping system (NPMS), despite the PIPES Act of 2020 providing no such authorization.

Question 6.a. Please detail where in the PIPES Act of 2020 PHMSA draw its authorization for including gathering lines in the NPMS.

ANSWER. In its Notice of Proposed Rulemaking (NPRM) for the Gas Pipeline Leak Detection and Repair rulemaking (RIN2137–AF51), PHMSA states that it has statutory authority pursuant to 49 U.S.C. 60117(c) to extend NPMS reporting requirements at 49 CFR 191.29 to offshore, Type A, Type B, and Type C gas gathering pipelines so as to better inform PHMSA's regulatory oversight of those facilities. *See* 88 FR at 31946–47, 31964–65. PHMSA also notes that, insofar as the NPRM identifies safety and environmental benefits from its proposed extension of the NPMS to

those gas gathering facilities, PHMSA's broad safety authority at 49 U.S.C. 60102 could provide an alternative statutory basis for such an extension. *See* 88 FR at 31946–47.

Question 6.b. Does PHMSA intend to keep this directive in the final rule?

ANSWER. PHMSA has received numerous comments—both in opposition to and in support of—its proposed extension of NPMS reporting requirements at 49 CFR 191.29. PHMSA is carefully reviewing the entirety of the administrative record on this issue in evaluating whether to codify this proposal in its forthcoming final rule in the Gas Pipeline Leak Detection and Repair rulemaking (RIN2137–AF51).

Question 7. PHMSA's authority to administer the NPMS is codified at 49 U.S.C. § 60132. Subsection (a) of § 60132 states that "the operator of a pipeline facility (except distribution lines and gathering lines)" shall submit geospatial data and other information to the NPMS. Do you believe this statute gives PHMSA authority to require gathering and distribution operators to submit information for the NPMS?

ANSWER. Section 60132(a) does not give PHMSA authority, it is a self-executing mandate requiring operators of certain pipeline facilities to submit geospatial information to PHMSA "[n]ot later than 6 months after the date of enactment of this section." Section 60132(a) does not preclude PHMSA from requiring operators of distribution or gathering facilities to submit geospatial data under § 60117(c).

As explained in response to Chairman Nehls' question 6(a), PHMSA understands it has the authority under several provisions of the Pipeline Safety Laws to extend NPMS reporting requirements at 49 CFR 191.29 to gas gathering pipelines. Similarly, PHMSA understands that neither of the statutory provisions referenced in that earlier response prohibit PHMSA from extending the NPMS to gas distribution lines as well if PHMSA determines such an extension is necessary for public safety or environmental protection (49 U.S.C. 60102) or to ensure compliance with standards or orders issued by PHMSA (49 U.S.C. 60117).

Question 8. Since the creation of the NPMS, has PHMSA ever required distribution or gathering lines to submit information for the NPMS? If so, please detail when PHMSA collected that information.

ANSWER. PHMSA has never required operators to submit geospatial information for gas distribution or gas gathering pipeline facilities but does require submission of NPMS data for regulated rural onshore hazardous liquid gathering lines.

PHMSA first regulated hazardous liquid gathering pipeline facilities in Docket PHMSA–RSPA–2003–15864, RIN 2137–AD98, Protecting Unusually Sensitive Areas from Rural Onshore Hazardous Liquid Gathering Lines and Low-Stress Lines. In the 2008 final rule, operators of regulated rural onshore hazardous liquid gathering lines were required to comply with 49 CFR part 195 subpart B reporting requirements no later than January 3, 2009. In Docket PHMSA–2010–0026, RIN 2137–AE59, Miscellaneous Changes to Pipeline Safety Regulations, a 2015 final rule amended PHMSA regulations to require operators of hazardous liquid pipeline facilities to submit geospatial data to PHMSA each year by June 15. The earliest date PHMSA required operators of regulated rural onshore hazardous liquid gathering lines to submit geospatial data was June 15, 2016.

Question 9. 49 U.S.C. § 60117(c) states that "The Secretary may require owners and operators of gathering lines to provide the Secretary information pertinent to the Secretary's ability to make a determination as to whether and to what extent to regulate gathering lines."

Do you believe 49 U.S.C. § 60117(c) gives PHMSA authority to require gathering lines to submit information to the NPMS? Please explain your position.

ANSWER. As explained in the response to Chairman Nehls' question 6(a), PHMSA understands it has the authority under several provisions of the Pipeline Safety Laws to extend NPMS reporting requirements at 49 CFR 191.29 to gas gathering pipelines, including 49 U.S.C. 60117(c).

Question 10. Do you believe PHMSA would require new statutory authority to require gathering and distribution lines to submit information to be included in the NPMS? Please explain your position.

ANSWER. As explained in responses to Chairman Nehls' questions 6(a) and 7, PHMSA understands it has the authority under several provisions of the Pipeline Safety Laws to extend NPMS reporting requirements at 49 CFR 191.29 to gas gathering and distribution pipelines.

Question 11. Do you believe the PIPES Act of 2020 provides authority to PHMSA to include liquified natural gas (LNG) facilities to be included in the proposed Leak Detection and Repair rule? If so, please detail where in the PIPES Act of 2020, or in statute, this authorization is located?

ANSWER. In its Notice of Proposed Rulemaking (NPRM) for the Gas Pipeline Leak Detection and Repair rulemaking (RIN2137–AF51), PHMSA states that several of its proposed amendments to 49 CFR part 193 requirements governing liquefied natural gas (LNG) facilities codify a self-executing statutory mandate within section 114 of the PIPES Act of 2020 for operators of those and other gas pipeline facilities to update their inspection and maintenance procedures to "minimize releases of natural gas." See 88 FR at 31947–48. PHMSA also has broad authority under 49 U.S.C. 60102(a) (reinforced in 49 U.S.C. 60103(d)) to promulgate operating and maintenance safety standards for LNG facilities, including the enhanced leakage survey standards proposed in the NPRM.

Question 12. PHMSA held two Gas Pipeline Advisory Committee (GPAC) meetings in November 2023 and March 2024 on the Leak Detection and Repair proposed rule. GPAC meetings are required by statute to help provide PHMSA guidance on writing highly technical rules. Given the length of these meetings and complicated nature of this proposed rule, will PHMSA provide an extension of the comment period? If not, please justify PHMSA's position.

ANSWER. PHMSA provided the public a 90-day comment period after publication of the Leak Detection and Repair proposed rule. The public had close to 150 additional days to comment following the GPAC meeting in November of 2023, where the most difficult issues relative to the rulemaking were addressed. PHMSA believes that the 30 days provided for the public to comment following the March 2024 GPAC meeting was ample time to comment on the issues discussed at that meeting.

Additionally, PHMSA received comments from the public opposing the extension of the comment period for GPAC proceedings pertaining to the Leak Detection and Repair NPRM. Noting that the rule is urgently needed to improve safety and reduce methane emissions across the millions of miles of pipelines in the Unites States and that the Protecting Our Infrastructure of Pipelines and Enhancing Safety Act of 2020 directed PHMSA to finalize advanced leak detection and repair standards by December 2021, commenters urged PHMSA to swiftly finalize the proposed measures to improve public safety, arguing that extending the comment period for GPAC proceedings pertaining to the Leak Detection and Repair NPRM could further delay PHMSA's finalization of that rule.

Question 13. After Congress reached bipartisan agreement on a technology pilot demonstration program in the PIPES Act of 2020, additional conditions PHMSA imposed through guidance subsequently resulted in no technology pilots proposed or undertaken.

Question 13.a. What changes or actions has PHMSA taken since our last hearing to improve this program?

ANSWER. As mandated by 49 U.S.C. 60142(c)(2), the Pipeline Safety Enhancement Program (PSEP) expired three years after enactment of the PIPES Act of 2020, December 2023. Prior to expiration of the program, PHMSA expressed a willingness, including at the March 2023 T&I hearing, to work with committee members and stakeholders to improve the application process. However, no applicants came forward to participate in the program prior to its expiration. PHMSA stands ready to work with operators to advance modern technological advancements which can continue to be explored through the special permit process and through other provisions of the pipeline safety regulations using 49 CFR part 192.18.

Question 13.b. Pipeline safety deserves the benefits of modern technological advances. What can PHMSA do to reduce barriers to demonstrating the benefits of pipeline safety technology?

ANSWER. PHMSA agrees new technologies can improve pipeline safety. However, use of unproven technology cannot be allowed to expose the public or the environment to unreasonable risk.

49 U.S.C. 60142 authorized PHMSA to allow testing of innovative technologies and operational practices and required under subsection (d) that any testing program approved must provide more robust protection of public safety and the environment than the existing Federal pipeline safety regulations. PHMSA followed congressional direction by utilizing the review process of the existing special permit (waiver) program (see 49 U.S.C. 60142(d)(2)(A)), and PHMSA remained amenable to working with interested operators to alleviate some of the application requirements while ensuring that an equivalent level of public and environmental safety was being maintained by any new technologies or operational practices being implemented on in-service, or active, pipelines.

PHMSA remains open to working with interested operators to establish the safety of modern technological advances.

Question 14. The Committee on Transportation and Infrastructure advanced a pipeline safety reauthorization bill, H.R. 6494, that contains an important provision that will increase pipeline safety and reduce methane emissions. The provision would address maximum allowable operating pressure records for older pipelines. Please elaborate on the importance of this provision, given its safety and environmental benefits.

ANSWER. In October 2019, PHMSA issued the Pipeline Safety: Safety of Gas Transmission Pipelines: MAOP Reconfirmation, Expansion of Assessment Requirements, and Other Related Amendments. This rule, addressing several congressional mandates from the Pipeline Safety, Regulatory Certainty, and Job Creation Act of 2011, requires operators of certain onshore steel gas transmission pipeline segments to reconfirm the maximum allowable operating pressure (MAOP) of those segments where the records needed to substantiate their current MAOP are not traceable, verifiable, and complete. Records to confirm, or reconfirm, MAOP include pressure test records or material property records that verify the MAOP is appropriate for the pipeline. Having accurate and reliable asset data (records) is important to ensuring safe and reliable operations.

PHMSA has worked with stakeholders on determining a process to address the issues regarding identifying acceptable records for older pipelines. PHMSA has worked collaboratively with stakeholders on this process since implementation of the rulemaking and continues to do so.

Question 15. Is PHMSA considering an update to the potential impact radius, which remains a highly effective tool to prioritize risk and ensure the safety of our Nation's natural gas pipeline system, as reported by Government Accountability Office (GAO) earlier this month?

Question 15.a. Did the agency hold a public meeting on the potential impact radius (PIR) in December 2022 where PHMSA reaffirmed its efficacy and application?

ANSWER. PHMSA conducted a public meeting on December 13–15, 2022, that included discussion of the PIR. More details about the public meeting can be found on PHMSA's website at this link: https://primis-meetings.phmsa.dot.gov/archive/MtgHome.mtg@mtg=161.html

Question 15.b. What new data or engineering analyses support a change in the PIR?

ANSWER. During PHMSA's December 13–15, 2022, public meeting (https://primis-meetings.phmsa.dot.gov/archive/MtgHome.mtg@mtg=161.html) in Houston, Texas, there were two presentations that touched on and provided information related to potential impact radius (PIR), including one related to the National Transportation Safety Board's (NTSB) recommendation for PHMSA to consider a revision to the calculation methodology used in the pipeline safety regulations to determine PIR (see NTSB Safety Recommendation P–22–001); and a second presentation that provided information on the background for development and validation of the PIR.

Following the public meeting PHMSA established a team to review the current potential impact radius (PIR) calculation methodology, the available accident data, and the human response data to determine if revisions to the pipeline safety regulations are required. PHMSA has completed its review of data and is in the process of discussing options regarding methodology to respond to the NTSB's recommendation. If a rulemaking initiative is established, all data reviewed by PHMSA's team will be included in the docket.

Question 16. Section 25 of H.R. 6494, the PIPES Act of 2023 includes direction for PHMSA to issue a Notice of Proposed Rulemaking (NPRM) on the transportation of gaseous state carbon dioxide by pipeline and includes other direction for such rulemaking.

Question 16.a. PHMSA is in the process of issuing an NPRM on carbon dioxide transportation. Does the NPRM incorporate provisions of H.R. 6494? If so, which provisions? Are there any provisions excluded?

ANSWER. PHMSA notes that its draft Notice of Proposed Rulemaking (NPRM) for its Safety of Carbon Dioxide and Hazardous Liquid Pipelines rulemaking (RIN2137–AF60) is currently in interagency review pursuant to Executive Order 12866. PHMSA is therefore constrained by regulation (49 CFR part 5.5) and Departmental policy (see https://www.transportation.gov/sites/dot.gov/files/2022-04/Guidance-on-Communication-with-Parties-outside-of-the-Federal-Executive-Branch-%28Ex-Parte-Communications%29.pdf) from disclosing the content of that forthcoming NPRM to persons outside the Executive Branch.

Question 16.b. Assuming this legislation is enacted into law, how will PHMSA incorporate the bill's direction into a NPRM or Final Rule?

ANSWER. PHMSA seeks to comply with applicable law and will endeavor—consistent with the procedural requirements of the Pipeline Safety Laws (49 U.S.C. 60101 et seq.) and the Administrative Procedure Act (5 U.S.C. 500 et seq.)—to reconcile the contents of its forthcoming NPRM and any final rule with Congressional statute.

QUESTIONS TO TRISTAN BROWN, DEPUTY ADMINISTRATOR, PIPELINE AND HAZARDOUS MATERIALS SAFETY ADMINISTRATION, U.S. DEPARTMENT OF TRANSPORTATION, FROM HON. FREDERICA S. WILSON

Question 1. For the record, could you state what has been the leading cause of serious, significant, and all pipeline incidents over the last 20 years, and the last 3 years? Where do excavation damage incidents rank among leading causes?

ANSWER. Excavation damage is a leading cause of serious pipeline incidents for all pipeline system types, as of 6/18/24. Below is a breakdown for all incidents. Serious Incidents are the most impactful to people and include fatalities or injuries requiring inpatient hospitalization. Significant incidents are a broader category of incidents, including all serious incidents and events with additional economical or environmental consequences. More specifically, significant incidents include the following:

1. Fatality or injury requiring in-patient hospitalization
2. $50,000 or more in total costs, measured in 1984 dollars
3. Highly volatile liquid releases of 5 barrels or more or other liquid releases of 50 barrels or more
4. Liquid releases resulting in an unintentional fire or explosion

All Pipeline Types

	Leading Cause	Excavation Damage Ranking
3 Years		
Serious Incidents	Incorrect Operation	2nd
Significant Incidents	Equipment Failure	3rd
All Incidents	Equipment Failure	4th
20 Years		
Serious Incidents	Excavation Damage	1st
Significant Incidents	Corrosion	3rd
All Incidents	Equipment Failure	4th

Natural Gas Distribution Pipelines

	Leading Cause	Excavation Damage Ranking
3 Years		
Serious Incidents	Excavation Damage	1st
Significant Incidents	Excavation Damage	1st
All Incidents	Excavation Damage	1st
20 Years		
Serious Incidents	Other Outside Force	2nd
Significant Incidents	Excavation Damage	1st
All Incidents	Excavation Damage	1st

QUESTIONS TO TRISTAN BROWN, DEPUTY ADMINISTRATOR, PIPELINE AND HAZARDOUS MATERIALS SAFETY ADMINISTRATION, U.S. DEPARTMENT OF TRANSPORTATION, FROM HON. DAVID ROUZER

Question 1. How long has PHMSA investigated both thermite and thermite technology?

ANSWER. PHMSA began formally investigating thermite and thermite technology on September 27, 2018, with the first Task Order to Southwest Research Institute. Although PHMSA had previously received questions relating to thermite classifications dating back to when the agency was the Research and Special Projects Administration (RSPA), the impetus leading to formal research efforts was an email PHMSA received from one of our third-party explosive testing agencies on March 4, 2016. Subsequently PHMSA had discussions with other explosive testing agencies, Federal agencies including the Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF) and the Department of Defense (DOD), and international transport regulators regarding how thermites should be considered under the definitions for explosives and pyrotechnics and ultimately how such materials should be classed.

Question 2. On September 22, 2023, PHMSA released an interim thermite policy stating it does not have the force and effect of law. Why did PHMSA not follow the Administrative Procedure Act when generating this policy?

ANSWER. On September 22, 2023, PHMSA issued a Notice of Explanation of how it has reviewed and classified previous thermite mixtures. Since initiating its research into thermite classification, PHMSA has sought to provide regulatory relief by reclassifying certain thermite substances, which meet PHMSA's definition of Class 1 explosives, as Division 4.1 flammable solids pursuant to the Associate Administrator's existing authority under 49 CFR § 173.56(i). This notice explained what data PHMSA has analyzed and found convincing when reclassifying thermite substances. This notice was only intended to provide clarity for how PHMSA has treated and reviewed previous requests while we complete the ongoing research to determine proper testing and criteria required to address the safe transportation of thermite formulations. While PHMSA did not issue its policy through the notice and comment period, its actions were still consistent with the Administrative Procedure Act.

Question 3. Will domestic manufacturers of thermite be held accountable for the policy?

ANSWER. PHMSA applies the same standards for classification of explosives, including the thermite policy, to all applicants, whether domestic or foreign.

Question 4. Why would PHMSA, with the September 2023 Safety Management Service (SMS) research, state that all thermites are provisionally considered explosive?

ANSWER. Thermites meet the regulatory definition of an explosive under the Hazardous Materials Regulations (HMR) at 49 CFR 173.50(a) and the United Nations Recommendations on the Transport of Dangerous Goods Section 2.1.1. The SMS research report confirmed this, stating "It is the recommendation of SMS that thermite powders, which are manufactured with the view to producing a pyrotechnic effect, be classed into Class 1 in the condition and form in which they are offered for transport . . ."

As noted above, PHMSA has also been engaged with other foreign competent authorities to promote an internationally harmonized approach toward thermite regulation. In discussion with several of these competent authorities, it was the unanimous opinion that thermite materials are appropriately placed within the class of explosives (Class 1) as they meet both of the HMR and UN definitions of explosives.

Question 5. If you believe thermites meet the definition of a pyrotechnic substance, wouldn't this necessitate all Class 4 flammable solids also meet the definition (. . . create light, heat, smoke . . .)?

ANSWER. While pyrotechnic substances and flammable solids are both capable of creating light, heat, smoke, etc., they differ in that pyrotechnic substances contain a combination of both fuel and oxidizer and are thus self-sustaining and will continue to react without an external oxygen source, whereas flammable solids are merely fuels that require external supplies of oxygen to sustain combustion. Once thermites are initiated, they cannot be extinguished by most traditional means.

Question 6. If a thermite manufacturer can produce a stable mixture that can be proven through UN testing, why are you penalizing innovation over a definition (pyrotechnic substance)?

ANSWER. PHMSA is not penalizing any manufacturer of pyrotechnic substances, only seeking to apply the hazardous materials transportation regulations safely andconsistently. All substances that have a pyrotechnic effect remain in Class 1 by definition unless they are diluted or desensitized from their pure state. This approach has been harmonized internationally across foreign competent authorities to ensure accurate, fair, and consistent classification of explosives. Under the current PHMSA interim thermite policy, manufacturers of certain thermite substances that have been properly examined can request regulatory relief to be shipped as a Division 4.1, flammable solid.

Question 7. Why did you allow a foreign company (SPEX), which does not conduct business in the U.S., to impact your view of thermites when you have domestic manufacturers with decades of experience?

ANSWER. No single company influenced PHMSA's view of thermites or their classification. In February 2022, SPEX reached out to PHMSA technical staff to discuss thermite classification, testing, and the relationship of the interim policy and the published letters of interpretation. SPEX received responses to their inquiries on how explosive definitions and testing schemes apply to thermite substances and articles that were commensurate with how PHMSA regularly responds to outside stakeholders requesting insight or guidance on how the HMR applies to specific situations. SPEX's inquiries did not impact PHMSA's technical opinion or guidance, and PHMSA did not provide information to SPEX specific to any particular manufacturer or product. PHMSA has also had informational meetings with domestic manufacturers (i.e., MCR Oil Tools, Chammas Plasma Cutters, Goldschmidt, etc.) to discuss their process, materials, and articles.

Question 8. How many injuries and/or deaths have occurred in the U.S. due to commercial thermites within the last 30 years?

ANSWER. PHMSA only collects data on incidents involving the commercial transportation of hazardous materials. Of those, there are approximately 10 transportation incidents per year involving thermite or thermite-like materials, each causing on average about $7,000 in damages. Ninety percent of these incidents occurred on the highway, and none in the last thirty years resulted in injury or death.

Question 9. Only 3 of the 8 mixtures were commercial products in the SMS report about thermites. Do you believe it's a sound decision to make a blanket ruling on thermite technology based on test results of non-commercial grade thermites?

ANSWER. The SMS research included some worst-case scenarios for thermite formulations to delineate how particle size, morphology, packaging, and chemical composition impact behavior. Their results confirmed the ability for some thermite formulations to detonate, and it was important that SMS design the study materials to explore how these variables interact in either accelerating or slowing the relative reactivity for those thermite formulations. SMS also performed several large-scale tests with commercially produced thermites in shipping containers and aircraft fuselage to understand the behavior and hazards of palletized transport of thermites subjected to credible accident scenario initiation methods (e.g., external fire).

Question 10. Have you contacted the U.S. manufacturers of thermite technology to understand how a Class 1 explosive classification would affect their business and industry?

ANSWER. The agency does routinely, and frequently, engage with regulated stakeholders through public meetings, industry trade groups, specialized consultants, and by request from individual stakeholders. The agency also provides letters of interpretation, on request, on how the regulations should be interpreted to specific cases and takes consideration of public comments made on all rulemakings. PHMSA has also had informational meetings with domestic manufacturers (i.e., MCR Oil Tools, Chammas Plasma Cutters, Goldschmidt, etc.) to discuss their processes, materials, and articles.

QUESTIONS TO TRISTAN BROWN, DEPUTY ADMINISTRATOR, PIPELINE AND HAZARDOUS MATERIALS SAFETY ADMINISTRATION, U.S. DEPARTMENT OF TRANSPORTATION, FROM HON. BRUCE WESTERMAN

Question 1. Mr. Brown, my understanding is the Gas Pipeline Advisory Committee met in March to discuss PHMSA's proposed leak detection and repair rulemaking. The GPAC recommended several changes to the proposed rule to ensure it is technically feasible, reasonable, cost-effective, and practicable.

Will you commit to the Committee that you and your staff will seriously consider the GPAC's recommendations as you revise the proposed rule?

ANSWER. PHMSA will consider all of the GPAC's recommendations and the comments received during the open comment periods, as we prepare the final rule.

Question 2. The EPA has finalized several rules recently that apply to emissions in the oil and natural gas sector. I am concerned that inconsistent regulations between EPA and PHMSA will place undue burden on the industry and smaller independent companies in particular.

At the very least, will you commit to ensuring consistency between EPA's regulations and PHMSA's ultimate leak detection and repair final rule?

ANSWER. PHMSA is committed to ensuring consistency between EPA regulations and our final rule. PHMSA also notes that this rulemaking is subject to the interagency review process set forth in Executive Order 12866; as part of that process, PHMSA provided briefings on the NPRM for personnel from EPA and other agencies on the content of the rulemaking, and responded to multiple rounds of comments on the draft rulemaking package from the Office of Management and Budget, and diverse Executive Branch agencies (including, but not limited to, EPA). Further opportunity for input from EPA and other agencies will be provided as part of the Executive Order 12866 review of the final rule.

QUESTIONS TO TRISTAN BROWN, DEPUTY ADMINISTRATOR, PIPELINE AND HAZARDOUS MATERIALS SAFETY ADMINISTRATION, U.S. DEPARTMENT OF TRANSPORTATION, FROM HON. TRACEY MANN

Question 1. Representative Pete Stauber (R–MN) asked Deputy Administrator Brown during the hearing about PHMSA holding an additional Gas Pipeline Advisory Committee (GPAC) meeting regarding the Class Location Rule. Deputy Administrator Brown answered that the GPAC had already completed its work on the rule. However, Representative Stauber was referencing a consensus reached during the March 2024 Class Location GPAC meeting where the advisory committee voted by supermajority threshold to meet again on the rulemaking within one year.

Question 1.a. Can PHMSA commit to holding the next GPAC meeting on the Class Location Rule before March 2025?

Question 1.b. If not, what is preventing PHMSA from doing so?

Question 1.c. Will this second GPAC meeting require a supplemental notice and comment period?

ANSWER to 1.a., 1.b., & 1.c. During the Class Location GPAC meeting in March 2024, the GPAC provided the following recommendation to PHMSA:

i PHMSA should continue to review the class location change requirements for possible future rulemaking action.

ii PHMSA, within 12 months, hold a GPAC meeting on the concepts and history of the class location change requirements and how they interact with 49 CFR subpart O.

The meeting request from the GPAC was not directly related to the notice of proposed rulemaking discussed during the advisory committee meeting, "Pipeline safety: Class Location Change Requirements." The request was, however, related to the concepts and history of the class location change requirements and how they interact with existing regulatory requirements. PHMSA fully intends to adhere to the GPAC request and hold a meeting.

Question 2. Industry recently calculated that the Class Location Rule will reduce 28 times the amount of released methane as the proposed Leak Detection and Repair Rule would across the gas transmission sector. In addition to eliminating up to 800 million cubic feet of natural gas releases annually due to class change pipe replacements, the rule will significantly increase safety by applying integrity management, the highest standard of care, to thousands of miles of additional pipe.

Question 2.a. What assurances can PHMSA provide that the agency is prioritizing completion of this important rulemaking, which advances safety and environmental objectives?

Question 2.b. How soon can the agency issue a final rule?

Question 2.c. With the significant improvement in safety and environmental impacts, why isn't the Class Location Rule being prioritized over other rulemakings?

ANSWER to 2.a., 2.b., & 2.c. The 2020 PIPES Act had nearly double the number of mandates as the 2016 PIPES Act. Nevertheless, PHMSA has swiftly worked to complete these directives. A final Class Location Rule needs to be very carefully considered to provide protection against risks to life and property posed by pipeline transportation.

Question 3. Representative David Rouzer (R–NC) asked Deputy Administrator Brown during the hearing several questions about the Leak Detection and Repair (LDAR) proposed rule. Please provide more detail regarding the following questions.

Question 3.a. Deputy Administrator Brown stated that the agency will likely complete the rule at the end of the year. Can PHMSA please be more specific on timing? Are there certain milestones PHMSA is working to achieve?

ANSWER. PHMSA is on track to publish a final rule by January 2025. As shown in the PIPES Act Web Chart (see: https://www.phmsa.dot.gov/legislative-mandates/pipes-act-web-chart), PHMSA anticipates delivering the final rule to the Office of the Secretary of Transportation this summer and to the Office of Management and Budget by the fall.

Question 3.b. Deputy Administrator Brown stated that the White House and the Council on Environmental Quality had minimal involvement in the proposed rule but expected the standard interagency review process for other governmental bodies to provide feedback on the final rule. Can PHMSA please share who will be reviewing the final rule including, but not limited to the following agencies and offices: the Department of Transportation (DOT) Office of the Secretary, the Office of Management and Budget, the Office of Information and Regulatory Affairs, the Council on Environmental Quality, and the White House?

ANSWER. Consistent with Department of Transportation Order 2100.6A and the interagency review process established in Executive Order 12866, PHMSA expects its forthcoming draft rulemaking package for the Gas Pipeline Leak Detection and Repair rulemaking (RIN2137–AF51) will be reviewed by personnel in the DOT Office of the Secretary (OST), and across the Executive Branch—including (but not limited to) personnel from the Office of Information and Regulatory Affairs in the Office of Management and Budget, and other Executive Branch offices and agencies.

Question 3.c. On April 15, 2024, PHMSA recently denied a reasonable request from the entire gas pipeline industry to extend the comment period following the GPAC meeting for the LDAR rule. Given that this is one of the largest rulemakings PHMSA has undertaken in years and considering there were only about two weeks to review all the required materials from the recent GPAC meeting on the LDAR Rule, can PHMSA please explain this decision? Is PHMSA concerned about the potential of substantive errors with the final rule since it appears the comment process was being rushed and the rulemaking expedited? If PHMSA is not concerned, what is the basis?

ANSWER. PHMSA provided the public a 90-day comment period after publication of the Leak Detection and Repair NPRM. The public was provided nearly 150 additional days to comment following the GPAC meeting in November of 2023, where the most difficult issues relative to the NPRM were addressed. PHMSA believes the 30 days provided for the public to comment on the March 2024 GPAC meeting was ample time to comment on the issues discussed at that meeting.

Additionally, PHMSA received comments from the public opposing the extension of the comment period for GPAC proceedings pertaining to the Leak Detection and Repair NPRM. Noting that the rule is urgently needed to improve safety and reduce methane emissions across the millions of miles of pipelines in the United States, and that the Protecting Our Infrastructure of Pipelines and Enhancing Safety Act of 2020 directed PHMSA to finalize advanced leak detection and repair standards by December 2021; commenters urged PHMSA to swiftly finalize the proposed measures to improve public safety, arguing that extending the comment period for GPAC proceedings pertaining to the Leak Detection and Repair NPRM could further delay PHMSA's finalization of that rule.

Question 3.d. Deputy Administrator Brown stated that PHMSA has been working with EPA to harmonize the LDAR rule from the proposal stage to the final stage with new EPA methane regulations since there will be overlapping requirements. Can PHMSA please share the dates of all meetings between PHMSA and EPA, including the names of the EPA offices, for each meeting? Please list other agencies and other stakeholders who may have been included in these meetings as well.

ANSWER. PHMSA primarily met with representative from EPA's Office of Air and Radiation. PHMSA also notes that this rulemaking is subject to the interagency review process set forth in Executive Order 12866; as part of that process, PHMSA provided briefings on the NPRM for personnel from EPA and other agencies on the content of the rulemaking, and responded to multiple rounds of comments on the draft rulemaking package from the Office of Information and Regulatory Affairs in the Office of Management and Budget, and diverse Executive Branch agencies (including, but not limited to, EPA). Further opportunity for input from EPA and other

agencies will be provided as part of the Executive Order 12866 review of the final rule.

Question 4. Representative Seth Moulton (D–MA) asked Deputy Administrator Brown about PHMSA's perspective on integrity management programs. Deputy Administrator Brown responded that integrity management is working for some operators and not others. Additionally, when asked if integrity management was the right approach, Deputy Administrator Brown discussed other PHMSA programs without mentioning the efficacy of the integrity management regulations.

Question 4.a, According to an industry review of PHMSA gas transmission incident data in high consequence areas from 2010–2023, there have been zero incidents due to external corrosion in 10 of 14 years, there have been zero incidents due to internal corrosion in 12 of 14 years, and there have been zero incidents due to stress corrosion cracking in 12 of 14 years. These three threats are directly managed by integrity management programs. Does PHMSA agree that these statistics show that integrity management programs have made a positive impact on safety in high consequence areas?

ANSWER. PHMSA is not familiar with analysis of incidents the question refers to and is unable to provide comment on the analysis without seeing it. In general, integrity management programs are comprised of many individual measures and responses. Over the past decade, the mileage of integrity assessments has increased, and we have observed a decrease in all types of corrosion incidents across both gas transmission and hazardous liquid pipelines for high consequence areas (HCAs) and non-HCAs. Additionally, during the same period, there has been a steady reduction in the number of repaired leaks and known leaks scheduled for repair in gas transmission pipeline across all areas and zones. It is encouraging to see the positive trends, but we remain vigilant in our focus on how to improve integrity management.

Question 4.b. Given the statistics above, does the agency support the expansion of integrity management principles on the nation's pipeline systems beyond high consequence areas and moderate consequence areas?

ANSWER. PHMSA supports consideration of initiatives that improve pipeline safety, including consideration of the expansion of integrity management principles beyond currently covered pipelines. It should be noted that the Pipeline Safety Laws establish the *minimum* federal pipeline safety regulations, operators are able to expand integrity management principles to pipelines outside of their identified HCAs as part of their safety programs without approval from PHMSA, and some currently do so.

Question 4.c. Does the agency have measures or metrics, other than incident reports or enforcement actions that it uses to track and evaluate safety performance?

ANSWER. PHMSA uses a variety of measures to evaluate the safety performance of operators. Incident rates (e.g., number of incidents per 1,000 miles) and enforcement actions are important measures, but PHMSA has many others. Leaks and repair rates are used to track operator issues that do not rise to the level of reportable incidents. PHMSA also tracks miles of pipe composed of higher risk materials such as cast iron, wrought iron and bare steel that merit additional scrutiny. In addition, PHMSA evaluates operators' implementation of integrity management, including the types and miles of in-line inspection tool runs conducted each year and the results of those tool runs.

Serious incidents, onshore significant incidents in HCAs, and additional metrics normalized per miles assessed by operator are also analyzed and shared publicly on the PHMSA National Pipeline Performance Measures page available to the general public here: https://www.phmsa.dot.gov/data-and-statistics/pipeline/national-pipeline-performance-measures. Based on input from stakeholders, including industry and public advocacy groups, PHMSA is considering revisiting these measures and potentially adding others.

Besides these standard measures, PHMSA inspectors consider information specific to overall company performance as well as individual pipeline segments when preparing and conducting inspections. This information varies based on the specific segment, but can include factors such as special permits, river crossings, natural force threats, time since last inspection, any operational changes, and attached components.

Question 5. Recently, PHMSA informed the Government Accountability Office (GAO) that the agency is considering regulatory changes to improve the accuracy of its potential impact radius (PIR) formula.

Question 5.a. Why is PHMSA considering an update to the PIR, which remains a highly effective tool to prioritize risk and ensure the safety of our nation's natural gas pipeline system, as reported by GAO earlier this month?

Question 5.b. The agency held a public meeting on the PIR in December 2022 where PHMSA and the developer of the methodology (CFER) reaffirmed its efficacy and application. The PIR was developed to systematically define reasons to apply integrity management. It was not intended to be a model for accurately determining the extent of damage from a rupture. Can PHMSA please share why after the December 2022 meeting the agency is considering a shift in its belief that the current PIR is an effective tool in prioritizing work to manage safety threats?

Question 5.c. Can you please share the data, research, or analysis that supports a change in the PIR?

ANSWER to 5.a., 5.b., & 5.c. On August 15, 2022, the National Transportation Safety Board (NTSB) issued Safety Recommendation P–22–1 to PHMSA. NTSB recommended that PHMSA "Revise the calculation methodology used in your regulations to determine the potential impact radius of a pipeline rupture based on the accident data and human response data discussed in this report." In response to NTSB's recommendation, PHMSA conducted a public meeting December 13–15, 2022, in Houston, Texas. There were two presentations that touched on and provided information related to potential impact radius (PIR): one related to the National Transportation Safety Board's (NTSB) recommendation for PHMSA to consider a revision to the calculation methodology used in the pipeline safety regulations to determine PIR (see NTSB Safety Recommendation P–22–001); and the second was information on the background for development and validation of the PIR.

Following the public meeting PHMSA established a team to review the current potential impact radius (PIR) calculation methodology, the available accident data, and the human response data to determine if revisions to the pipeline safety regulations are required. PHMSA has completed its review of data and is in the process of discussing options regarding methodology to respond to the NTSB's recommendation. If a rulemaking initiative is established, all data reviewed by PHMSA's team will be included in the docket.

Question 6. In prior presidential election years, DOT, including PHMSA, has barred major rulemaking activity and grant awards from being released several months prior to a presidential election.

Question 6.a. Will DOT and PHMSA be under a similar prohibition this year?

ANSWER. PHMSA is not aware of any historical prohibitions along the lines of those suggested. Rather, in advance of the most recent presidential election, PHMSA issued a final rule on LNG by Rail (RIN2137–AF40) in late July 2020, and a Notice of Proposed Rulemaking on Class Location (RIN2137–AF29) in October 2020. Similarly, before the 2016 presidential election, PHMSA issued each of the following rulemaking actions: a final rule on FAST Act Requirements for Flammable Liquids and Rail Tank Cars (RIN2137–AF17) in August 2016; a final rule on Expanding the Use of Excess Flow Valves in Gas Distribution Systems to Applications Other Than Single-Family Residences (RIN2137–AE71) in October 2016; and an Interim Final Rule on Enhanced Emergency Orders for Pipelines (RIN2137–AF26) in October 2016.

Question 6.b. If so, what dates will DOT and PHMSA bar major rulemaking activity and grant funding from being released?

ANSWER. PHMSA is not aware of any prohibitions for either rulemaking activity or grant funding in the nature described.

Question 7. Concerns have been raised about instances of certain PHMSA inspectors, in several regional offices, acting in an unprofessional manner during audits and inspections.

Question 7.a. Can the agency please provide details on what trainings and/or programs PHMSA institutes to ensure its inspectors are acting professionally and abiding by the Department of Transportation's Standards of Ethical Conduct? Are any of these programs recurrent?

ANSWER. PHMSA's Office of Pipeline Safety (OPS) takes the conduct of our staff very seriously. We encourage all operators to bring issues to the Region Directors and PHMSA/OPS leadership. Every year OPS leadership conducts a planning meeting with the Region Directors and Operations Supervisors. In the most recent two planning meetings we have invited representatives from the regulated community and other public interest stakeholders to come in and speak freely about their observations on topics ranging from regulatory oversight and newly issued regulations to inspection conduct. The attendees have not raised the topic of federal inspector conduct as a concern in these meetings. Additionally, several operators meet with

PHMSA and OPS leadership throughout the year, usually at their request. If a conduct issue were to be raised, it would be investigated thoroughly.

With regard to training, every new inspector goes through an "orientation" with their supervisor. During this time the new inspector is introduced to the various programs and policies at OPS. The supervisor and new inspector discuss the various program objectives and expectations. One policy in particular is the "Conducting Inspection Policy." Within this policy is section 3.2.2 "Practical and Behavioral Guidance for OPS Inspectors" which describes OPS's expectations for inspector conduct and behavior. PHMSA provides an ethics orientation to every new employee during onboarding that reviews the Standards of Ethical Conduct for Employees of the Executive Branch. Additionally, PHMSA also provides ethics training annually for all its employees.

Additionally, our inspectors are trained on performing an inspection exit briefing with operator personnel. Our inspectors are required to identify potential noncompliances to personnel who may face company chastisement for failing to ensure the company meets minimum safety requirements. These exit briefings are constructive, and inspectors are trained to identify the issues as potential, not final findings. Potential findings are discussed with Operations Supervisors and Region Directors. Region Directors make the final determination of whether an enforcement case will be initiated.

Continuing on with the new inspector's training and development, all inspectors attend several formal classroom training classes at OPS's Training and Qualification center in Oklahoma City, OK. In their initial class PL1250 Introduction to Pipeline Safety Inspections, there is a block of instruction "Standards of Ethical Conduct" which discusses conducting inspections in a professional manner and about their interactions with operators.

Finally, OPS is continuing to improve its programs and communication. Underway in 2024 is the updating and improvement of OPS's On-the-job Training (OJT) policy. Within this update we are emphasizing the introduction or orientation of new inspectors to better ensure the culture of OPS is introduced to new staff from the beginning of their career with OPS. Continuing with the inspectors' OJT, all inspectors are evaluated as they progress through OJT. Their supervisor will accompany them on inspections to observe their performance. A specific portion of that evaluation is the behavior and conduct of the inspector.

Question 7.b. If none have been created, can PHMSA commit to holding nationwide training for its inspection personnel in 2024? Furthermore, can PHMSA establish a frequency with which inspectors must be re-trained?

ANSWER. OPS believes it has adequate policies and programs to address the conduct and behavior of its inspection staff and conducts ongoing training for its inspection staff on various topics including required annual PHMSA ethics training. OPS leadership holds regular meetings with inspection staff throughout the year, and this topic is one that will be raised to continue to impress on staff the importance of ethical and professional behavior.

Question 7.c. How does PHMSA address reports from operators that inspectors have acted unprofessionally and/or violated the DOT's Standards of Ethical Conduct? What measures does PHMSA have in place to ensure that no retaliation occurs against an operator for making such a report?

ANSWER. PHMSA encourages operators to contact PHMSA management with any concerns about the performance or conduct of its inspectors; PHMSA cannot act to correct behavior it is not informed of. While conduct complaints are rare, allegations are taken seriously and thoroughly investigated. If possible and appropriate, PHMSA will maintain the anonymity of the complainant. All reports related to misconduct are immediately elevated throughout the PHMSA management chain for appropriate follow-up action.

Question 7.d. Concerns have also been raised about instances where PHMSA audits can take months to complete when they are scheduled to be completed in one week. Can PHMSA please explain why this occurs?

ANSWER. Pipeline inspections are rarely, if ever, scheduled to be completed in one week. A routine inspection will include a 1–2 day virtual scoping meeting with the operator, followed by a week or two of preparation as inspectors review operator incident data and compliance histories. This is generally followed by several days (or weeks depending on the size of the system) reviewing company procedures, maintenance manuals and records, and when appropriate, some of the procedural and record review are performed virtually. Some companies operate only a few hundred miles of pipeline and others many thousands of miles. A typical pipeline inspection includes evaluation of hundreds of pipeline miles and associated facilities, hundreds

of pages of procedures and multiple years of records. PHMSA physically inspects the system's compressor or pump stations, overpressure protection devices, manifolds, breakout tanks, as well as drive hundreds of miles verifying adequate cathodic protection (corrosion prevention) readings and right-of-way maintenance. Inspecting this quantity of facilities and materials generally occur over many weeks. In consideration of the impact to company staff, PHMSA will often spread the inspection weeks out over multiple months. For example, PHMSA may schedule a one-week inspection along an operator's right-of-way and then return a month later for a one-week examination of the operator's records at its office. Additionally, if an inspector identifies safety concerns, they may request additional information to better understand the circumstances. If this occurs, a scheduled inspection timeframe may be extended.

Question 7.e. What can PHMSA do differently to ensure that audits are completed efficiently going forward?

ANSWER. PHMSA crafts each inspection to focus on the known risks of the pipeline based on the company and pipeline history—as well as other risk-based factors. This means that all other things being equal, pipeline companies with better safety and compliance histories, as well as those that are situated in lower risk areas (e.g., not near schools, population centers) will experience relatively fewer inspections topics and a potentially shorter inspection time. During each of the last two years, PHMSA has invited stakeholders to its annual inspection planning meeting and asked they provide insight into what PHMSA is doing well in its inspection program and what can be improved. In 2024, PHMSA will again seek input from the regulated industry on ways to improve our efficiency and effectiveness.

As resources are available, PHMSA will explore opportunities to leverage machine learning to enhance our ability to focus inspection resources on the riskiest aspects of pipeline systems and perhaps lessen time spent evaluating less risky aspects. However, our number one priority continues to be the safe operation of the nation's 3.3 million miles of regulated pipelines that we oversee.

Question 7.f. Ensuring consistent auditing and understanding of the code is important to avoid ambiguity, misinterpretation, and confusion during PHMSA audits. How is the agency working to ensure that PHMSA inspectors are objectively and consistently auditing to the code language as opposed to incorporating their opinions or interpretations of the code?

ANSWER. As noted previously, PHMSA requires all federal and state inspectors to undergo rigorous training, provides continuous opportunities for various training, and is enhancing its OJT program to help ensure national consistency. PHMSA also provides its inspectors training and enforcement guidance, as well as access to agency decisions, interpretations, and consensus standards—many of these resources are also made publicly available by PHMSA.

Inspectors are not authorized to independently determine non-compliance and all proposed enforcement actions are reviewed by at least one supervisor and a region attorney prior to issuance. As mentioned, Region Directors make the final determination of whether an enforcement case will be initiated. This ensures that the enforcement action is not based on inaccurate or inconsistent interpretations of the pipeline safety regulations.

If a company disagrees with an enforcement action, it has a multitude of response options, including requesting a hearing, settlement discussions, and petitioning for reconsideration of any final order. Ultimately, a challenge to a final PHMSA determination may be brought in federal court. PHMSA works to be clear and effective in its oversight and companies have many opportunities to contest PHMSA citations in both informal and formal settings.

Question 8. Representative Dusty Johnson (R–SD) asked Deputy Administrator Brown about PHMSA's technology pilot program and why the agency has not made modifications to it since, to date, no industry members have applied. In Deputy Administrator Brown's testimony, he stated that PHMSA sought feedback from stakeholders prior to the program being finalized, as well as after it was determined the program needed modifications.

Question 8.a. In testimony to the Committee on May 7, 2024, Deputy Administrator Brown stated PHMSA gathered public comment on the Pipeline Safety Enhancement Program (PSEP) before it issued program guidance. On what date(s) prior to February 2, 2022, did PHMSA request public input on the PSEP and how did it make this request?

Question 8.b. On February 2, 2022, PHMSA issued a Notice (87 Fed Reg 5939) outlining how PHMSA would review and process PSEP requests. The Notice makes no mention of PHMSA gathering public comments or description of how PHMSA in-

corporated public comments into the Notice. How did PHMSA reflect in the February 2, 2022 Notice any public comments it may have gathered?

Question 8.c. In testimony to the Committee on May 7, 2024, Deputy Administrator Brown stated PHMSA gathered feedback from stakeholders after the Committee's 2023 hearing and questioning on this topic. On what dates did PHMSA meet with stakeholders to discuss PSEP improvements? With which groups did PHMSA meet?

Question 8.d. What actions has PHMSA taken to make changes to its PSEP request review process to improve program participation?

ANSWER to 8.a., 8.b., 8.c., & 8.d. 49 U.S.C. 60142 authorized PHMSA to allow innovative technologies and operational practices that may provide more robust protection of public safety and the environment than the existing Federal pipeline safety regulations. PHMSA issued program guidance on February 2, 2022, and on February 9, 2022, met with representatives of the industry (i.e., Association of Oil Pipelines) to discuss possible improvements to the PSEP process. During the hearing it was mentioned that PHMSA did not receive any public comment regarding the PESP process.

Prior to the issuance of a Federal Register notice (Notice) regarding the establishment of the PSEP (87 FR 5939), PHMSA held virtual gas and liquid pipeline advisory committee meetings, and the industry submitted comments to the docket for PHMSA's consideration in the development of the PSEP guidance materials. Following the issuance of the Notice, PHMSA met with industry representatives to discuss potential candidates for participation; however, none of the projects moved forward.

QUESTIONS TO CHRISTINA SAMES, SENIOR VICE PRESIDENT, SAFETY, OPERATIONS, ENGINEERING, AND SECURITY, AMERICAN GAS ASSOCIATION, FROM HON. TROY E. NEHLS

Question 1. The PIPES Act of 2023 includes authorization of a voluntary information sharing system (VIS) at PHMSA. I understand the American Gas Association (AGA) has its own internal confidential reporting system.

Question 1.a. What are the benefits of PHMSA establishing such a program compared to AGA's internal system or separate system created by industry?

ANSWER. AGA's voluntary information sharing program only collects data from AGA members and is only available to AGA's members. If PHMSA is authorized to create a VIS, it (or a designated organization) could collect information from all of its regulated pipeline operators, as well as others willing to share pipeline safety data and lessons learned from events. It could also collect information broader in scope than that currently collected by AGA, such as pipeline integrity threat and risk analysis information. This would provide a more wholistic view of pipeline safety challenges, remediation measures, and lessons learned from incidents, near misses, and other events.

Standing up a VIS under PHMSA's purview could also leverage the data entry interface that the agency already uses for incidents and other mandatory reporting. A familiar user interface could help drive data consistency and encourage participation from operators.

Question 1.b. From your perspective, how much participation would a VIS system see from pipeline operators?

ANSWER. I believe that it will depend on how the VIS is set up and managed. I believe that operators will voluntarily submit data to the VIS only if the VIS is created with the proper legal protections and assurances of confidentiality, if PHMSA is clear on how it will collect the data and protect the confidentiality of those submitting the data, if PHMSA and state regulators make it clear that data submitted to the VIS cannot be used as evidence for enforcement or litigation (unless there is evidence of a criminal violation), and if PHMSA is clear on how it will utilize the data to work with others to improve pipeline safety. If any element is missing, I believe that operators will be hesitant to submit information. AGA believes there may be value in contemplating an independent organization to collect this information on behalf of the industry.

Question 1.c. What pipeline safety outcomes do you envision once a VIS system is established and operational?

ANSWER. The VIS provisions in the T&I bill are similar to voluntary information collection systems AGA has established. As an example, one of the voluntary collection systems AGA manages is the Plastic Pipe Database. The database contains approximately 150,000 reports on plastic pipe failures and the data is analyzed several

times each year by a group of representatives from government (PHMSA, the NTSB, state regulators and commissioners) and industry (natural gas operators and manufacturers). After each meeting, the committee publishes a status report of its analysis. These status reports have been used by—

- Natural gas distribution operators when they are revising their distribution integrity management programs, determining if changes need to be made to pipeline replacement practices or risk models, and for safety updates to employees and field crews
- Manufacturers to determine if changes need to be made to their installation instructions
- Contractors to help identify materials they encounter when conducting pipe repair and replacement
- Government when analyzing data from incidents, conducting audits, or issuing advisories

I envision that the VIS reports will be used in a similar fashion, highlighting potential trends or findings that enable industry stakeholders to make more informed decisions that can lead to improved pipeline safety.

QUESTIONS TO CHRISTINA SAMES, SENIOR VICE PRESIDENT, SAFETY, OPERATIONS, ENGINEERING, AND SECURITY, AMERICAN GAS ASSOCIATION, FROM HON. FREDERICA S. WILSON

Question 1. For the record, could you state what has been the leading cause of serious, significant, and all pipeline incidents over the last 20 years, and the last 3 years? Where do excavation damage incidents rank among leading causes?

ANSWER. Over the last 20 years, based on PHMSA data [1] analyzed 5/29/2024:

- Serious Pipeline Incidents:
  - *Natural gas distribution systems*: The leading cause of serious incidents is "Other Outside Force"—24.8%; 124 incidents. Most "Other Outside Force" incidents were vehicles hitting natural gas distribution infrastructure. The second leading cause of serious incidents is "Excavation Damage"—24.6%; 123 incidents.
  - *All systems* (natural gas and hazardous liquid transmission/distribution/gathering, LNG, underground storage): The leading cause of serious incidents is "Excavation Damage"—23.8%; 148 incidents. The second leading cause of all serious incidents is "Other Outside Force"—22.9%; 142 incidents.
- Significant Pipeline Incidents:
  - *Natural gas distribution systems*: The leading cause of significant incidents is "Excavation Damage"—33.6%; 449 incidents. The second leading cause of significant incidents is "Other Outside Force"—23.2%; 311 incidents.
  - *All systems*: The leading cause of significant incidents is "Material/Weld/Equipment Failure"—31.9%; 1841 incidents. The second leading cause of significant incidents is "Corrosion"—20.5%; 1182 incidents. The third leading cause "Excavation Damage"—15.1%; 874 incidents.
- All Pipeline Incidents:
  - *Natural gas distribution systems*: The leading cause of all reported incidents is "Excavation Damage"—33.7%; 794 incidents. The second leading cause of all reported incidents is "Other Outside Force"—31.4%; 739 incidents.
  - *All systems*: The leading cause of all reported incidents is "Material/Weld/Equipment Failure"—40.3%; 5123 incidents. The second leading cause of significant incidents is "Corrosion"—18.4%; 2337 incidents. The third leading cause "Excavation Damage"—11.2%; 1427 incidents.

Over the last 3 years, based on data analyzed 5/29/2024:

- Serious Pipeline Incidents:
  - *Natural gas distribution systems*: The leading cause of serious incidents is "Excavation Damage"—28.0%; 14 incidents. The second leading cause of serious incidents is "Incorrect Operation"—24.0%; 12 incidents. The third leading cause of serious incidents is "Other Outside Force"—22.0%, 11 incidents.
  - *All systems*: The leading cause of serious incidents is "Incorrect Operation"—29.7%; 19 incidents. The second leading cause of all serious incidents is "Excavation Damage"—21.9%; 14 incidents.
- Significant Pipeline Incidents:

[1] Data on Serious, Significant, and All Reported Incidents can be found on the following website: Pipeline Incident 20 Year Trends—PHMSA (dot.gov) [https://www.phmsa.dot.gov/data-and-statistics/pipeline/pipeline-incident-20-year-trends]

- *Natural gas distribution systems*: The leading cause of significant incidents is "Excavation Damage"—42.1%; 72 incidents. The second leading cause of significant incidents is "Other Outside Force"—21.1%; 36 incidents.
- *All systems*: The leading cause of significant incidents is "Material/Weld/Equipment Failure"—34.4%; 276 incidents. The second leading cause of significant incidents is "Corrosion"—24.0%; 193 incidents. The third leading cause "Excavation Damage"—14.3%; 115 incidents.

- All Pipeline Incidents:
  - *Natural gas distribution systems*: The leading cause of all reported incidents is "Excavation Damage"—42.8%; 95 incidents. The second leading cause of all reported incidents is "Other Outside Force"—24.8%; 55 incidents.
  - *All systems*: The leading cause of all reported incidents is "Material/Weld/Equipment Failure"—43.6%; 818 incidents. The second leading cause of significant incidents is "Corrosion"—23.9%; 447 incidents. The third leading cause is "Incorrect Operation"—10.9%; 204 incidents and "Excavation Damage" is the fourth leading cause—8.5%; 159 incidents.

When viewing the leading cause of deaths resulting from a pipeline event:

- 20-year average:
  - *Natural gas distribution systems*: "Other Outside Force" was the leading cause of death (47 fatalities) followed by "Excavation Damage" (42) and "Unknown" (34)
  - *All systems*: "Excavation Damage" was the leading cause of death (66 fatalities) followed by "Other Outside Force" (55) and "Unknown" (35)
- 3-year average:
  - *Natural gas distribution systems*: "Unknown" was the leading cause of death (12) followed by "Other Outside Force" (9) and "Excavation Damage" (1) and "Incorrect Operations" (1)
  - *All systems*: "Unknown" was the leading cause of death (12) followed by "Other Outside Force" (10) and "Material/Weld/Equipment Failure" (4). "Excavation Damage" resulted in 1 fatality.

When viewing the leading cause of injuries requiring in-patient hospitalization from a pipeline event:

- 20-year average:
  - *Natural gas distribution systems*: "Excavation Damage" was the leading cause of injuries (199) followed by "Other Outside Force" (158) and "Incorrect Operation" (139)
  - *All systems*: "Excavation Damage" was the leading cause of injuries (248) followed by "Incorrect Operation" (181) and "Other Outside Force" (180)
- 3-year average:
  - *Natural gas distribution systems*: "Excavation Damage" was the leading cause of injuries (25) followed by "Incorrect Operation" (12) and "Material/Weld/Equipment Failure" (10) and "Unknown" (10)
  - *All systems*: "Excavation Damage" was the leading cause of injuries (25) followed by "Incorrect Operation" (19) and "Material/Weld/Equipment Failure" (15) and "Unknown" (15)

QUESTIONS TO ROBIN RORICK, VICE PRESIDENT OF MIDSTREAM POLICY, AMERICAN PETROLEUM INSTITUTE, FROM HON. TROY E. NEHLS

Question 1. The PIPES Act of 2023 includes authorization of a voluntary information sharing system (VIS) at PHMSA.

Question 1.a. What are the benefits of PHMSA establishing such a program compared to a system created by industry?

ANSWER. A government run Voluntary Information Sharing (VIS) program is a proven model that has had success at the Federal Aviation Administration (FAA) and shown positive results in safety performance for the aviation industry. This committee has wisely chosen to take a similar approach. The VIS program is intended to be a new paradigm for analyzing pipeline safety data that is separate and apart from, but complementary and additive to, existing PHMSA pipeline safety programs, which is why it is important that PHMSA play a leadership role. PHMSA has an Accident Investigation Division (AID) that is well positioned to lead this effort and build on the current programs and initiatives being implemented at AID.

Like the program established for the airline industry, a federal agency-led initiative will provide a vehicle for operators to safely and securely submit any related

safety information. This information can then be aggregated and redistributed back out to the industry for consideration and, where appropriate, action.

Question 1.b. From your perspective, how much participation would a VIS system see from pipeline operators?

ANSWER. If designed properly to ensure the information is protected and not used punitively, as is the case with your bill, API believes that its member companies that operate pipeline systems are likely to participate in the program. However, participation would be more likely if there is a robust process for data transfer and management and appropriate confidentiality protection is provided for all information submitted to the VIS. Without such assurance and incentives, operators would be concerned that the information could be used punitively, and therefore operators would be less inclined to voluntarily share information. Using the information punitively would inhibit the shared objectives of industry, government and public advocacy groups to advance safety and reach our goal of zero pipeline incidents.

The model established for the aviation industry, which this language reflects, provides appropriate levels of information protection and has seen great success with regard to information and data submittal.

Question 1.c. What pipeline safety outcomes do you envision once a VIS system is established and operational?

ANSWER. As an industry, we are constantly working to improve our safety record. Having access to as much information and data as possible helps ensure that the industry can take appropriate action to accurately target potential threats or risks of incident.

The VIS program's collaborative approach to collecting and analyzing safety-related information has the potential to further enhance safety through timely and meaningful sharing of trends and potential risks across our industry, while enhancing safety management systems and strengthening safety culture.

Ultimately, proactively reducing and eliminating pipeline releases will minimize personal injuries and damage to the environment while ensuring that the industry can continue to deliver the benefits of affordable and reliable energy to the public.

QUESTIONS TO BILL CARAM, EXECUTIVE DIRECTOR, PIPELINE SAFETY TRUST, FROM HON. TROY E. NEHLS

Question 1. Does the Pipeline Safety Trust support this Committee's bipartisan legislation to reauthorize the pipeline safety programs at PHMSA?

ANSWER. The Pipeline Safety Trust appreciates the bipartisan spirit in creating this legislation and does not oppose the bill. But because we still have a long way to go to eliminate the hazards from our nation's pipelines, we hope the Senate can produce legislation that includes more of our priorities that will lead to more progress on pipeline safety. We are a long way from our shared goal of zero incidents, and much more must be done to make meaningful progress. Strong legislation is a powerful and resilient path towards that goal.

Question 2. Does the Pipeline Safety Trust support the creation of a voluntary information sharing system (VIS) at PHMSA?

ANSWER. The Pipeline Safety Trust does not oppose the creation of a voluntary information sharing (VIS) system, though we do have concerns with the makeup of the governing board as outlined in the legislation. Specifically, we have concerns with "public safety-focused research institutions" being included in the public caucus rather than the industry caucus.

QUESTION TO BILL CARAM, EXECUTIVE DIRECTOR, PIPELINE SAFETY TRUST, FROM HON. FREDERICA S. WILSON

Question 1. Integrity management programs are the primary tool that pipeline operators use to ensure the safety of their pipelines. For the record, is integrity management working as intended?

ANSWER. The Pipeline Safety Trust does not believe the Integrity Management (IM) program is working as intended. IM asks operators to identify all potential threats in High Consequence Areas (HCAs) and create and implement a plan to mitigate against those threats. Regulations do not require operators to perform IM on pipelines outside of HCAs. We would expect, after about 20 years of IM, to see lower incident rates within HCAs versus outside HCAs if the program was working effectively. However, we generally see the exact opposite.

PHMSA itself has pointed out problems with IM regulations. The NTSB has detailed the issues. A recent NAS report on rupture mitigation valves detailed problems with IM. We don't believe the program needs to be thrown out, but stakeholders need to figure out what is and isn't working, create an improvement plan, and implement that plan.

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